FREE CHEAT SHEET

Grant Glossary: Plain-Language Grant Terms (Free PDF)

More than 90 grant terms defined in plain language and grouped by theme, from funders and proposal parts to budgets, evaluation, federal terms and post-award.

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> This glossary explains common grant terms in plain language. The definitions are general. Funders sometimes use the same word in different ways, so where a funder defines a term in its own instructions or award documents, that definition is the one that applies.

Funders and opportunities

Term	Plain-language meaning
Grant	Money awarded for a stated purpose that does not have to be repaid as long as the terms are met.
Funder (grantmaker)	The organization that awards the grant.
Grantee (recipient)	The organization that receives the grant and is responsible for it.
Private foundation	A nonprofit grantmaker funded mainly by one source, such as a person, a family or a company.
Community foundation	A public charity that pools gifts from many donors and makes grants, usually in a defined area.
Corporate foundation	A foundation set up and funded by a company.
Donor-advised fund	A giving account held at a sponsoring charity. The donor recommends grants from it.
Funding opportunity	A funder's announcement that it is accepting applications for a purpose.
Request for proposals (RFP)	A funder's published invitation to apply, with its instructions.
Eligibility	The conditions an applicant must meet to be considered.
Funding priority	A topic, population or place the funder has said it wants to support.
Invitation only	The funder accepts applications only from organizations it has asked to apply.
Unsolicited proposal	A proposal sent without an invitation or an open call. Many funders do not accept them.
Program officer	The funder's staff member who manages a funding area and is often the applicant's contact.
Fiscal sponsor	An established nonprofit that receives and manages funds for a group or project that lacks its own tax-exempt status.

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Types of support

Term	Plain-language meaning
Project (program) support	Funding for a specific project with its own activities and budget.
General operating support	Funding the organization may use for its overall work and running costs.
Capacity-building grant	Funding to strengthen the organization itself, such as systems, training or planning.
Capital grant	Funding for buildings, land, renovation or major equipment.
Matching grant	A grant that requires the recipient to supply funds or resources of its own alongside it.
Challenge grant	A grant paid only if the recipient raises a set amount from other sources.
Multi-year grant	A grant that covers more than one year.

Proposal parts

Term	Plain-language meaning
Letter of inquiry (LOI)	A short summary of a project sent to see whether the funder wants a full proposal.
Letter of intent	A notice that you plan to apply. Some funders use the term to mean a letter of inquiry.
Concept paper	A brief outline of a project idea, often used to start a conversation with a funder.
Proposal (application)	The full written request, with its forms, narrative, budget and attachments.
Abstract (executive summary)	A short overview of the whole proposal.
Statement of need	The section that documents the problem and who is affected.
Goal	A broad statement of what the project aims to achieve.
Objective	A specific, measurable result the project commits to within a set time.
Work plan	A table of activities with who is responsible and when each happens.
Logic model	A one-page picture linking resources and activities to outputs and outcomes.
Theory of change	An explanation of how and why the planned work is expected to lead to the desired change.
Organizational capacity	The section showing the applicant has the people, experience and systems to deliver.
Sustainability plan	How the work will continue after the grant ends.
Letter of support	A letter from a partner or community member backing the project.

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Term	Plain-language meaning
Letter of commitment	A letter stating the specific resources or actions a partner has agreed to provide.
Memorandum of understanding (MOU)	A written agreement setting out what each partner will do.
Review criteria	The standards the funder says it will use to judge applications.
Scoring rubric	A guide that shows reviewers how to assign points for each criterion.

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Budget and finance

Term	Plain-language meaning
Budget	The planned costs of the project and where the money will come from.
Budget justification (budget narrative)	A written explanation of how each cost was calculated and why it is needed.
Direct costs	Costs that can be tied to the project, such as project staff and supplies.
Indirect costs (overhead)	Shared costs that support the project but cannot easily be tied to it, such as accounting and rent.
Indirect cost rate	The percentage used to calculate the indirect costs charged to a grant.
Personnel	Salaries and wages of staff who work on the project.
Fringe benefits	Employer costs on top of pay, such as payroll taxes and health insurance.
In-kind contribution	Donated goods, services, space or time, given a fair value in the budget.
Match (cost share)	The part of the project cost the applicant must cover from other sources.
Allowable cost	A cost the funder's rules permit the grant to pay for.
Unallowable cost	A cost the grant may not pay for.
Restricted funds	Money that may be used only for the purpose the donor or funder set.
Unrestricted funds	Money the organization may use where it is most needed.
Supplanting	Using grant funds to replace money already budgeted for the same purpose. Many public funders prohibit it.
Audit	An independent examination of an organization's financial statements.
Reimbursement basis	The recipient spends its own money first, then asks the funder to pay it back.

Evaluation

Term	Plain-language meaning
Evaluation plan	How the project will measure whether it did what it promised.
Inputs	The resources a project uses, such as staff, funding and space.
Outputs	The countable products of activities, such as sessions held or people served.
Outcomes	The changes that result, such as new skills, changed behavior or improved conditions.

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Term	Plain-language meaning
Impact	Longer-term change in a community or system that the project contributes to.
Indicator	The specific thing you measure to see whether an outcome is happening.
Baseline	The starting measurement, taken before the project begins.
Target	The level of an indicator the project aims to reach.
Quantitative data	Information expressed in numbers.
Qualitative data	Information expressed in words, such as interviews and open-ended answers.
Process evaluation	A look at whether the project was delivered as planned.
Outcome evaluation	A look at whether the project produced the changes it aimed for.
SMART objective	An objective that is specific, measurable, achievable, relevant and time-bound.

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Federal terms

Term	Plain-language meaning
Notice of Funding Opportunity (NOFO)	A federal agency's formal announcement of a grant program, with its rules and review criteria.
Grants.gov	The federal website where agencies post grant opportunities and many applications are submitted.
SAM.gov	The System for Award Management, the federal site where organizations register before applying for federal awards.
Unique Entity ID (UEI)	The identifier assigned to an organization through SAM.gov.
Assistance Listing	A public description of a federal assistance program, each with its own number.
Discretionary grant	A grant an agency awards through a competitive review of applications.
Formula grant	Funding distributed to eligible recipients, often states, using a formula set in law.
Cooperative agreement	An award like a grant in which the agency expects to be substantially involved in the work.
Pass-through entity	A recipient, often a state, that passes federal funds on to other organizations.
Subrecipient	An organization that receives a subaward to carry out part of a federal program.
Subaward	An award a pass-through entity makes to a subrecipient.
Uniform Guidance	The government-wide rules for federal awards, covering administration, cost principles and audits.
Negotiated indirect cost rate	An indirect cost rate an organization has formally agreed with a federal agency.
De minimis rate	A flat indirect cost rate that an eligible organization without a negotiated rate may choose to use.
SF-424	The family of standard federal application forms.
Merit review (peer review)	Scoring of applications against published criteria, often by outside experts.
Program income	Money a recipient earns from activities the award supports.
Single audit	An audit required of organizations that spend federal funds above a set level in a year.

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Post-award

Term	Plain-language meaning
Notice of award	The official document that confirms a grant and sets its amount and terms.
Grant agreement	The signed document that sets out what the funder and the recipient have each agreed to.
Grant period (period of performance)	The dates between which the funded work must take place.
Progress report	A report on activities and results so far.
Financial report	A report on how grant funds have been spent.
Final report	The report due at the end of the grant covering the whole period.
Budget modification	An approved change that moves funds between budget lines.
No-cost extension	Extra time to finish the work with no additional money. It needs the funder's approval.
Carryover	Unspent funds from one budget period that the funder allows to be used in the next.
Site visit	A visit by the funder to see the program and meet staff.
Compliance	Following the rules attached to the award.
Closeout	The steps that formally end an award, including final reports and financial reconciliation.
Declination	A funder's decision not to fund an application.

Want help with this? The Complete Grant Architect is a free 16-week grant writing course, and you can hire a grant writer for your next proposal. Both are at subthesis.com.

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