

Monadnock United Way (MUW) Investment Process: Glossary of Common Terms

A working document, drafted March 2019

Investment Process Terms

- **Allocations:** The term previously used for MUW's Investment Process, prior to the introduction of focus area funding
- **Transition Funding:** MUW funding opportunity for 2020 only available to currently-funded MUW partners with programs that do not align with the Financial Stability/Basic Needs focus area
- **Focus Areas:** The three main areas that MUW seeks to invest in – Children, Education and Financial Stability/Basic Needs – as presented in MUW's 2016 Strategic Plan
- **Request for Proposals (RFP):** The competitive process through which non-profit programs that align with the Financial Stability/Basic Needs focus area apply for MUW funding
- **Concept Paper:** The first step of the Request for Proposals process, which requires programs to complete a brief set of questions outlining the funding request; applicants who pass the Concept Paper round are invited to complete a full application
- **e-CImpact:** MUW's online grants management database, which contains all application and reporting forms for non-profit partners, as well as evaluation forms for Investment Process volunteers
- **Basecamp:** An online platform used by MUW's Investment Team volunteers for file sharing during the Investment Process
- **Site Visit:** A required part of the Investment Process, in which Investment Team volunteers schedule and conduct a 1-hour visit with the applying program to obtain deeper understanding of the program; typically, but not always, takes place at the program site
- **Campaign:** MUW's annual fundraising campaign; campaign results inform the amount of money that can be awarded to applicants in any given year
- **Impact Monadnock:** The community-led impact initiative of MUW dedicated to supporting the region's young children (ages 0-5) and their families; not part of the Investment Process, but many funded partners collaborate with MUW staff on activities for Impact Monadnock
- **Collective Impact:** A collaborative, cross-sector approach where organizations bring together their strengths to more effectively address some of our regions' most complex and pressing issues
- **"Overhead":** The "overhead ratio" commonly refers to the percentage of a nonprofit organization's expenses that is devoted to administrative costs and fundraising costs (see below); learn more about "overhead" at <http://overheadmyth.com/faqs/>

- **Administrative Expenses:** Include investments in an organization's infrastructure and operations, such as: staff dedicated to accounting and human resource activities, technologies devoted to these functions, governing board expenses, the production of an annual report, management systems, etc.
- **Fundraising Expenses:** Include any costs incurred in the process of or with the intent of asking potential donors to contribute funds, materials, or time, such as: staff time dedicated to donor development, direct mail expenses, maintenance of donor mailing lists, holding fundraising events, and more

See next page for terminology related to performance measurement.

Performance Measurement Terms

- **Strategy:** The approach or type of activity that the program will undertake to achieve a desired outcome
 - Often referred to as *activities, processes, or methods*
- **Output:** The measurable, tangible and direct results (or projected results) of program activities
 - Often referred to as *deliverables, units of service or products*
- **Outcome:** The change(s) that will take place as a result of the program
- **Indicator:** A measure that tells if/how well the program is achieving a desired outcome
- **Performance Target:** Projection of the # and % of people achieving a specific indicator

Example: Program ABC is a youth mentoring program that matches low-income youth with caring adult mentors to help youth achieve their academic potential.

- Program ABC's **strategies** (activities) include:
 - Recruiting volunteer mentors
 - Training mentors on program curriculum
 - Recruiting youth participants and obtaining parental permission
- The **outputs** (units of service) of these strategies include:
 - Recruiting 15 volunteer mentors
 - Delivering 10 hours of training to each mentor
 - Recruiting 15 youth participants and obtaining parental permission for 100% of youth
- Program ABC's **outcomes** for youth participants include:
 - **Short-term:** Increased youth enrollment in program; increased attendance at program meetings/events
 - **Intermediate:** Increased study hours outside of school; improved school attendance; improved emotional well-being; improved social behavior
 - **Long-term:** Improved academic achievement
- **Indicators** for these outcomes include:
 - **Short-term:**
 - # and % of youth enrolled in program
 - # and % of youth attending program meetings/events
 - **Intermediate:**
 - # of hours youth report studying outside of school
 - # of youth absences at school
 - # and % of youth reporting improved emotional well-being
 - # and % of mentors reporting improvement in youth's social behavior
 - **Long-term:**
 - # and % of youth graduating from high school
 - # and % of youth pursuing higher education
- **Performance targets** for these indicators are the actual numbers that replace # and % (above), projecting levels of achievement for each indicator.