

## Part 4

### Glossary

For the purposes of this Program, the following definitions apply:

**ABORIGINAL ORGANIZATIONS/ GOVERNING BODIES** include First Nation Tribal Councils and Inuit and Métis equivalent governing organizations

**BUSINESS PLAN** is a working tool for turning a [strategic plan](#) into reality. It provides a road map for board, staff and organizational partners and is used to attract in particular private sector funders (foundations, corporations and individual donors). Typical business plans project organizational growth for the next 2 to 5 years. They usually include financial projections and targets, the size of markets (actual and potential) as well as information on market trends. A business plan describes how the organization is accountable to the community and its methods for monitoring and evaluating progress. A business plan may be a document separate from the organization's strategic plan, or it may incorporate the strategic plan.

**CAPACITY** in the context of this program, refers to organizational competencies and the extent to which these are effective in realizing an articulated mandate. It refers in this context to competencies in financial management, governance practices, planning, marketing and organizational development policies. Capacity building is any undertaking, which would expand, increase or develop an organization's competencies.

**CASHFLOW FORECAST** is the critical path of cash coming in and cash going out during a specific period of time. Preparing a monthly cash flow forecast provides the opportunity to show dollar figures, representing revenues and expenses, in the month the organization expects to collect and spend the cash over the course of a project.

**CONTRIBUTION** is a conditional transfer payment to an individual or organization for a specified purpose pursuant to a contribution agreement that is subject to audit and review.

**CONTRIBUTION AGREEMENT** is a legal agreement between a donor department and a prospective recipient of a contribution, which describes the obligations of each.

**CONSULTANTS** are individuals or group of individuals with specialized knowledge and/or skills. They are not part of an arts or heritage organization staff, but rather are contracted for a fee to provide specific services to an organization. These services may include board development, strategic or business planning, marketing, communications, outreach, fundraising, or human resource policy development or training.

**CREATION/PRODUCTION** describes the artistic and research effort behind creating and producing a new or substantially revised artwork (e.g. play, dance, performance, score, script, sculpture, video, installation). The final product is the property of the professional artist or arts organization.

**DEFICIT** occurs when, in any fiscal year, the expenses of an organization exceed its revenue.

**FEASIBILITY STUDY** is an analysis of the factors determining the successful completion of a project or attainment of the project objectives. The purpose of a feasibility study is to analyze the

costs and benefits to the organization of undertaking a given project, in order to determine the best approach to accomplish specified goals.

**GOVERNANCE** in its widest sense refers to how any organization is run. It includes all the processes, systems, and controls that are used to safeguard and grow assets. In the non-profit sector it refers to the actions of the board of directors (or equivalent) of the organization with respect to establishing and monitoring the long-term direction of that organization. An appropriate organizational governance structure is one in which the various responsibilities are clearly identified and distributed and guidelines are endorsed by all executives of the organization and where the vision, mission and objectives of the organization are in balance with its human and financial resources so that it can be viable.

**GRANT** is a transfer payment made to an organization, which is not subject to an audit but for which eligibility and entitlement may be verified or for which the recipient may need to meet pre-conditions.

**MUSEUM** is a non-profit making, permanent institution in the service of society and of its development, and open to the public, which acquires, conserves, researches, communicates and exhibits, for purposes of study, education and enjoyment, material evidence of people and their environment. " (ICOM, 2001) (see <http://icom.museum/definition.html>)

**OUTCOMES** are the changes effected as a result of project [outputs](#); they are the project's effects or consequences. Outcomes may occur within organizations, communities, and individuals; they may relate to behaviour, skills, knowledge, attitudes, values, condition, or other attributes. Outcomes must be measurable. While there is less degree of control over the outcomes, there should be a direct relationship between outputs and outcomes.

**OUTPUTS** are the most immediate results of your project, usually involving the creation of products and/or services.

**PERFORMANCE INDICATOR** is a point of measure for tracking how and to what degree a project has achieved its intended results – qualitative and quantitative. Quantitative indicators express indicators as a ratio, percentage, comparison, number. Qualitative indicators express indicators as a change or a comparison between two states or situations.

**PERFORMANCE MEASUREMENT** is an approach to planning and managing projects that requires clear objectives, activities, expected results ([outputs](#) and [outcomes](#)) and measurement of results.

**PROJECT** refers to activities undertaken by a funding recipient. A project has a clear start and end date, occurs within a reasonable period of time, and demonstrates measurable outputs and outcomes.

**STABILIZATION PROJECT** is an organization incorporated as not for profit under the Canada Corporations Act, Part II or provincial or territorial legislation. It is governed by a Board of Directors representing a broad range of community stakeholders and is administered by a team of professionals. The mission of a Stabilization Project is to be an agent of change that will assist cultural organizations in their efforts to increase their long-term viability.

**STRATEGIC PLAN** is a clearly written document that describes an organization's mandate, its short, mid and long-term goals or objectives, and the priority actions necessary to realize these goals and objectives.