

# GLOSSARY OF GOVERNANCE TERMS



Certain English words, terms and phrases do not translate well or have a historic or cultural context making them inappropriate as a definition of the key features of Community Foundations. This list is intended to give a broad definition of some common governance terms and to identify problematic terminology requiring sensitive interpretation as international dialogue expands. For a wider glossary please see <http://www.wingsweb.org/Resources/glossary.htm>

Term	General definition	Appropriateness of Use
<b>Accountable</b>	Responsible; required to account for policies and actions undertaken	<b>Ireland</b> – Also, open and transparent <b>Italy</b> – Not used, Transparency preferred <b>Russia</b> – Not Used, Responsible preferred <b>Poland</b> – Not Used, Responsible preferred
<b>Advisory Committee</b>	Group of suitably-qualified people convened to advise trustees on specific issues. May include trustees or directors.	<b>Ireland</b> – Also, expert groups or task forces <b>Poland</b> – Advisory Board also used
<b>Beneficiaries</b>	Grantees; groups or individuals who benefit from grants made.	<b>Poland</b> – Used, also recipients
<b>Board</b>	Collective name for body of trustees or directors having formal and legal responsibility for an organization's mission and management.	<b>Germany</b> – Ambiguous. Specific Board is more properly referenced (i.e., Executive Board, Governing Board, Supervisory Board). <b>Poland</b> – May imply a number of Governance Groups depending on legal structure <b>Russia</b> – Used, but Council is also used
<b>Board Diversity</b>	Board composition structured to ensure it broadly reflects the range of perspectives and viewpoints in the community at large (eg. ethnicity, gender, geography, ability/disability, sexuality, age, etc)	<b>Germany</b> – Does not translate <b>Ireland</b> – Also, Inclusive Board <b>Russia</b> – Not used, Representative Board preferred <b>Poland</b> – Representative Board preferred
<b>Board Officers</b>	Trustees serving the Board in a specific capacity, eg Treasurer, Chair, Company Secretary	<b>UK</b> - Honorary officers may be either trustees fulfilling a specialized role without payment, eg Chair, Treasurer; or high-profile supporters who do not vote , eg, Patron, Vice-President
<b>Charity/Charitable</b>	Pertaining to a non-profit organization established for public benefit; philanthropic.	<b>Italy</b> – Typically used with the Church <b>United States</b> – Typically not used with CF's, Philanthropy preferred

# TCFN- GLOSSARY OF GOVERNANCE TERMS

		<b>Poland</b> – charity and philanthropy used by CFs
<b>Code of Ethics</b>	Agreed set of rules establishing moral boundaries for an organization's practice.	<b>Germany</b> - does not translate
<b>Community</b>	Group of people living in a defined location or united by a common interest	<b>Czech Republic</b> – Used increasingly, but has many meanings <b>Germany</b> – Does not translate <b>Russia</b> – Understood, but very formal and typically not used <b>Poland</b> – Used increasingly as a local community
<b>Community Leadership</b>	The practice of identifying issues of importance in a community and taking a prominent, proactive role in initiating action to address them.	<b>Czech Republic</b> – Used, but tends to focus on the individual (being strongest and far away from the others) <b>Germany</b> – Does not translate <b>Italy</b> – Strong expression but can be maintained in English <b>Russia</b> – Not used, typically use Key Figures <b>UK</b> - rarely used in American sense – seen as presumptuous <b>Poland</b> – Used increasingly in relation to the local community
<b>Development (Asset)</b>	The attraction and building of assets, financial and otherwise.	<b>Germany</b> – Misleading. The term 'development' basically refers to organizational development. 'Asset development' is understood, however fundraising might be more common. <b>Poland</b> – fundraising preferred
<b>Donor Relations</b>	The cultivation of dialogue and understanding between a foundation and its donors, producing a relationship in which the donor's philanthropic intentions can best be fulfilled.	<b>United States</b> – Some now use of Philanthropic Services
<b>Due Diligence</b>	The exercise of proper responsibility required of trustees to ensure probity in a foundation's dealings.	<b>Germany</b> – Not used, mission preferred <b>UK</b> - duty of care, proper responsibility preferred <b>Poland</b> – not used
<b>Endowment</b>	Broadly, funds held in trust with the intention of permanence, where capital remains intact and	<b>Poland</b> – used, Polish equivalent is "iron capital"

# TCFN- GLOSSARY OF GOVERNANCE TERMS

	only income is spent.	
<b>Equal Opportunities</b>	Practice of eradicating unfair discrimination against any section of the community; ensuring all aspects of an organization's work are accessible to everyone.	<b>Poland</b> – used
<b>Fiduciary Responsibility</b>	Responsibility of trustees to exercise care or stewardship of the foundation and its assets.	<b>Czech Republic</b> – Does not translate <b>Italy</b> – Not used <b>Poland</b> – Not used <b>UK</b> –technical, not in common use. Trusteeship or stewardship preferred <b>Russia</b> – Does not translate
<b>Geographically-focused</b>	Relating to a specific area.	<b>Ireland</b> –National-focus, regional-focus or local-focus used instead.
<b>Gift</b>	Funds or other assets entrusted to a foundation.	<b>UK</b> - donation more common <b>Poland</b> – donation more common
<b>Governance</b>	The function or responsibility of governing .	See Board
<b>Governing Board</b>	See Board	<b>Germany</b> – See Board
<b>Governing Documents</b>	Statement of the legal terms of establishment and bylaws of a formally-constituted body such as a community foundation.	<b>UK</b> - constitution is used more typically <b>Poland</b> – means external and internal documents containing rules of governance, e.g. statute, regulations, bylaws, etc.
<b>Inclusive</b>	Designed to incorporate a range of community members or perspectives. May or may not be strictly representative.	<b>Poland</b> – not used, representative more common
<b>Independence</b>	Autonomous. Self-determining. Free of ties or obligations to any one external agency, company, family or individual.	
<b>Leadership</b>	The function of leading; person or team responsible for leading an organization.	<b>Czech Republic</b> – see Community Leadership <b>Germany</b> – Does not translate. CF's have a democratic structure and have the leadership on "several shoulders" <b>Europe</b> – May be viewed as a negative attribute due to the strong focus of the European Union on consensus

# TCFN- GLOSSARY OF GOVERNANCE TERMS

<b>Participatory</b>	Designed to promote active participation in an organization or exercise. May imply involvement of community members outside the foundation.	
<b>Partnership</b>	Working method in which organizations or individuals agree to work together in pursuit of common goals. May be formally constituted.	
<b>Permanent</b>	( <i>of endowment</i> ) Funds held in perpetuity, with legal obstacles to the spending of capital.	<b>Canada</b> – capital must be held for at least ten years to qualify for endowment disbursement quota <b>UK</b> - funds where the capital may never be spent <b>Poland</b> – perpetual also used
<b>Philanthropy</b>	The practical application of charitable aims.	<b>Czech Republic</b> – Often used to describe donations only <b>Germany</b> – Charity may be more appropriate <b>UK</b> - gaining currency from US but still has Victorian overtones <b>Poland</b> – has long history since 12 <sup>th</sup> century, but had bad connotation under communist regime, now reviving
<b>Policy</b>	Statement of trustees' agreed approach to matters of practice (eg investment policy, grantmaking policy)	<b>Germany</b> – Guidelines preferred <b>Portugal</b> – Strategy preferred <b>Poland</b> – strategy also used
<b>Prudence</b>	Exercise of caution in respect of financial dealings.	<b>Poland</b> – Not used
<b>Reflective of Community</b>	Involving people bringing a range of community perspectives (see also <i>Inclusive</i> )	<b>Germany</b> – Representative may be more appropriate <b>Russia</b> – Representative would be more appropriate <b>Poland</b> – Representative more common
<b>Self Dealing</b>	financial dealing that is not at arm's length; especially: dealing by a controlling individual primarily to the individual's own advantage	<b>Poland</b> – Not used
<b>Stewardship</b>	The state of being entrusted with an organization or its funds.	<b>Czech Republic</b> – Does not translate <b>Germany</b> – Does not translate <b>Ireland</b> – Not used, <i>Trusteeship</i> is preferred

# TCFN- GLOSSARY OF GOVERNANCE TERMS

		<p><b>Italy</b> – Does not translate</p> <p><b>Poland</b> – Does not translate</p>
<b>Transparency</b>	(of business practice) Openness, clarity of dealings; accessibility to outside scrutiny.	<p><b>United States</b> – Typically not used, Accountability is preferred</p> <p><b>Poland</b> – Clarity of dealings also used</p>
<b>Trustee</b>	Person legally charged with responsibility for an organization and its funds.	<p><b>Italy</b> – Does not translate</p> <p><b>Germany</b> – Does not translate</p> <p><b>United States, UK</b> – Typically used interchangeably with Director (i.e., Board of Trustees/Directors)</p> <p><b>Poland</b> – not used, corresponding role belongs to Member of the Management or Executive Board or Revision Committee</p>
<b>Variance Power</b>	Legal right of trustees in exceptional cases to commit funds to purposes determined by themselves rather than by donors.	<p><b>UK</b> – no common equivalent</p> <p><b>Poland</b> – not used</p>
<b>Voluntary</b>	Undertaking work in an unpaid capacity.	<p><b>Czech Republic</b> – Not used because of historical abuses of "volunteerism" by the communist regime</p> <p><b>Poland</b> – used, new term with an old idea of social worker</p>