

Illinois Arts Council Glossary

The purpose of this glossary is to provide a broad overview of terms commonly used by the Illinois Arts Council.

501(c)(3)

Section 501(c)(3) is a portion of the U.S. Internal Revenue Code (IRC) and a specific tax category for nonprofit organizations (*see also Nonprofit Organization*). Organizations that meet Section 501(c)(3) requirements are exempt from federal income tax. The Internal Revenue Service (IRS) recognizes more than 30 types of nonprofit organizations but only those that qualify for 501(c)(3) status can say that donations made to them are tax deductible. A 501(c)(3) organization is also forbidden from using its activities to influence legislation in a substantial way, including participating in any campaign activities to support or deny any particular political candidate.

Access Needs

Services provided to persons with disabilities to improve accessibility of arts programming.

Accessibility Coordinator

Individual that would answer any questions pertaining to an organization's facility accessibility or accessible programming.

Accessibility in the Arts

Accessibility in the Arts provides inclusive participation of people with disabilities in all cultural and creative spaces.

Americans with Disabilities Act, 1990 (A.D.A.)

A law that protects the rights of individuals with disabilities to receive the same accommodations and benefits as individuals without disabilities. Design for Accessibility: A Cultural Administrator's Handbook is a resource designed to help organizations comply with Section 504 and the Americans with Disabilities Act and is available for download by [clicking here](#).

Arts in Education

Arts in Education refers to the inclusion of arts learning in mainstream education. Students and teachers partner with artists, arts, and/or cultural institutions to incorporate the arts into their curriculum or programming. (Definition developed from [Grantmakers in the Arts](#).)

Arts Integration

An approach to teaching in which students construct and demonstrate understanding through an art form. Students engage in a creative process which connects an art form and another subject area and meets evolving objectives in both. (Definition developed from the [Kennedy Center](#).)

Arts Organization

An organization that exists to further the arts and whose purpose is producing or presenting the arts through public programs or services, as stated in their mission statement.

Audience(s)

Defined as the specified group(s) and/or community(ies) that an organization, program, or independent artist intends to serve through their services, projects, or programs.

Authorizing Official

Individual legally empowered to submit an application.

BIPOC

Black, indigenous, and/or people of color.

Budget

An estimate of income and expenditure for a set period of time.

Calendar Year

Fiscal year that runs from January 1 through December 31.

Community

The individuals or groups identified by an organization/independent artist as those for whom the organization's activities are intended.

Contact Person

Individual who is best able to provide information regarding application content and activities described in the grant application.

Contracted Services

Services rendered under contract to another party (agency, school, organization, company, or individual), and revenues derived from such services.

Cultural Process – culture and knowledge passed on through folk, popular, or elite cultural modes.

Elite or Academic Culture – the culture and knowledge taught officially through formal curricula and instructions such as schools, colleges, museums, and conservatories, as opposed to folk culture or popular culture.

Folk Culture – culture and knowledge passed on over time informally by word of mouth, imitation, and observance in the context of daily life. Also known as traditional culture and folklife.

Popular Culture – culture and knowledge passed on through mass media such as the Internet, newspapers, radio, television, etc.

Disability

A person with a disability is a person who has a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an impairment, or a person who is perceived by others as having such an impairment. The *medical model of disability* says people are disabled by their impairments or differences, while the *social model of disability* says that disability is caused by the way society is organized, rather than by a person's impairment or difference. (Definition developed from the ADA.)

Diversity

A measure of human difference within an organization, encompassing the varying characteristics that make a group or individual different from another, not an identity and not a synonym for historically resilient communities.

DUNS number

A unique 9-digit identification number assigned to businesses by Dun & Bradstreet. The federal government formally required a DUNS number of all organizations receiving federal grant monies; however, it has since transitioned to a Unique Entity Identifier requirement (*see also Unique Entity Identifier*).

Equality

Providing the same resources to everyone, independent of their needs.

Equity and Justice

The guarantee of fair treatment, access, opportunity, and advancement for all while striving to identify and eliminate barriers that have prevented the full participation of some groups.

Federal Taxpayer Identification Number (aka Employer Identification Number, or EIN)

A nine-digit account number identifying an employer for purposes of reporting wages and taxes to the Internal Revenue Service.

Fiscal Sponsorship

A contractual relationship that allows a person, group, or business to advance charitable or other exempt activities with the benefit of the tax-exempt status of a sponsor organization or individual.

Fiscal Year (FY)

A 12-month accounting period that a business uses for financial and tax reporting purposes.

Financial Stability

The ability of an organization to generate the financial resources necessary to support current and planned activities, as measured by the organization's prior record and the soundness of budgetary estimates, projections, and outcomes.

Financial Statement

Written documentation of the financial performance of an organization within a specific period of time, such as a balance sheet, income statement, or cash flow statement. IAC applications for general operational funding might require a financial statement to provide information on the applicant organization's operating activities for the most recently completed fiscal year. The statement is not narrative but a statement showing actual revenues and expenses.

General Operations

Refers to the activities and finances tied to an organization's normal business and programmatic operations. Expenses can include but are not limited to wages and benefits, rent, utilities, program and production supplies or materials, printing, marketing, fundraising, artistic fees, contractor fees, etc. Income can include but is not limited to earned revenue (e.g., tickets, admissions, program fees, etc.), contributed revenue (e.g., individual donations, grants, sponsorships, etc.), interest from investments, etc.

Grant Agreement

A legally binding contract between IAC and a successful applicant setting forth the rights and duties of the parties, which must be signed before grant funds may be disbursed.

High Poverty

An areawide poverty rate of 20 percent or more, based on the U.S. Department of Commerce, Bureau of the Census's Official Poverty Measure (OPM).

Inclusion

The act of creating environments in which any individual or group can be and feel welcomed, respected, supported, and valued to fully participate. It embraces differences and offers respect in words and actions for all people. While an inclusive group is by definition diverse, a diverse group isn't always inclusive. Recognition of unconscious or implicit bias helps organizations to be deliberate about addressing issues of inclusivity. (Definition developed from [Grantmakers in the Arts.](#))

Income from Goods/Services Sold

The total amount paid by purchasers to an organization for artwork or other goods sold, or for services provided by the organization.

Independent Artist

Artists making work unaffiliated with an institution or organization.

Ineligible

Refers to applicants and/or applications that do not meet eligibility criteria listed in the grant guidelines of the relevant grant program.

Indirect Costs

Those expenses not directly billed to the applicant's arts program by invoice and/or transfer of funds.

In-kind

Any contribution of service, equipment, supplies, printing, space, or other property made by an individual, organization, or business to an organization, as distinguished from a monetary donation. In-kind services may not be included in an applicant's cash budget or be used to match (part of) an IAC grant but may be described in the application as part of an organization's overall operations.

Illinois Resident

An individual owning or renting residential property in Illinois one year prior to the application's submission and throughout the funded project or program.

Non-allowable Income or Expenses

Operating income that is non-allowable in calculating IAC operating grant amounts includes: loans, carryover, debt forgiveness, transfer of funds earned in prior years, revenue raised for capital or endowment funds or funds intended for the purpose of re-granting, and unrealized gains or losses.

Operating expenses that are non-allowable in calculating IAC operating grant amounts include: re-granting, acquisition of capital assets, accessions, allocations to cash reserves, capital improvements, depreciation, deficits, loan principal payments, and contributions to endowments or scholarships awarded by the applicant organization for its own activities.

In addition, IAC grant funds may not be used to make contributions to any persons who hold, or are candidates for, an elected office; to any political party, organization, or action committee; or in connection with any political campaign or referendum. IAC grant funds may not be used for any lobbying activities.

Depending on the IAC program, there may be other forms of non-allowable income or expenses. See individual programs' grant guidelines for further details.

Nonprofit Organization

A nonprofit organization is an entity that is created and operated for charitable or socially beneficial purposes rather than to make a profit. A nonprofit might serve artistic, religious, scientific, charitable, educational, health, or animal welfare purposes. Nonprofit organizations are granted tax-exempt status. Donations made to a nonprofit organization are typically tax-deductible and the nonprofit itself pays no tax on donations or on money earned through other fundraising activities. Nonprofit organizations have different sections of the Internal Revenue Service (IRS) tax code that permits them to operate. To qualify as a tax-exempt nonprofit, the entity must serve the public good, meet filing requirements, be established under specific IRS

codes, and avoid engaging in certain types of activities. Nonprofits file Form 990 with the IRS to report their revenues, expenses, and activities. (See *also* 501c3)

Notification Official

Individual that should be notified of correspondence pertaining to a specific grant application.

Partnership

Educators, artists, and arts and cultural institutions combine talents and resources in a spirit of cooperation and responsibility to create programs that are interdisciplinary and/or integrated in the study of non-arts subjects and the arts or environmental sciences. (Definition developed from [Grantmakers in the Arts](#).)

Professional Development

Activities, of any length or course of time, that strengthen identified skills for a specified audience.

Public Art

Art that is created intentionally for a place and space in the public realm, regardless of whether it is situated on public or private property. Located indoors or outdoors, public art is free and accessible to everyone. Public art can instill a greater sense of identity and understandings of where we live, work, and visit. Public Art has been found to provide a positive impact on communities by promoting economic growth and sustainability, celebrating cultural identity, supporting artists as contributors, providing cultural understanding, and building a sense of belonging.

Reader

Individual that reviews applications submitted to IAC and marks to what degree the criteria of the grant program are fulfilled. Service as a Reader is a way to ensure that the needs of your community are represented on the state level.

Residency (Arts or Artist)

An intensive series of classroom sessions with a qualified teaching artist. Residencies are designed to immerse students in a particular art form, and most are also designed to teach another subject area (or areas) through that art form. (Definition developed from [Grantmakers in the Arts](#).)

Rural

Rural is defined as counties outside of at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration.

Staff

For the purposes of the IAC General Operating Support application staff is considered those individuals the organization requires to maintain daily operations. Staff is not necessarily defined as paid positions.

Teaching Artists

A professional artist or ensemble providing arts learning activities in school and community settings.

Unique Entity Identifier (UEI)

The Unique Entity Identifier (UEI), a series of numbers and letters in the System for Award Management (SAM.gov), is the official identifier for doing business with the government. The UEI has now replaced the DUNS number. IAC receives a grant from the National Endowment for the Arts, a federal agency, and is therefore required to obtain a UEI from each of its grant applicants. [Click here](#) to obtain a UEI. There is no cost to obtain a UEI.

Venue

Facility or location where arts activities take place.

Visiting Performance

An arts learning performance delivered to an audience at a designated location, such as a school, recreation center, senior center, etc.

Workshop

An arts learning activity focused on a specific topic or skill delivered in one or two days.

Financial Glossary

The following terms correspond to the financial data for Illinois Arts Council General Operating Support grant applications. Colleges, universities, and organizations whose primary services are not arts-related should provide financial data solely related to public arts programming activities.

Revenue**Admissions Earned Revenue**

Income derived from the sale of admissions, tickets, subscriptions, memberships, etc.

Contracted Services Revenue

Income derived from fees earned through sale of services. Include sale of workshops to other community organizations, governmental contracts for specific services, performance or residency fees, tuition, etc.

Other Revenue from Operations

Income derived from sources other than listed above. Include catalogue sales, advertising space in programs, gift shop income, concessions, parking, investment income, etc.

Corporate Support

Support derived from grants given by businesses, corporations, and corporate foundations.

Foundation Support

Support derived from grants given by private or public foundations.

Trustee/Board Contributions

Support derived from cash donations or contributions from the organization's Board members.

Individual Contributions

Support derived from cash donations. Do not include corporate, foundation, or government contributions and grants.

Special Events/Fundraising

Support derived from an activity or event designed to increase donations or raise immediate cash.

Federal Grants

Support derived from grants or line-item appropriations given by federal agencies of the government.

State Grants

Support derived from grants or line-item appropriations given by agencies of a state government or a proportionate share of such grants.

City/County Grants

Support derived from grants or line-item appropriations given by a city, county, in-state regional, and other local government agencies.

Parent Organization

Support derived from another entity which owns/controls, in whole or in part, one or more subsidiaries that rely on the parent for financial support. For example, the Metropolitan Symphony Orchestra is the parent organization of the Metropolitan Youth Orchestra. Similarly, the Dance Center of Richmond College is a subsidiary of its Parent, Richmond College.

Previous Year Cash Forward

Amount of previous year's surplus carried forward to next fiscal year for operating expenses.

Revenue from Endowment

Support withdrawn from endowment funds that is used for fiscal year operations. The withdrawal can be either permanent or temporary.

Total Operating Cash Revenue

The sum of all revenue.

Expenses**Employee — Administrative**

Payment for salaries, wages, and benefits for all executive, managerial, and administrative staff. Staff whose functions/duties are non-artistic, and who are full-time or part-time employees of the organization. Wages are reported on a W2.

Employee — Artistic

Payment for employee salaries, wages, and benefits for all artistic staff who are full-time or part-time employees of the organization. Wages are reported on a W2.

Employee — Other

Payment for employee salaries, wages, and benefits for other employees not covered under Administrative and Artistic categories. Wages are reported on a W2.

Contracted Services — Administrative

Payments for administrative services performed by individuals (or firms) who are not considered employees of the applicant organization. Examples may include accountants, project management consultants, lawyers, and other administrative service and/or facilitation providers. Compensation is reported on an IRS 1099 form for an individual.

Contracted Services — Artistic

Payments for artistic services performed by individuals (or firms) who are not considered employees of the applicant organization. Examples may include single artists or groups of artists such as directors, conductors, curators, dance masters, composers, choreographers, designers, media artists, teaching artists, etc., who are not employees or staff of the applicant organization. Compensation is reported on an IRS 1099 form for an individual.

Contracted Services — Other

Payments to firms or persons for non-artistic and non-administrative services performed by individuals who are not considered employees of the applicant organization, but consultants or the employees of other organizations whose services are contracted. Compensation is reported on an IRS 1099 form for an individual.

Space Rental

Payments for the rental of office or rehearsal, theater, hall, gallery, and other such spaces.

Travel/Lodging/Transportation

All costs for travel directly related to the travel of individuals. Include fares, hotel, and other lodging expenses, food, taxis, gratuities, per diem payments, toll charges, mileage, allowances

on personal vehicles, car rental costs, etc. For trucking, shipping, or hauling expenses see Remaining Operating Expenses.

Marketing

All costs for marking, publicity, and promotion. Do not include payments to individuals or firms which belong under Employee expenses or Contractual Services. Include costs of all traditional print, media, and web-based advertising and promotion, printing, postage, food, drink, and space rental when directly connected to promotion, publicity, or advertising. For fundraising expenses, see Fundraising Costs.

Fundraising Costs

Costs directly related to the hosting of events whose sole purpose is to generate new income. Include costs for a paid professional fundraiser/firm, direct mail campaign, or telethon here.

Remaining Operating Expenses

All expenses not entered in other categories. May include scripts and scores, lumber and hardware, electricity, communications equipment and fees, storage, postage, interest charges, photographic supplies, publication purchases, sets and drops, food consumed on premises, equipment rental, insurance fees, non-structural renovations or improvements, trucking, shipping, and hauling expenses not entered under Travel. Include regrating funds here.

Total Cash Operating Expenses

The sum of all expenses.

Additional Financial Data

Net Cash Operating Gain/Loss

Total Cash Operating Income minus total Cash Operating Expenses.

Total In-Kind Contributions

Contributions of useable goods or services that the organization otherwise would have spent money to obtain. Include volunteer time.