

25 Essential Fundraising Terms Every Nonprofit Professional Should Know

Fundraising has its own language. We're here to help you learn it.



FUNDRAISING BASICS

Appeal

A request asking supporters to give.

Campaign

A coordinated fundraising effort.

Fund

Designation describing how a gift may be used.

Annual Giving

Yearly fundraising for ongoing operations.

Pledge

A promise to donate later.

CAMPAIGNS

Capital Campaign

Fundraising for a major project.

Restricted Gift

A donation designated for a specific purpose.

Direct Mail

Fundraising through postal mail.

Planned Giving

Future charitable gifts through estate planning.

Bequest

A charitable gift made through a will.

Whether you're new to fundraising or looking for a quick refresher, this guide covers the terms you'll encounter most often.

DONORS & GIVING

Donor

An individual or organization that gives.

Prospect

A potential donor.

Major Donor

A donor making a significant gift.

Lapsed Donor

Someone who has stopped giving.

Donor Retention

The percentage of donors who give again.

LGL Pro Tip:

Keep this guide nearby as you build your fundraising knowledge. You don't need to memorize every term—understanding the fundamentals will help you communicate with confidence and make informed fundraising decisions.

GRANTS & FINANCE

Form 990

Annual IRS filing for most nonprofits.

Fiscal Year

The organization's financial reporting year.

Letter of Inquiry (LOI)

A preliminary grant request.

Other Income

Revenue that is not charitable giving.

Soft Credit

Recognition given to someone who influenced a gift.

STEWARDSHIP

Acknowledgment

A thank-you that documents the donor's gift.

Stewardship

Building long-term donor relationships.

Upgrade

Encouraging a donor to increase their gift.

LYBUNT

Donors that gave last year but unfortunately not this year.

Donor-Advised Fund

A charitable giving account administered by a sponsoring organization.

Quick Reference Glossary

- Acknowledgment – A thank-you that documents a donor's gift.
- Annual Giving – Yearly fundraising for ongoing operations.
- Appeal – A request asking supporters to give.
- Bequest – A charitable gift made through a will.
- Campaign – A coordinated fundraising effort.
- Capital Campaign – Fundraising for a major project.
- Direct Mail – Fundraising through postal mail.
- Donor – An individual or organization that gives.
- Donor-Advised Fund – A charitable giving account administered by a sponsoring organization.
- Donor Retention – The percentage of donors who give again.
- Fiscal Year – The organization's financial reporting year.
- Form 990 – Annual IRS filing for most nonprofits.
- Fund – The designation describing how a gift may be used.
- Lapsed Donor – Someone who has stopped giving.
- Letter of Inquiry (LOI) – A preliminary grant request.
- LYBUNT – Donors that gave Last Year But Unfortunately Not This Year.
- Major Donor – A donor making a significant gift.
- Other Income – Revenue that isn't charitable giving.
- Planned Giving – Future charitable gifts through estate planning.
- Pledge – A promise to donate later.
- Prospect – A potential donor.
- Restricted Gift – A donation designated for a specific purpose.
- Soft Credit – Recognition given to someone who influenced a gift.
- Stewardship – Building long-term donor relationships.
- Upgrade – Encouraging a donor to increase their gift.



Every fundraising journey starts with understanding the basics. Whether you're entering your first gift, thanking a donor, or planning your next campaign, Little Green Light helps you stay organized so you can focus on building stronger donor relationships.

Explore more fundraising resources, practical tips, and nonprofit best practices at www.littlegreenlight.com/blog