



**Catalyst for
Sustainable Social & Economic Development**

**FUNDRAISING
&
ACQUIRING RESOURCES**

Presented by

CICAN and The SPCO

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Fundraising Goals

Have short, medium and long-term fundraising goals that correlate with your group/agency goals.

Fundraising activities are easier to sell to potential donors when you can tell them exactly what you are fundraising for.

Weigh the pros and cons of fundraising – do your goals require fundraising or can you achieve your goals through partnerships or other avenues of cooperation? Could your fundraising activities cause strains within your group / community / membership / partnerships & are these damaged relationships worth it? What if they can't be repaired?

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

If you decide that you do need to fundraise to achieve your goals, ensure that you have:

- 1) a clear plan of how to reach your goals, and
- 2) a clear plan of how administer the funds collected in a transparent manner

The last thing you want is for rifts to develop because there is disagreement on how to administer and spend funds after they have been raised or because there are questions about how funds have been spent.



Catalyst for Sustainable Social & Economic Development

Who Might Fund You

There are numerous potential funders, but not all funders will support all programs or activities.

Consider the following funders: members of your community, community businesses, government, other agencies, larger businesses.

Know your prospective donor.



Catalyst for Sustainable Social & Economic Development

Fundraising activities

Annual Versus Capital Campaigns

Annual Campaign - a fundraising program that occurs annually to help raise basic operational funds

Capital campaign - a fundraising program to help raise funds for major capital projects or an endowment



Catalyst for Sustainable Social & Economic Development

Web-based fundraising

Use your website to solicit donations from those who access your agency and services

Set up a automated donation system through options like Canadahelps.org – you do have to be a registered charity to qualify

Otherwise, provide your contact information and how to donate on your website – just knowing how to donate can make the difference and the easier it is to donate, the more likely people will.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Charitable gaming

There are many variations of charitable gaming, including bingo games, small and large raffles, and break-open tickets.

There is significant paperwork and licensing required to operate charitable gaming and there can be significant accounting requirements

Ethical considerations – this is gambling and many consider it more entertainment than fundraising

Keep records of your gaming participants and follow-up with them for future activities



Catalyst for Sustainable Social & Economic Development

Corporate sponsorships

Different kinds of relationships: Sponsorship, Donation, Partnership, Philanthropy.

Corporate Sponsorship – sponsorship is not charity, it is an in-kind service agreement, involving a contract or letter of understanding, where the sponsor receives a benefit in exchange for their financial support.

The proposal for a sponsorship relationship is vastly different from the request for a donation. The contact point is different; the goals are different; the language is different.

When seeking a donation, you appeals to the generosity of an individual or a Corporation. When seeking a corporate sponsor, present a solid business proposal. Both sources of funding can be productive, and both require significant energy, imagination, and perseverance on your part. Understands that corporations approach the sponsorship decision differently from the charitable giving decision.

On the corporate side, sponsorship decisions are typically made in the marketing department or the owner.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

What's the difference?		
	Sponsorship	Charitable contribution
Source within the corporation	Typically from marketing, advertising, or communications budgets.	From charitable donations or philanthropy budgets.
Publicity	Highly public	Usually little fanfare
Corporate accounting	Written off as a full business expense, like promotional printing expenses or media placement expenses.	Write-off is limited to 75% of net income. (This limit was increased in 1997 from 20%, so accounting/tax considerations are less likely to influence the way a corporation designates funding of a non-profit organization.



Catalyst for Sustainable Social & Economic Development

What's the difference?		
	Sponsorship	Charitable contribution
Corporate objectives	Generally, to raise the profile of the corporation; to sell more products/services; to increase positive awareness in markets and among stakeholders (customers, potential customers, geographic community)	To be a good corporate citizen; to enhance the corporate image with closest stakeholders (i.e. key employees, shareholders, suppliers).
What corporations want in return	Except in the case of very small sponsorships, banners and a small acknowledgement on a program are no longer sufficient. Today, corporations look for everything from employee involvement to the opportunity to mix and mingle with other top level executives at other sponsor corporations. The best relationships are not 'one off', but develop and increase in value to both sponsorship partners over a number of years.	Appropriate gratitude; confidence that the charitable dollars are used responsibly.



Catalyst for Sustainable Social & Economic Development

What's the difference?

	Sponsorship	Charitable contribution
Recipients	Events; teams; arts or cultural organizations, projects, programs. A cause is sometimes associated with the project. Increasingly educational institutions and other public sector organizations (parks, libraries etc,) are seeking sponsorship.	Larger donations are typically cause-related (education, health, diseases, disasters, environmental), but can also be cultural, artistic, or sports related. At times funding is specifically designated for a project or program; at times it is provided for operating budgets.
Where most dollars go	One of the fastest growth areas in sponsorship today is cause-related organizations. For now, however, sports (where sponsorship started) get over 50%.	Education, social services, and the health sector are reported to get close to 75% of charitable donations.

Source: Judith Barker, [The Sponsorship Report](#)



Catalyst for Sustainable Social & Economic Development

Sponsorship Proposals

Develop a sponsorship proposal that can be easily adapted for each business you contact – it's alright to send slightly different proposals to different businesses.

Your proposal should include the following characteristics:

- names and addresses are complete and correct.
- designed to be read quickly or skimmed easily for the key points:
 - what is the program or event;
 - what does it offer the sponsor in terms of value;
 - what does it cost.

If this information is buried, the prospect will not search for it.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Sponsorship Proposals

Anticipate the promotional and other needs of your corporate sponsor, including their existing promotional activities.

Be prepared to tailor your sponsorship proposal for each potential sponsor.

Many larger corporations are also looking for ways for their staff to volunteer with agencies, issues and events they support – if your sponsor has a corporate volunteerism program, be prepared to take advantage of it. These programs are good for your agency and the sponsor and can help to build a strong relationship between the two.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Direct Ask Campaigns

Direct Ask Campaigns are an opportunity for you to reach out directly to potential donors – people and businesses who have donated to you before, participated in your activities and programming, accessed your services, and volunteered with your agency.

Whether they have donated to you in the past or not, if they have a relationship with your agency, you can contact them to donate to you.

Direct Ask Campaigns can be annual, monthly, quarterly or on some other timetable, based on your needs – but be sure to know your target audience, their level of commitment to your cause and their tolerance to being contacted by you – the last thing you want to do is annoy and alienate your supporters.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Direct Ask Campaign Preparation Steps:

Identify and compile a list of those you want to contact, making sure to identify how they are connected to your agency (donors, clients, volunteers) – this information is helpful to those contacting these people and may also be asked by the potential donors, reminding them of why they supported you in the past.

Prepare a message for your potential donors, listing your recent accomplishments, your upcoming programming goals, needs you've identified, and why you are contacting them – immediate goals.

Recruit your volunteers, make sure they are properly trained and motivated for the fundraising activity.

Direct Ask Campaigns can involve a mailed letter and pledge form or a phone campaign or e-mail contacts or a combination of these.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Phone Drives

Phone drives can be a good way to reach potential donors in a more personal manner, but they have their drawbacks.

Phone drives are volunteer intensive and can usually take a week to a month to run – and your volunteers need to be well briefed, not only on the message of the campaign, but also on the operations of your agency, so that they can answer at least some questions that might be asked by potential donors.

People are very hesitant to donate money over the phone, especially to a cold-call, and are unlikely to take information to mail a donation to you, for this reason, phone drives are often tied to direct ask mailings that are sent out 1 – 4 weeks prior to the start of the calling campaign. This makes the calling campaign a reminder to the mailing campaign and allows the potential donor the opportunity to ask questions and donate over the phone by credit card (if this is a possibility).

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Grants

Grants can be an excellent source of program funding, particularly for agencies that are providing a unique service or are serving an underserved community.

Three sources of grants: government grants, agency grants & corporate grants.

Government grants from federal, provincial and municipal sources are plentiful, though not always accessible – some are available to groups that are not registered charities or non-profits, but many require charitable status. Many, if not all provincial and federal ministries provide granting opportunities, so it is important to investigate and identify all sources of government grants.

There are many agencies which provide grants to community groups and agencies, including the United Way, Community Foundation of Ottawa, service clubs (Rotary Club, Lions Club, Knights of Columbus, etc) and universities. Like government grants, many require charitable status, but some are open to non-registered groups.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Corporate grants are also available from many large corporations particularly banks and multinationals. These are often focused on specific issues that the corporation has identified as a priority (literacy, environment, etc) or groups supported by their employees and are often limited to communities where the business is located.

An employee of a corporation who supports or is a member of your agency is a significant asset in acquiring these grants and the application process will often ask you to identify if an employee is a member of your agency and supporting your grant application, because the corporation wants to support their employees and their families.

Like government and agency grants, some are available only to registered charities and others to any group – they are rarely available to individuals.

It is important to remember that grants are funds tied to identified outcomes and programs. You will be required to track and show spending, ensuring that it has been used appropriately and demonstrating program activities and results. You may even face an audit, if the funder is concerned that funds may have been misused.

Grant funds are not free money, they are tied to promised results.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Grants - Sources

United Way – has an annual application process open to registered charities or groups not registered who are sponsored by a registered charity. There are several funding streams and the application process can be quite extensive.

Community Foundation of Ottawa – has several funding streams and deadlines throughout the year; open only to registered charities. The application process is relatively simple, but funds are grant sizes are limited, averaging \$5,000; they also prefer that you have multiple sources of funding for projects they support.

Trillium – has several funding streams and deadlines, and the application process can be quite extensive. Open to registered charities and incorporated not-for-profit organizations without share capital (that do not pay directors and/or members) and unincorporated branches or chapters of registered charities; also partnerships where at least one partner is a registered charity.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Grants - Sources

City of Ottawa – has several funding streams and deadlines, including minor and major capital programs, renewable community funding, non-renewable community funding projects, and crime prevention projects. The application process can be quite extensive. Funding is open to registered charities and incorporated non-profits, and unincorporated groups in partnership with a registered charity, where the charity is the lead agency. There are also possibilities for individual funding of unincorporated groups, but it requires meeting and discussing with a senior representative in the funding department

Provincial and Federal Ministries – many provincial and federal ministries have funding streams that are open to public agencies with a regional, municipal and community focus within the ministries' mandate. Investigate those ministries that you think may be interested in the work of your group or one of your programs:

Provincial – Citizenship & immigration; Children and Youth; Community and Social Services; Culture; Economic Development; etc

Federal – HRSD; Citizenship, Immigration & Multiculturalism; Canadian Heritage & Official Languages; etc

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Grants – Deadlines, Timelines & Expectations

Deadlines are often very firm and you must have your application submitted by the date and time stated. There can be some leeway for the submission of supplementary materials (financial statements, etc), but this must be arranged with the funder in advance.

Once you have submitted your application, it can easily take 3 or more months to hear back on the status of your application. For this reason, it's a good idea to give yourself sufficient time to hear back before you need to move ahead on a project.

Don't proceed with the assumption that you will receive funding, there are many hundreds of deserving applicants and the funders simply can't fund everyone.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Major gifts

Major gifts are donations, normally from individuals, but also from corporations, of significant amounts of money.

The solicitation of these donations is based on personal relationships developed by directors, volunteers and staff, often of people they already know and have existing relationships with.

Because these are donations of large amounts of money, usually thousands of dollars, they relationships are cultivated over long periods of time, and can involve inviting potential donors to events and dinners, highlighting agency activities and programming, and community needs and future plans to meet these needs. This is done to demonstrate stability and success over time, as well as need, before approaching the potential donor for a donation.

Do not hesitate to approach someone who is not involved with your agency or cause, they may still be interested in supporting your cause – friendship goes a long way.

Recognition is important – these donors still expect to be recognized for their support.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Planned Giving – Preauthorized Donations

These are donations you solicit from individuals who already donate to you regularly.

Approach them to make regular (monthly, quarterly) donation, through pre-authorized chequeing or credit card charge. Post-dated cheques are also a possibility, but they have to be resolicited regularly.

Once in place, donors will rarely cancel these donations.

And must keep them regularly apprised through mailings, e-mails or phone calls of your programming and success.

You can also contact them every couple of years to consider increasing their donation level.

Because these donations are spread out over time, they can provide a larger annual donation, by spreading out the donations into small amounts over time.

Preauthorized donations can become a financial base you can rely on.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Products

Many businesses and agencies will donate products, such as merchandise or samples for agencies to use and distribute.

Many businesses find it easier to provide a donation of something they sell or to donate something they purchase on your behalf.

Many service clubs specifically (Rotary Club, Lions Club, etc) prefer to donate products purchased on your behalf, rather than money, and the end result is the same for your agency.

Product donations can be used in service delivery, as prizes for event participants or in fundraising activities.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Activities: parties, dinners, walk-a-thons; activities

Activities and events can be excellent fundraisers, particularly because they're usually fun for participants and donors, but they have challenges.

Preparations time and costs for events can be significant and can require a significant amount of starting funds, so make sure your event will make a profit before you start and that you have the volunteer and staff capacity to make the event a success.

For events like walk-a-thons, dinners, and others that require ticket sales or donation collection by participants, it is important to know that you have interested participants to make the event a success and make a profit, if only a small one – if the event is a success the first year, it will grow over time.

Know what events are already taking place in your area – try not to conflict with a similar event and don't plan an event that is overdone in your area – uniqueness is a draw.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Campaign Kick-Off Event or Campaign Wrap Event

For large events, such as annual campaigns or a capital campaign, it can be helpful to have a kick-off event or a wrap-up event to promote the event.

Media can be invited to these events.

It can be helpful to associate these events with important days for the cause or community – ie national secretaries day, national holidays, etc.

It is important to remember that the cost of these events has to be included in the cost of the overall event and comes out of the profits of your fundraising campaign.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Campaign Follow-Up – The Importance of Follow-Through

Operating a direct ask campaign or phone drive is an excellent source of funding, but only if you complete the campaign.

Follow-up with individuals who have pledged to make a donation. If their donation doesn't arrive, call them back and follow-up, reminding them of the importance of their donation, without sounding like a bill collector.

Also, make sure to thank your donors. Thank you letters are mandatory, not optional, and the quicker the turnaround, the better.

Thank you phone calls, are also very important, especially with larger donations. Don't solicit a further donation, just a thank you. This is an excellent job for directors.

Many donors will be so shocked and impressed to receive a thank you call and not be asked for another donation, that they will offer to make another donation.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Post-mortems and reassessing your strategy

Whether your event was a success or a failure, a post-mortem is mandatory. It allows participants to share their perspectives on what worked well, what didn't work and what needs tweaking in order to improve the event and chances of success.

Post mortems are not recriminations and no one should be made to feel that they are being attacked or blamed for any failures.

For long-term events, it can also be useful to reassess your activity and approach mid-stream. If you notice that you're not getting the desired results, don't stick to your plan stubbornly. Assess the situation and make changes that you think will help lead to success. Even if the changes don't result in success, at least you tried to affect the outcome, rather than sat back and watched the event fail.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Long-Range Planning

Long-range financial planning and fundraising goals are important and many donors, sponsors and grantors will want to see that your agency has long-term strategy before they decide to support you.

While this can be a challenge for many agencies and groups, especially those struggling to find the funds they need to provide even basic services, it can also help agencies to develop a long-term plan for programming and the agency as a whole, and help the agency determine what their annual fundraising goals should be.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Enlisting Next Year's Campaigners

Start recruiting your volunteers for next year's event, before this year's event finishes.

Start talking to your volunteers about coming back again next year.

Also, give donors and event participants the opportunity to volunteer with your events and programming.

Give clients that opportunity to volunteer as well.

For some people, donating money isn't a possibility, but volunteering their time is something they would do, they just need to be asked.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Volunteer appreciation

Volunteer appreciation is key. If your volunteers don't feel appreciated, they not only won't be back next year, they might bow out early and leave you struggling to complete your event.

Thank your volunteers at the end of each day's work. Do not let them leave without someone thanking them and telling them what a great help they've been.

A volunteer appreciation party, either for a specific event or annually, for all volunteers throughout the year, is a good idea and doesn't have to be costly.

If you have a dinner or gala or other event where you will be thanking donors, invite and thank some of your top volunteers as well.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Donor Appreciation

Donor appreciation is very important. 99.9% of all donors want to be recognized, even if they say otherwise.

This can be everything from a thank you letter or phone call to an invitation to a donor appreciation party to plaque presentations and naming rooms, buildings and events in honour of someone.

An unappreciated donor is a lost donor.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Publicity of your fundraising event/activities

Press releases are an excellent and easy way to announce your event or program to the media and garner media attention, and thus, potential donors and participants.

Feature stories are also an option. Newspapers and local news programs are often looking for public interest stories, and if you can make your event interesting and inspirational, and share it with the media, they may come to you for a story, which will in turn aid in promoting your event and agency.

Public Service Announcements can be made inexpensively. You can also recruit students from Universities and high schools, and the Saw Gallery to help. They use the opportunity to get a class credit, you get the promotion and it costs you little or nothing. Local stations will also air these at no cost to you.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

What's Newsworthy

It can be difficult to determine what's newsworthy. Just because something is of interest to you, doesn't mean it has wide appeal or interest. A good rule to use is, if this were a topic or event presented by a community other than yours, would you be interested enough to pay attention to a story about it or would you turn the page / skip to the next article.

Dealing with media

Dealing with the media can be difficult and tricky. Chasing them to do a story on your event won't work, but if you keep them up to date on what you're doing, they may very well come to you on their own, when the situation is right for them and they realize they have enough information and interest to do a story about your agency.

The media will also often come out to events for short stories, but they can be lazy with these sorts of events and will expect you to do much of the work for them, providing them with much of the information they need in a short and concise written format, that they can take and transform into a story.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Fundraising Management Software

There are a wide variety of fundraising software available, but do you need it?

Fundraising software helps you keep track of donors and all aspects of fundraising activities, but doesn't provide any more benefit than a spreadsheet and standard software available with your computer, if you don't already have significant numbers of donors and multiple fundraising activities.

This software will not help increasing your fundraising if your fundraising income is minimal, it only becomes an asset once your fundraising activities have reach a critical mass level, where it is difficult for one person to keep track of activities and donors, and for a new person to step in and take over easily.

The cost of such software can vary from nothing for freeware that is limited in scope and adaptability, to \$25 - \$150 a month for online accessible programs to several thousand dollars to \$10,000+ for software such as Income Manager or Raiser's Edge.

The Social Planning Council of Ottawa



Catalyst for Sustainable Social & Economic Development

Ethical Fundraising

Fundraising can be a tricky thing when it comes to ethics, particularly when it comes to issues like charitable gaming (discussed earlier), donations of items and products for use as prizes or in raffles, or donations from donors.

Items donated to your agency by a business or individual must be used for the purpose for which they were donated. Items donated for fundraising purposes (raffle prizes) cannot be used for program delivery or as a thank you gift.

If you want to change the use of a donated item, you must go back to the donor and ask them to approve this change of use.

For unincorporated groups and non-profits without charitable status, it can sometimes be tempting to seek donations while implying to donors that they will receive a tax receipt. This is illegal and can cause serious problems, both for the agencies, their directors/members, and the person making the implication.

Issues such as this can cost agencies their charitable status and result in lawsuits against the agency and directors.

The Social Planning Council of Ottawa



**Catalyst for
Sustainable Social & Economic Development**

QUESTIONS

THANK YOU!

The Social Planning Council of Ottawa