

**FUNDING ADVICE NEWSLETTER**

Dear Friends

As the year draws to a close, we usually find ourselves busy tying up loose ends. But with 2004 just around the corner, we will also be looking at our Strategic Plans and deciding how best to achieve our goals in the year ahead – for example, which projects and programmes should take priority in our Work Plan for 2004 - and this usually bring us to the question, "*Do we have the money to do this?*"

This issue of the Europe Region WAGGGS Funding newsletter therefore aims to briefly explain the different types of fundraising possibilities as well as the kind of resources each requires so as to help you design a fundraising strategy tailored for your Association and its needs and resources.

Also, as we will celebrate **World Thinking Day** on 22 February 2004, do think about how you will commemorate this special event - an excellent opportunity to turn your fundraising thoughts into action! For some interesting ideas on how to make the day a success, visit the World Bureau's website [www.world-thinking-day.com](http://www.world-thinking-day.com) where you can read inspiring "global fundraising stories" and where you can also download your "fundraising pack".

Whatever type of fundraising you decide to undertake in future, it is important to have a Fundraising Strategy as part of your Strategic Plan. This will help your Association to focus on the target you are working towards and will help you identify the resources you have available to meet your target.

***So let's begin...***

**Writing a Fundraising Strategy – Key Considerations**

Where do you start? Successful fundraising begins with your own Association - simply because successful fundraising should be based on the development of a deliberate strategy and a project proposal linked to your Strategic Plan and goals.

So, before you begin to write your Fundraising Strategy – and certainly before you begin to seek funds from external sources - you must consider the key elements that are part of any strategic plan:

- **What are the aims and objectives of your Association?** *Do you have a strong statement of purpose or a mission statement? WAGGGS' Mission for*

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example is “to enable girls and young women to develop their fullest potential as responsible citizens of the world”. With a Mission statement, it is easier for potential Funders to understand the purpose of your Association, which is necessary before they can consider giving you support.

q **Does your Association have well-defined plans and programmes?** To fundraise, you need to communicate what you are doing to many different audiences, and to identify projects for which funding needs to be sought.

q **Does your Association have well-developed and realistic budgets?** This is necessary to identify the specific sums of money you need to raise, and to communicate this to potential Funders.

q **Does your Association have good financial management and organised record keeping?** Many Funders will request copies of your Associations accounts (particularly if you are fundraising from foundations or statutory sources).

q **How is your Association structured?** Is there someone responsible for coordinating fundraising activities? Although everyone in the Association has a role to play in fundraising, one person or a small group of people should be responsible to provide a focus for any activity that takes place.

q **What are your Association’s strengths and weaknesses?**

q **What audience do you serve? Who benefits from your programme?** Your members , your local community, certain groups within your community, etc

q **Is there evidence that your Association ‘s aims are being achieved?**

q **Do you have a positive visible image in the community?**

You will next need to think about the following questions to gather information to write your Fundraising Strategy:

q *How much money do you need to raise and what is it for?*

q *Do you require money to start a new project?*

q *Is it to fund a specific project which has already been started?*

q *Is it to fund salaries or to buy special equipment or build a meeting place?*

q *Do you need to find money to pay for the Association’s daily running costs?*

The answers you give to these questions will help you to determine which type of fundraising you can use, or the sources of funding that you might want to approach.

q *What human resources do you have available?*

q *How much time is your Association prepared to spend on fundraising?*

q *What are the talents or abilities of your staff or Board members? Do they have any personal contacts that can be approached for fundraising or publicity purposes?*

q *Can your Association afford to invest money in fundraising? Some types of fundraising will require your Association to pay some money before any funds are raised - for example, if your Association decides to organise an event to raise funds, it may first have to pay rent for the hall, and pay for advertising and publicity before the event takes place.*



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Finally some other considerations would include:

**Has your Association tried fundraising before?** What was successful? What could be tried again? Remember however that even if you raise funds successfully from one type of fundraising, it is important to find other ways of raising money so your Association is not reliant on only one source of income.

**What is your competition for funds in your local community or country?** If other organisations are also trying to raise funds, you need to think about what is different and appealing about your Association that makes it stand out and which would persuade Funders to give you money. In some cases, it may be worth thinking about joining with other organisations to raise money for a particular purpose.

**Does your Association have the correct legal status to allow you to ask for money from the general public or other sources?**

When you have identified the answers to these questions, then you can decide the approach you need to take. The answers to these questions will help formulate your Association's Fundraising Strategy.

## Different Types of Fundraising

We can now look at the different types of fundraising, and how these can be used to raise funds for the different activities of your Association.

### 1. Fundraising from Foundations or Charitable Trusts

A charitable trust or foundation is a grant-making organisation which has been set up by a company, families or individuals to give money for a specific purpose, or to buy a special piece of equipment. They exist only to give money to organisations which help others, or have a charitable purpose, and when the Foundation is set up, they usually choose to support a particular area of work - for example, they may decide to support organisations working with children, or carrying out medical research; or helping people with a particular illness or disability. Often foundations will also have geographical restrictions – they only make grants to help people living in a particular country or region. It is important to identify any restrictions which apply to a Foundation before making a proposal to them – if you don't qualify, don't apply.

In addition, **the majority of foundations make grants only for specific projects**, as they like to be able to see where and how their money has been used. If money is given for a certain project, it can only be used for this purpose. This is called **restricted income**. Few foundations will give grants for the daily running costs of your Association, although if you are requesting support for a specific project, costs such as rent, telephone, salaries and equipment which your Association would incur can be included as part of the total amount of money you are requesting.



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Foundations usually request organisations to make applications to be submitted by a certain deadline, and they may have an application form which you have to complete. Alternatively, they may wish you to write your own proposal, outlining the aims and objectives of your Association, the project for which funding is being sought, details of your Association will implement the project, how its success will be measured, and who it will benefit. Other Foundations may prefer to meet representatives of your Association personally before deciding if they would like to make a grant.

They may want to know about other kinds of income your Association receives and frequently do not like to be seen as the only supporter of an organisation. If funding is not being requested for the total cost of a project, a foundation may want to know what other sources of income have been sought, and if these applications have been successful. You may also need to give details of your bank account, and provide audited accounts, or references so that the Foundation can be confident that their grant will be used responsibly. It is important to build up a relationship with a Foundation – it is often better to ask for a small amount for a small project first, and show that your Association can administer this grant successfully, before requesting a larger amount.

Some Foundations may wish to be involved at different stages of the project – others may simply require a follow up report giving information on how the money was spent and what was the outcome of the project. They may also wish to know how your Association will follow up or continue this work after their grant has been spent.

The resources required for this type of fundraising is the time of a staff member or volunteer firstly to carry out the research to identify the Foundations which would support your Association, and secondly to find out how the application should be made and to write a proposal according to their requirements.



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Where can you find information on Foundations which support organisations in your country? You can often find such information in a local library, or on the internet site of the European Foundation Centre at [www.efc.be](http://www.efc.be) or [www.fundersonline.org](http://www.fundersonline.org) which allows you to search for foundations by area of interest and country. Although most foundations are small and tend to support local projects, some of the larger Foundations now have their own websites to provide information and you can even make applications to some Foundations on-line.

Foundations receive many more good applications than they can support - so you must make your proposal stand out. Remember that Foundations fund not just a written proposal but the people who can deliver a project.

Some additional points when approaching Foundations

Thorough research is essential

Funding from Foundations takes time - so plan ahead

Foundations receive far more good proposals than they can support - so make yours stand out!

Try to find out why your proposal was not accepted

All contact with a foundation should be thoroughly professional

If a Foundation supports you, say Thank You and credit your supporters

## **2. Statutory and European Fundraising**

Statutory fundraising is the term used to describe grants available from the government, which have usually been allocated to help achieve a particular area of government policy. Grants to support areas of work of interest to the European institutions such as the European Commission or the Council of Europe may also be available. This type of fundraising activity is similar to fundraising from Foundations – you need to identify the area of work relevant to your Association which the government or the European institutions might support; ensure that your Association meets their criteria for support; and provide the right information so that your application can be considered and evaluated. Sometimes grants to support running costs of organisations can also be available, but more usually, the grant can only be used for the specific project described in the application.

Both the Council of Europe and the European Commission have specific departments developing policies for youth and give grants to support youth organisations, or run specific funding programmes such as the Youth Programme as outlined in the earlier issue of this newsletter. More details can be found by looking at the following websites, or in the case of the Youth Programme by contacting the National Agency or National Co-ordinator of the Youth Programme in your country.

***Find out more about the European Youth Foundation of the Council of Europe at [www.coe.int/youth](http://www.coe.int/youth)***



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**Find out more about the Youth Programme at**  
**[www.europa.eu.int./comm/education/youth.html](http://www.europa.eu.int./comm/education/youth.html)**

From time to time the European Commission will issue calls for proposals, inviting youth organisations to submit projects for consideration for funding – these can also be found on the website. There is also a specific funding programme for youth organisations based in the Mediterranean) and for Central and Eastern Europe. Find out more details on the above website.



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Again the resources your Association will require for this type of fundraising is the time required to carry out the research needed to identify the funding opportunities which are available and to complete the application form and the follow-up administration once the project has been completed.

### **3. Corporate Fundraising**

Sometimes companies will make contributions to support the work of not-for-profit organisations such as your Association. Companies can operate at a local and national level, and sometimes a local branch of a company may support a local group if they are not prepared to support your Association on a national basis.

Like fundraising from Foundations, the type of approach may vary depending on the policy of the company. Your Association may be more successful making personal contact with the head of the company, or the company may simply require your Association to write a letter or complete an application form outlining your request for support. You can sometimes be successful if your request matches the work of the company – for example, you could approach companies making computer equipment, if your Association was trying to raise funds to purchase a computer, or to organise a project to develop computer skills among young people.

What is important to remember is that companies do not give money simply so they can help other people or parts of society – they often give money to charitable organisations to help improve their public image, and your Association should consider if it is happy to be associated with a particular company in the public's mind. There may be ethical factors your Association might wish to consider before asking a particular company for support, and you will also need to consider how best you can publicise the company's gift, as this may also be a requirement of the grant.

Companies can also support NGOs in other ways. They can agree to link sales of their products to support for your Association, so for every product purchased, a percentage of the sale price is donated to your Association. This is called 'cause-related marketing', and is another way of corporate giving which companies use to increase sales and gain public recognition for their support for the community. If your Association becomes involved in this type of fundraising, it is often necessary to have a contract so that each partner is clear about what is expected from the partnership. Again there may be ethical factors to consider with this type of fundraising as it may be considered that your Association is endorsing the company or its products.

Finally, in some countries, companies can take part in 'workplace giving schemes' where employees can agree to part of their salary being donated to a charity of their choice. If such a scheme operates in your country, your Association could investigate how it could become involved and become a nominated charity.



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Finally companies will sometimes give contributions 'in-kind'. This means rather than ask for donations of money, you could try asking for goods instead. If you are planning to produce a newsletter, instead of asking for financial support, try asking if the printer could donate the cost of the paper. If you are planning a camp, ask the supermarket to donate food or drinks.

Resources required for this type of activity is the time required to carry out research on which companies might support your association and the best way in which they could be approached; and to ensure that the company is thanked appropriately.



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## 4. Fundraising from Individuals

Many organisations now raise money from individuals, by asking them personally for support, or by writing to them as part of a direct mail appeal. Individual gifts are often the best source of funds which are unrestricted – that is not allocated to a particular project, but which can be used for any purpose – administrative costs, salaries, buying equipment, etc

The person who asks for support is often known to the prospective donor – find out, for example, if members of your Board have **connections** with individuals who are in a financial position to make a contribution to your Association, or who have influence with an organisation which can make a substantial gift to your Association. Then ask if they are likely to be sympathetic to supporting your Association before approaching them with a face-to face request.

The other main method organisations use to raise money from individuals is to organise a direct mail campaign. Direct mail involves sending letters to large groups of individuals requesting donations – **direct mail campaigns are costly** because of the printing and postage costs involved and require large up-to-date lists of individuals who might respond to such a request. The ratio of response to requests sent by mail is often very small, particularly when the NGO is not very well known or is working in a specialised field and you should be sure that the amount invested in such a campaign will be offset by the donations you receive. Some organisations buy lists of individuals who might be likely to support their organisation - if your Association has kept up-to-date lists of the details of previous Girl Guides/Girl Scouts, this might be a good starting point if you are thinking of embarking on such a campaign. You may also need to consider any Data Protection regulations in your country applying to keeping individuals' records on computer or in files.

This type of fundraising needs resources in terms of time to identify “prospects” who might be approached for support. A Direct Mail campaign will also require significant financial investment before any funds are raised.

## 5. Community Fundraising

Community Fundraising is a type of fundraising which can be carried out at local level, amongst friends and neighbours of the local Girl Guide or Girl Scout group. Although initiatives can be planned at national level, it is up to each local group to carry them out.

Community activities can include such activities such as sponsored events, bring-and-buy sales, challenges, competitions, and organised events.

No matter what method you choose, there are certain questions you need to ask to before you begin any activity:

□ *How much money will it raise?*



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- *How much money will it cost to organise?*
  - *Do the helpers/supporters have the skills and talents to make it successful?*
  - *How easily can it be organised?*
  - *Does the organiser have enough people to help with the planning before the event and to run the event on the day?*
  - *How successful is it likely to be?*
  - *What are the risks involved?*
  - *Have you done the activity before? Is it worth doing again?*



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Here are some of the different ways of fundraising in your local community:

## **A. Sponsored events**

In a sponsored event, a volunteer undertakes to take part in an activity in return for a pledge or promise of money from their friends or family. The activity could be undertaking not to talk for a fixed amount of time or to walk or swim a certain distance, for example. It works like this:

A volunteer agrees to take part in a sponsored walk. For every kilometre which is completed, the volunteer's 'sponsors' agree to pay a sum of money, like € 3. If the volunteer walks for 12 kilometres, then their sponsor would pay them € 36.

Sponsored events can raise a significant amount of money for very little effort, provided enough enthusiastic people can be persuaded to take part, and that the money is collected after the event. It is also an event in which everyone can take part and make a contribution, no matter how small.

Here are some things to remember when organising a sponsored event.

- ⇒ It is important that the event is publicised well in advance to get maximum participation.
- ⇒ If Brownies or Guides are taking part, it is important to get permission from their parents first.
- ⇒ If the event is taking place in private or public property, you should obtain permission first, and ensure that you have insurance cover.
- ⇒ You may need responsible people to confirm that the task for which a person is being sponsored has been completed.
- ⇒ Keep a list of participants, and all sponsorship money that is received.

## **B. Competitions**

There are many different kinds of competitions which can be organised. Money can be raised by charging an entry fee for the competition and by sponsoring the participants. Your Association or group can also ask local businesses or shops to donate or sponsor the prizes required.

## **C. Sales**

Your Association can try to organise sales to raise money. In some countries, sales of second-hand clothes, books or household goods are a popular way of raising money locally. You can ask Brownies and Guides to collect such goods from parents, friends and neighbours, or to make cakes and sweets to sell too. However, before organising such a sale, you should check if there are legal regulations applying to NGOs specifying the types of trading activities should undertake.



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Here are some general guidelines to ensure success:

- The goods should be items that people would want to buy – if you are selling second-hand books or clothes, make sure they are clean and in good condition, and reasonably priced;
- The goods should be attractively packaged and presented;
- The sale should take place in an accessible and welcoming venue;
- Ensure that the event is publicised well so that many people come.
- You should also decide what to do with unsold items.
- If the event is taking place at the weekend, make sure that there is a safe place to store the money until it can be put in the bank.

#### **D. Organised events**

Organised events such as fairs, barbecues, dances, concerts and exhibitions can all raise large amounts of money, but success depends on extensive organisation, both before the event and on the day.

If you decide to organise such an event, you need to start planning well in advance, allocating specific aspects of the organisation such as booking the venue, performers, catering, publicity, equipment hire, etc. Get tickets printed and decide how they will be sold before the event.

If you are holding events for the public, you should also check if insurance is required and ensure that your Association is adequately covered in case any accidents might occur. It may also be necessary to obtain licences to sell food and drink or for musical performances or dancing to take place.

The resources your Association will require for community fundraising is primarily volunteers' time to organise and take part in whatever event you decide to hold. Such events can be really good fun from the point of view of the participants and also the organisers, but you must be careful to ensure that the funds raised reflect the efforts of those taking part, or your volunteers will quickly lose motivation.

#### **A Final Word: Fundraising and Public Relations**

Good fundraising goes hand in hand with good public relations. Whatever event is organised, good publicity is fundamental to the success of your fundraising efforts and it is up to you to take advantage of all opportunities for good publicity. Publicity can be achieved through publicity material such as posters, leaflets, car stickers, balloons, etc either to raise awareness about a specific event or one event in particular. It can also be achieved through press relations, or by advertising. If you need help in this area, take a look at the **WAGGGS Media Relations Kit**, available from the Europe Office WAGGGS, or the World Bureau, which contains information on all aspects of public relations which your Association can use to achieve good publicity.

#### **Conclusion**

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I hope this newsletter has explained the various possibilities and the different areas to be considered when you formulate a Fundraising Strategy for your Association.

It can only be to our benefit to work with each other and to learn from one another's perspectives, mistakes and successes. So do share your experiences in fundraising or indicate the areas of funding that would be of interest to you. All comments, enquiries or suggestions are welcome and should be sent to:

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*Wishing you an excellent end to 2003 and an enjoyable and exciting year ahead!*