



The Complete Community Fundraising Handbook

How to make the most money ever
for your community organisation





**The Complete Community Fundraising Handbook:
How to make the most money ever for your community organisation
Second Edition**

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Foreword

Many of the people involved with Australia's 600,000 fabulous community organisations make a distinction between fundraising and the "real work" of the group – playing the game, looking after the environment, providing mutual support and advocacy, putting on a show, looking after and teaching children, putting out the fires, and so on.

This is a recipe for powerlessness. Certainly, you can't put out fires just by asking for donations, but on the other hand you can't put out fires without some money for equipment. Both sides of the organisation are necessary.

Over my many decades of working with and in the community sector, I've come to see fundraising as the community pass-the-parcel, the chore that no one really wants to take a hold of.

This is really a great shame.

Fundraising can and should be a creative, exciting, fabulous job, a job that allows you to have a real and long-lasting impact on the health of your group and the community it's serving.

But it's not a job that should be left on one person's shoulders.

When your group asks itself "Whose job is it to raise the money?" the answer has to be "Everybody" – not just the treasurer, or the coordinator/CEO, or the admin officer, or the person who wasn't at the meeting when all the jobs were handed out. You need to create a culture of fundraising for the entire organisation.

The other thing you need is a widespread understanding that we must now move well beyond the lamington drive and the sausage sizzle. Relying on just one or two funding sources is just not good enough in the modern era.

That's why we've developed the **Our Community Fundraising Formula**, which includes the Seven Pillars of Raising Funds – donations; grants; community business-partnerships; memberships/alumni/friends; special events; earned income; and crowdfunding; – along with the Seven Essential Fundraising Actions.





The benefits of each of the pillars are explained in this guide, along with some practical advice for putting each strategy into practice in your organisation.

Think of the Fundraising Formula as the community fundraising equivalent of the Healthy Food Pyramid – there are some parts you should be using more of (and which those are will depend on your group's individual needs and your resources) and some you should be using less of – but the key is, you need to be sampling from pretty much the whole menu.

Get to it!

Denis Moriarty
Group Managing Director
www.ourcommunity.com.au





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Introduction

The Only Easy Fundraiser

Community groups with little in the way of resources or volunteers often ask for fundraising ideas that don't involve much work or time or money. There is only one easy fundraiser, and this is it:

1. Close your eyes.
2. Hold out your hand.
3. Wait for someone to put money in it.

If this approach has a single teensy-weensy flaw, it's that it doesn't actually bring in any money. It does, however, contain a valuable lesson. There's no such thing as easy money. All you can hope for is **easier** money.

This guide is about empowering community organisations to take control of their destinies by putting in place a strong, ambitious but achievable fundraising strategy, one that avoids the need to pay money to professional fundraisers. It will make it possible for your organisation to get the maximum income for your input – but it's always going to be true that the more work you put in, the more money you'll get out.

That's one of the basic rules.

There are others.

The Rules

1. If you don't ask, the answer is always no.
Rule Number One. Tattoo it on the back of your hand.
2. Diversity equals strength.
The more the sources of funds you have, the stronger the organisation.
3. People don't give to causes, people give to people.
People give when someone they like and trust asks them.
4. People don't give to causes, people give to people.
People give when they're able to identify with the eventual recipient.
5. The first time is to make mistakes, the second time is to make money.
Don't change for change's sake – you'll lose your hard-won experience.





6. The magic word is "Thanks".
*Let your donors know how very, **very, very** grateful you are. Often.*
7. Just because they didn't give yesterday doesn't mean they won't give today.
Be persistent up to the maximum limits of politeness.
8. Great oaks from little acorns grow
People give tentatively at first; you have to make it meaningful for them before they'll give meaningful amounts.
9. Make your donors your friends. And make your friends your donors.
Building relationships is your most important job ... and a pleasure.
10. There's no such thing as easy money.
The more you put in to it, the more you'll get out of it.

We can't promise that you won't have to put in some hard work, but we can promise that if you follow the advice in this guide, your hard work will result in a stronger, more vibrant, more independent, and more effective organisation.





The Our Community Fundraising Formula



The Our Community Fundraising Formula consists of the Seven Pillars of Fundraising and the Seven Steps of Fundraising.

The Seven Pillars of Fundraising

You need your group's money to be coming from as many sources as you can manage, raised by as many people as you can coordinate. Most groups get into trouble because they have only two or three sources of funding, or because they have only two or three people really involved in raising money. If any one of the sources or any of the people goes away, the organisation starts to slide into trouble.

A good fundraising plan rests on seven pillars. These are:

1. Donations
2. Grants
3. Community-Business Partnerships
4. Membership/Alumni/Friends
5. Special Events
6. Earned Income
7. Crowdfunding





To survive and thrive in a changing world, you have to have many strings to your bow, many legs to your stool, and many irons in the fire. Sustainability begins at home.

No organisation should be so dependent on a single funding source as to be unable to function without it. For example, an organisation that is entirely dependent on government grants is extremely vulnerable. Governments change, ministers change, senior public servants or advisers change and government priorities change. What was an absolutely essential number one priority for one administration may not rate with the new incumbents, who have their own funding priorities to fulfill. Yours may not be one of them.

In contrast, a group that receives support from earned income, several foundations, memberships, partnerships, and a pool of individuals in addition to that government funding is clearly stronger and more secure.

This means, among other things, that you have to work at raising money from other sources even when – especially when – you don't need to, not right that very moment. Your core funding might well come from government, but the money raised by **you** allows you to pursue independent decision-making, innovation, new ideas, and insurance for the future.

WISE WORDS

"The main reason we have tried to go after diversity in fundraising is so that it doesn't leave us exposed. If you've got a number of different avenues to pursue revenue or sponsorship, you're covered. If you only choose one or two, they may fall through in particular years.

"... Because we're a community band, we need a venue to rehearse. Most years we have council sponsorship, which allows us to use a venue every week.

"One year that sponsorship didn't happen. And we hadn't budgeted money to pay for a rehearsal venue, so that year we had to pay for our rehearsal venue every week and it cost quite a lot of money."

*Community band president
Raising Funds newsletter*





It's tempting to throw yourself into the work that your organisation's all about and leave tomorrow's problems till tomorrow, but you're a mission-focused organisation and you know that your goals aren't short term. Your goal isn't just to help (say) people with Multiple Sclerosis next week, but to be able to help people with MS 10 years from now, and 20 years from now. If your mission is long term, your funding and your funding strategy should focus on the long term as well.

The long term is going to cover times when stock values are high and foundations are rich, and times when foundations have taken large losses on their capital and are having to cut back on their grants funding programs. It covers times when the government is expanding and times when it's contracting; times when people are feeling flush and times when they're worried and apprehensive. You have to be able to survive both droughts and floods.

You need to spread the load.

The Seven Steps of Fundraising

A good fundraising plan goes through seven stages.

1. **Setting the target** – Taking into account your capacity to fundraise and factoring in both costs and returns
2. **Making the plan** – What actions will you undertake to go about raising that sum?
3. **Identifying the players** – Who's going to carry out the various actions?
4. **Clocking the timing** – How long will each activity take?
5. **Setting deadlines and checking for progress** – Pinpoint the spots where work will need to be monitored to ensure targets are being met. Draw up a timetable and highlight major deadlines.
6. **Weighing your resources** – Which actions will require what resources?
7. **Adding it all up** – How will you know if your plan has worked? How will you capture the lessons?

