



**Queensland University of Technology**  
The Australian Centre for Philanthropy  
and Nonprofit Studies

# **FUNDRAISING**

**FOR NOT-FOR-PROFIT SECTOR**

**FACT SHEETS 1 – 8**

The Australian Centre for Philanthropy and Nonprofit Studies

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## FACT SHEET 1

### Fundraising as an income source

Nonprofit organisations can have a wide range of income sources whereas for-profit organisations obtain their working revenue mostly from sale of goods and services and governments from taxes. Community service nonprofit organisations often wish to diversify their income sources, particularly when they are dependent on one source alone – often government grants and contracts. There are a number of sources of income other than government and the main ones are:

- Giving by individuals of cash
  - o Cash donations are given by supporters and friends, e.g. church collections
- Grants by foundations and other nonprofit organisations
  - o Grants are given by charitable trusts (Queensland Community Foundation <http://www.qcf.org.au/>)
- Fee income and commercial ventures
  - o An 'op-shop' which sells donated goods
  - o Fees charged for services delivered by nonprofits such as counselling service to wealthy people in addition to their free counselling to the needy
- Membership income
  - o Members are charged fees to belong to the organisation
- Investment income
  - o Sometimes known as an endowment, where a large sum is invested and the income used by the organisation. Often the large sum comes from bequests
- Volunteer resources
  - o Volunteers provide services to the organisation such as staffing its 'op shop' or serving on its board

It is usually a matter for the board or management committee of an organisation to assess the strategy about the best balance of income sources. Some organisations decide to have as many sources as possible, other concentrate on growing just a few. This series of fact sheets examine developing fundraising from individuals as a revenue source for the nonprofit organisation.

The Australian Bureau of Statistics (ABS) estimates that fundraising across the nonprofit sector accounts for some 9.4% of income being made up of:

- Grants from foundations 0.4%
- Donations from business 0.8%
- Sponsorships 1.4%
- Donations from individuals 5.4%
- Other fundraising 1.3%

For the ABS category 'social service' the portion of their income sourced by fundraising is nearly 22% of their total income. This is only an average and some organisations can be higher or lower than this average.

Many associate 'fundraising' with the rattle of the tin cup on the street corner. However, this is a fading sound. Fundraising today - or development as it is often called - is a sophisticated and complex profession, drawing on management, marketing and communication skills. In fact, fundraising is taught at tertiary level, and a full training program is also offered by Fundraising Institute Australia, who also has a very detailed Code of Professional Conduct. Clearly, there is more to the fundraiser's role than meets the eye, be it a volunteer role or a staff one.

A foolproof formula for raising funds has yet to be devised, but good planning and management are staple ingredients in every successful campaign recipe. Many Australian organisations these days employ a fulltime development team, specifically to raise funds. Often the organisation may employ fundraising consultants as well, just as it might call on financial or management consultants to meet specialised needs. If your organisation's fundraising task calls for such specialist expertise, Fundraising Institute Australia, mentioned at the end of these factsheets, will have contact details for local consultants.

Alternatively, you may opt to raise funds yourself. Obviously, the scope of your fundraising task will determine the type of campaign you run. Whether you use a consultant or 'do it yourself', whether you are raising hundreds of dollars or millions, some core questions can get the effort started.

People think fundraising is about asking people for money and that is such a minute part of the role. More importantly, it is about communicating with relevant people about the absolute value of what your organisation is and does in the community. The challenge is to encourage others to engage so they want to be part of that effort.

## Five key questions

- (1) How prepared is your organisation to win community support? – See Fact Sheet 2
- (2) Who believes in what you're trying to achieve? – See Fact Sheet 3
- (3) What fundraising tool/s should you use to reach these 'markets'? – See Fact Sheet 4
- (4) How will you ask for funds? – See Fact Sheet 5
- (5) How will you keep the momentum going? – See Fact Sheet 6

Each question prompts some thought and action and is dealt with in separate fact sheets. Also included are a sheet on legal considerations that go with fundraising activities (See Fact Sheet 7) and a case study of a community service organisation that has embarked on a strategy to increase their fundraising income (See Fact Sheet 8).

## Fact Sheet 2

### How prepared is your organisation to win community support?

#### The case statement

Why on earth should people give away their hard earned money to support you? You must have thought through the answer to this question, no matter how modest or monumental your organisation and fundraising goals may be. This thinking translates into something called a 'case'. The French have a phrase 'raison d'être' which sums up the gist of a case. It means your reason for being - why your organisation exists. That might be as broad as eliminating world poverty or as focused as giving art opportunities to local children in Yeppoon.

Write this down into a 'case statement'. It doesn't need to be a huge document. Just answer some basic important questions.

- What need were you set up to answer?
- What specifically do you want to do, and how do you plan to do it?
- How will the donors' money be used to reach this goal?

Beyond these basics, you should also ask

- What makes your organisation stand out.
- What is unique about what you are trying to achieve?
- And how will you be accountable for the way you use someone else's money?
- What will you be giving back to those who invest their time, money or support?

When you think about it, these are the questions you could expect to hear when you ask someone for money, whether that is a company, your neighbour or a government minister. Put yourself in the donor's shoes and find the answers yourself first. Like any investment, people need reassurance and evidence of good management and planning. Everyone relevant in your organisation should see this case statement. This helps all parties to start from the same understanding and commit to your 'case' for seeking funds. You would be surprised at the different versions of your cause that emerge if it is not all talked through and written down.

This internal document – which again, might be two pages or twenty - may include headings such as:

## **Mission**

Why you exist, what community needs you are filling. Start with the goal of stirring minds rather than the usual jumping off point of ‘Our organisation was formed in July, 1988 ...’

It would be more inspiring to begin with a worthy ambition that sums up what you are on about, whether that is eliminating hunger in your district or offering safe haven for injured wildlife.

Consider for instance the Leukaemia Foundation’s ‘Vision to cure. Mission to care.’ By way of further examples, the following four mission statements from international charities have been commended for their ability to communicate and motivate.

### *YMCA*

Mission: Improve the mind, body and spirit of the community.

### *Habitat for Humanity*

A nonprofit, ecumenical Christian housing organisation building simple, decent, affordable housing in partnership with people in need.

### *Doctors Without Borders*

Doctors Without Borders/Médecins Sans Frontières (MSF) is an independent international medical humanitarian organisation that delivers emergency aid to people affected by armed conflict, epidemics, natural or man-made disasters, or exclusion from health care in more than 70 countries.

### *Goodwill Industries International*

Goodwill Industries International enhances the dignity and quality of life of individuals, families, and communities by eliminating barriers to opportunity and helping people in need reach their fullest potential through the power of work.

### *Horizon Foundation*

Horizon Foundation provides a diverse range of services to people with disabilities in SE Queensland.  
Mission: creating opportunities for people with disabilities.

### *Micah Projects*

Micah Projects is a not for profit organisation located in several areas around Brisbane inner city which is made up of a number of services in areas of homelessness, mental health and disability, institutional abuse and giving family support.

Micah's Vision: Our hope is to create justice and respond to injustice at the personal, social and social and structural levels in church, government, business and society.

This is succinctly expressed on promotional material as "Breaking Social Isolation – Building Community. Creating justice – responding to injustice"

### **Goals and objectives**

Your short and long term directions and how you specifically plan to achieve these aims. Very specific objectives will give you and your donors direction and some way to measure your success. For instance, you might use an objective like 'setting up 10 fully equipped meals kitchens at senior citizens centres in the district by September'. Remember that objectives should be S.M.A.R.T. - **S**pecific, **M**easurable, **A**ction-oriented, **R**ealistic, and deadlined to a set **T**ime.

### **Logistics**

The programs you will run to reach your goals (meals kitchens, nutrition days, collections through schools); the people who will be involved (the Mayor as patron, a board, three volunteer committees and a part-time co-ordinator) and the facilities you will use (office space, food preparation equipment).

### **Needs statement/budget**

What you need to achieve your mission (20 microwaves) and what it will cost. You should also outline how much has already been raised (if any) through what sources (governments, corporations, individuals). Some idea of your strategies for raising funds should also be included here.

### **Accountability**

How you will measure and report your success. Given the occasional collapses of some nonprofit organisations, this is essential if your donors are to trust you to administer their donations. The *Giving Australia* research (2005) underlined just how common it is for people in the community to believe charities waste money and don't give enough supporter feedback.

## History

Now you can talk about some of the background to your organisation. Note that the cause - not your group - must take first place in constructing your case. While branding and being known are vital, your organisation is simply a conduit to achieving that important community outcome. You are not asking for money for your organisation. You are asking for support that will provide safety for a mother and children in an emergency,

This case statement is your master document. From this bank of information flows all other materials - brochures, circulars, public relations messages, advertising copy, speeches, proposals to government, corporations, foundations and others.

## Your people

A case statement is an excellent start but there is more to think about in 'internal preparation' - making sure you are ready. The case statement will prompt a few questions about how you will handle your programs and your donations. It will also highlight the need for high calibre people at the helm. Whether yours is a grassroots group of five volunteers or a charity with enough staff to fill a small town, people, at every level of your organisation, are the most crucial part of any cause effort.

The people you enlist to govern the initiative, whether this is a formal board or a group of willing parents, have a big responsibility. Ideally, this group should be a mixture of people from different walks of life. Work out your organisation's needs. Do you require a volunteer solicitor and an accountant? Will local business leaders be valuable to your cause? Are you likely to get some good candidates by advertising? Who could you ask directly to become involved? As some wit has suggested, your governing group of volunteers should represent the four 'w's - work, wisdom, wealth and wallop. To put this another way, they should also be prepared to give three 't's - their time, talent and treasure.

This 'treasure' is an important point in fundraising. If your volunteers do not believe enough in your cause to give, how can they legitimately expect others to do so when they ask them? Giving time is wonderful but giving money as well is the sort of ringing endorsement that will move others to give. Make sure that people are aware that you'd like them to consider supporting the organisation's work. In seeking leadership volunteers, it is a mistake to play down the involvement needed. Be honest - if it is a task that will take a concentrated commitment of time for a while, don't hide that or you will get the wrong person.

## **Motivating your volunteers**

A written description of what you expect of your volunteers at all levels will be useful. It allows people to judge if they have the time to contribute what you need and it also lets them know you are serious about achieving your goals on behalf of the community. When we work as volunteers, we are just like employees in that we need to be motivated guided, and know what is expected of us. Particularly in the nonprofit sphere, when giving our time, it is great to be involved in decisions and to have efforts recognised. Volunteers give of themselves in a very special way. Professional organisations - whether they have paid or unpaid leadership - will make time to evaluate their ongoing volunteers, seek their suggestions, and take the trouble to ask how they are enjoying the tasks they are assigned, and whether there are other areas they may prefer to work in. It is a basic courtesy.

Clearly, your volunteers believe in your cause. In raising funds, you need to enlist not only these folk but also find others of a like mind.

## FACT SHEET 3

### Who believes in what you're trying to achieve?

If you think everybody will give to you 'because we're a good cause' - think again!!! Many new fundraisers will assume that they will target the big companies, get a hefty sum and then sit back. Not so. For a start, research suggests that society's givers are individuals. Consistent fundraising trends in Australia and other countries show the vast majority of the money contributed to causes comes from individuals. Corporations chip in a bit and foundations the rest (see section 15-215 for more details on foundations).

What you are seeking are the true believers - people who identify with your cause for one reason or another - people with a linkage to your mission. These people are your markets, or your 'constituencies'.

### Identifying constituencies

So if you were trying to raise funds for preserving a historic building, you would not tackle the population at large. Not everybody would care. Maybe, though, local architectural, building and engineering firms might be interested. People who have used the building through the years might care about it. Descendants of the original owners and craftsmen may want to know about your efforts. Groups who could use the building in the future might have some interest, as might local residents and businesses. A company formed in the same year might support the effort in celebration of its own anniversary and to underline its long track record in the community. If the restoration is likely to generate tourism, this opens a whole range of possibilities from the firms or government areas who could benefit long term from your initiative. Linkages are the key.

People who have been battered children are likely to identify with causes to protect children when they are older. People who have attended a particular school or university may cherish some special feeling for the start it gave them in life. If a prominent business person was a star player in your soccer team as a youth, he may care about its new club house. Your local car dealership will probably draw most of its trade from the Mums and Dads who live in your area, so sponsoring your football carnival in exchange for presenting the trophies may be something they are interested in. In other words, no matter what your cause, find the believers, someone with a linkage. Do not waste time and effort on people who do not have a link with your cause in some way. Tailor your messages to those with an interest.

## Appealing to your constituencies

What do these markets want to hear from you? Contrary to what many organisations think, your needs as an organisation will not appeal to them. They are interested in the community needs you will fill, the good you will create. How will the new clubhouse make a difference to the youngsters and families in the area? What difference will their donation to the old school make to today's and tomorrow's students? Will their input help another family before they get to the stage of hurting a child? Focus on the end benefits when talking to your donor markets, not your immediate needs for new equipment, buildings or money. Inspire your givers to feel the same urgency and zeal for the cause that you do. Think about what is going on in your potential giver's mind.

## Why people give?

Research suggests people give for a host of reasons, usually at least two of the following:

- Religious beliefs;
- Because a friend/peer asked them to;
- Fear of contracting a disease;
- Understanding of the cause through personal experience;
- Respect for what your organisation is doing;
- Recognition (which may be in the form of having their name on a plaque, gaining some publicity or sitting at a special table with major supporters);
- Tax benefits;
- 'Giving something back';
- Desire to make a better world;
- Self-fulfilment and so on.

Clearly, you need to tap into the needs that motivate the various people in your constituencies so you can best appeal to them. Watch what brings a shine to people's eyes when they speak. We are all motivated by different things. It is interesting to note that tax relief hardly ever figures as a major reason for giving. Tax benefits, if you qualify for them, are not unique to your organisation. Many nonprofits will offer the same advantage. It is better to establish the unique nature of your cause rather than jump onto a bandwagon and compete with others as just another tax deduction. Tax is an important to open the conversation and get people thinking about giving, however and it may be critical to corporate and foundation supporters.

## FACT SHEET 4

### What fundraising tools should you use to reach these markets?

For some small tasks, the good old raffle is without parallel, but these days the amounts groups must raise and the ever emerging needs often call for a more indepth approach. No matter what tack you choose, you will need a **fundraising plan**, which includes:

- your case statement,
- a timeline of activities,
- deadlines for key events and for reaching your target and,
- and the precise method(s) you will use to reach your funding goal.

A word of warning. Pop a thermometer into the mouth of your market before you plunge into your campaign. Even if you are just a small sporting club or a Scouting group rather than a larger charity, check out with some prospective donors if they are likely to support you.

The tiniest amount of market research can save cancelled events and wasted effort. Will your volunteers and leaders give to the cause? Does your case statement reflect the true interests of your markets and the key givers you have identified or are there other reasons people support you that you weren't aware of? Analyse any hurdles you may face. Check that your campaign does not coincide with another one by a major cause. In summary, establish how feasible your project and methods are before you start.

You are then in a position to decide which of the common techniques summarised below may help. A few guiding thoughts:

- Build always on the strengths and resources of the people who make up your organisation. For example, one now major children's charity began with the support of the boating community because its founder was active in this sport. Its early fundraising was around boat races and dinners for the boating fraternity. Another now major national charity ran an early squash marathon because the husband of one of the nurses had networks of squash players as friends. Another group raised money from branches across the state, with each branch playing to its strengths. One branch ran an annual fashion parade, another piggybacked annually on a horseracing event while another had a large recycling operation – all because they followed logical outreach to their own existing networks.
- It is good to go to the smallest number of people for the largest possible support. Keep the task manageable and think big. Asking large potential supporters for help may not win the

donation from them but it may see them point you in another useful direction from *their* networks.

- Remember you are asking for a vital community cause – not for yourself. You represent something very worthwhile. In no way, shape or form is fundraising about begging.
- It is better to do a few activities well than to burn out your volunteers with an overambitious calendar.
- Fundraising is a long road. Success is not guaranteed. However, many of the links you forge may end up being supporters later even if they are not able to help on the first ask.

Common fundraising programs include:

- annual funds (which includes most of the wide range of fundraising undertaken by small groups such as raffles, direct mail, monthly direct debits from loyal supporters, workplace giving, money boxes in shops, sausage sizzles and so on);
- capital campaigns;
- bequests;
- grants;
- special events; and
- electronic fundraising (such as donations through the website, email campaigns or even mobile phone appeals).

Some of these techniques require approval from the relevant government department with reference to legislation such as the Collections Act. Refer to Chapter 16.

### **Annual funds**

Annual funds raise money for normal yearly operating expenses, where the donations and income are not usually tied to a particular nominated purpose. This is necessary in an ongoing cause and organisation. While you strive to avoid administration costs, it is a fact of life that the funds will not be raised and managed without some outlay and support structure. Likewise, your programs will not run without some expenses.

Annual funds are sometimes called ‘budget fundraising’ and may use personal asking, direct mail campaigns, doorknocks, art unions, telemarketing or even telethons or radiothons. Apart from generating funds, the bonus is the opportunity to reinforce the cause each year (or several times each year) to the donors and maintain their loyalty. It provides the opportunity to account to

donors regularly about how you are investing their support. Many of these donors also then choose to give to other specific campaigns the organisation runs from time to time.

The annual giving program is the backbone to other campaigns. It provides the donor base, the regular supporters that will keep the organisation alive and sets these donors into a pattern of giving and involvement with the cause.

An interesting development in more recent years has been new forms of regular giving. While many Australians have practised monthly giving in the form of 'adopting' an overseas child through Worldvision or the like, such giving is now more common across a range of causes. People may sign up for a direct debit to go each month or each payday from their bank account into the charity's bank account. Or through their workplace, they may give a regular small amount and receive a tax receipt for the accumulated amount at 30 June. This payroll deduction approach has seen a lot of other workplace giving happen as well, where a workplace may link with a few charities and be sites for their events as well as willing staff members giving through their pay. Consider Jeans for Genes Day, Bow Tie Day, Shave for a Cure and the like.

Another change has been the advent of street fundraising by groups particularly such as environmental or human rights organisations. While not a form of fundraising that appeals to everyone, this approach has proved popular with often younger supporters, some of whom have not been involved in giving before. Commonly, the donor agrees to a particular amount being put on their credit card or coming from their bank account each month as ongoing support to a cause.

If you are a new nonprofit group, your donor acquisition could be timed to coincide with a launch of your cause. People do not generally give to groups they do not know about. Talk to a public relations consultant, freelance writer, volunteer marketing person or your local media about what will interest the news outlets. 'Noise' in the marketplace about what you are doing makes a difference to the support you will receive.

### **Personal visits to potential donors**

If personal asking is used, many times each volunteer who will personally be asking for gifts will be given a target of five or six contributions to generate from introducing people they know to the particular project, as a manageable number. Fundraising is about relationship building rather than baldly asking and about meeting the needs of the potential supporter. Question 4 covers the process of personal asking in more detail.

A useful tip is the challenge gift, where a single donor (e.g. the government, a large donor) offers to match dollar for dollar each new gift that comes in. Obviously, this must be an honest challenge, carefully accounted for. Likewise, the nucleus fund is a good start to a campaign. This fund is

generated when the campaign leaders and committees pledge their gifts to kick off the campaign. From this base, others are likely to join.

### **Direct mail**

If direct mail is used, take advantage of the services and information offered by Australia Post and the range of direct mail houses in Queensland. Remember you are competing to have your mail opened and read. To be appealing, it should ideally use attractive stationery, an individually typed address rather than computer labels, a personalised greeting, crisp, direct wording, a signature by someone people would like to receive mail from and a reply paid envelope. Volunteer or freelance writers, public relations or advertising consultants can be a boon here.

Direct mail helps you reach large groups of prospective supporters who could not be canvassed personally. Because it may involve outlays for copywriting, design, printing, list purchase, postage and so on, direct mail can mean a large upfront investment. These are not tasks an amateur can easily tackle and achieving a good response to direct mail is challenging. The outlay may call for some professional input. Having said that, some volunteers use direct mail effectively by writing to their own networks and people in their local district. Some organisations have set up a healthy, ongoing base of supporters from an acorn-sized start. Smaller scale versions for low budget groups could make use of a simple letter distributed through the volunteer network, asking each volunteer to circulate an original copy of the letter to five friends he or she feels may want to help. This is not uncommon with new organisations especially.

Direct mail programs can be used initially for donor acquisition (going out to people who are not currently supporters to acquire new givers), and in this phase it is not uncommon to spend more on acquiring supporters than on what comes in from this first contact. The cycle then moves onto donor renewal (approach for another gift), then donor upgrading (suggesting a slightly larger gift over time for donors showing their continued interest) and renewal of lapsed donors (reminders to people who may have stopped giving for one reason or another). Donor acquisition sometimes involves unaddressed mail but naturally personally addressed mail has a higher chance of being opened and read. Sometimes charities may rent or purchase lists of names from list brokers so they can address mail personally to groups who may be interested in supporting their cause.

### **Telemarketing**

Telemarketing is being used successfully by some key charities. It simply means contacting potential supporters by phone. Telstra, Optus and other groups are able to provide background on the rationale and techniques of telemarketing that may apply to your group. Sometimes a

telemarketing bureau will be engaged to undertake a pilot program to see if telemarketing works well with your cause. Telemarketing may be for merchandise sales, art unions or donations most commonly.

### **Capital campaigns**

Capital campaigns are designed to raise a nominated large figure for equipment, buildings or expansion. Common examples would be intensive efforts to build a school swimming pool, a new club house for a sporting group, or a new wing in a hospital.

These campaigns rely largely on personal asks made by volunteers who have themselves committed a significant gift. The program chairman is selected carefully in such campaigns not only for commitment to the cause but for ability to link into other potential givers. Quite commonly, such campaigns are run with the help of a fundraising consultant.

Capital campaigns are not usually run until the cause has a strong donor base and visibility. Because of the large amounts involved, the success of capital campaigns usually rests on donors who are familiar with the cause through annual funds or other smaller programs. Gifts may not always be in cash. It is not uncommon to see a transfer of asset (for example, title to some real estate or shares, or a building that can be used to be a clubhouse, museum, playgroup etc). Gifts may also be made over a number of years. This is known as the 'pledge' system of giving and the power of these so-called 'stretch gifts' is huge. For instance, an average family wanting to support a cause they believe in may be delighted and surprised that they have the power to make a \$1,000 impact by committing \$10 a week for the next two years.

### **Bequests**

According to *Giving Australia* 2005, 58% of Australians have a will and some 7.5% of these have made a charitable bequest. This is where a person decrees in a will that a certain amount will go to a set charity (or charities) when the estate is settled. A solicitor can provide appropriate wording that your organisation can use and promote. Promotion of the idea of including the charity in a will and promotion of the bequest wording, especially on your website is important. Many people are happy to know that the support provided to a cause close to their heart will be continued after their death, through long term thinking they have set in place. So many Australians still die intestate - without a will - and many people welcome the reminder that they need to make their wishes known and to provide for their family and perhaps for a cause special to them as well, resources permitting. Giving of this type seems to be more and more common. Many causes will use their newsletters and direct mail to invite interested donors to write to them for more information on this method of giving.

Ethically, of course, fundraisers should take care not to exert undue influence on people preparing their wills. See the FIA Codes of Conduct for more information on <http://www.fia.org.au>.

## Grants

Grants may stem from foundations, corporations and governments. They may seem like easy money. In fact, they take some effort. Grantmaking organisations in areas connected with your cause must be researched, and submissions tailored to the requirements of that group. Most will have set deadlines for considering submissions, with specific guidelines for the types of causes they will fund, and the accountability they require. Foundations are a sometimes forgotten source of community funds, yet their contribution to the community benefit is enormous each year. They may be set up to administer an individual's or company's giving or that from a large estate of a generous person who outlined their wishes before they died. Various directories of philanthropic (sometimes called charitable) trusts can be sourced in libraries. Philanthropy Australia is also a useful source of information on this area, via its Directory of Trusts and Foundations. If you receive a grant, publicise this if the grantmaking body allows. It underlines the confidence that these bodies have in your organisation's ability. A new type of foundation came into being in Australia with the new millennium, called the Prescribed Private Fund. Akin to the US family foundations, this vehicle provides a tax efficient means for people to manage their philanthropy.

More information on PPFs can be found at the Philanthropy Australia site, <http://philanthropy.org.au>.

The Federal government on its community website also has a list of funding and grants across Australia, [www.community.gov.au](http://www.community.gov.au)

The Australian Centre for Philanthropy and Nonprofit Studies has recently opened **The QUT Community Collection** which includes a database library for grant seekers, fundraisers and philanthropists provided by the Foundation Center USA. The QUT Centre as a Cooperating Collection allows free access to the *Foundation Directory Online*, the world's leading grant seeking database. The Centre is located at the QUT Library V Block, Level 7 at the Garden's Point Campus 2 George St Brisbane. And is open 7am -10pm Monday to Friday and 9am-6pm Saturday and Sunday. For further information visit [www.bus.qut.edu.au/research/cpns](http://www.bus.qut.edu.au/research/cpns)

**Queensland Grant Funds** – <http://www.olgr.qld.gov.au>

- **Gambling Community Benefit Fund (GCBF)**

The Queensland Government established the Gambling Community Benefit Fund (GCBF) in 1994 to provide funding to community groups in Queensland. The GCBF receives money from taxes

on Golden Casket lotteries, wagering, keno and gaming machines. It distributes these funds to community projects on a quarterly basis.

One-off grants of up to \$35,000 are allocated to approved not-for-profit organisations to help them provide community services or activities that benefit the community. These grants are not intended to replace existing sources of support for these organisations. Grants of more than \$35,000 are considered for more complex projects which have significant community benefit. Applications must be from Queensland-based organisations. The majority of Queensland not-for-profit community organisations are eligible to apply for a grant, either in their own right (if incorporated) or through a sponsor (if not incorporated).

The GCBF has four annual funding rounds. The closing dates for applications are 28 February, 31 May, 31 August and 30 November. If your eligible application is not successful in the first funding round, it is automatically considered in the next funding round.

- **Jupiters Casino Community Benefit Fund ( JCCBF)**

The Queensland Government established the Jupiters Casino Community Benefit Fund (JCCBF) in 1987 to provide funding to community groups in Queensland.

The JCCBF receives money from taxes on casinos. It distributes these funds to community projects on a quarterly basis. One-off grants of up to \$150,000 are allocated to approved not-for-profit organisations for services or activities that benefit the community. These grants are not intended to replace existing sources of support for these organisations. Applications must be from Queensland-based organisations, located within the geographical jurisdiction from the Queensland and New South Wales border, to the northern boundaries of Boulia, Winton, Barcaldine and Isaac. The JCCBF has four annual funding rounds. The closing dates for applications are 28 February, 31 May, 31 August and 30 November.

- **Queensland Community Foundation (QCF) – General Fund**

The QCF General Fund was established to provide grants to the charity and non-profit sector, with the income to be granted at the discretion of the Trustee. For more information see <http://www.qcf.org.au>

- **Reef Hotel Casino Community Benefit Fund (RHCCBF)**

The Queensland Government established the Reef Hotel Casino Community Benefit Fund (RHCCBF) in 1996 to provide funding to community groups in Far North Queensland.

The RHCCBF receives money from taxes on casinos and distributes these funds to community projects on a quarterly basis. One off grants of up to \$15,000 are allocated to approved not-for-profit organisations to help provide community services or activities that benefit the community. These grants are not intended to replace existing sources of support for these organisations Grants

of more than \$15,000 (up to a maximum of \$25,000) are considered for more complex projects which have significant community benefit. Applications must be from Queensland-based organisations, located within the geographical jurisdiction North from Burke, Carpentaria, Croydon, Etheridge, Tablelands and Cassowary Coast, including Torres Strait and Thursday Island. The RHCCBF has two annual funding rounds. The closing dates for applications are 31 August and 28 February.

- **Breakwater Island Casino Community Benefit Fund (BICCBF)**

The Queensland Government established the Breakwater Island Casino Community Benefit Fund (BICCBF) in 1988 to provide funding to community groups in North Queensland.

The BICCBF receives money from taxes on casinos. One off grants of up to \$5,000 are allocated to approved not-for-profit organisations to help provide community services or activities that benefit the community. These grants are not intended to replace existing sources of support for these organisations. Grants of more than \$5,000 are considered for more complex projects which have significant community benefit. Applications must be from Queensland-based organisations, located within the areas of Mount Isa, Cloncurry, McKinlay, Richmond, Flinders, Charters Towers, Hinchinbrook, Townsville, Burdekin, Whitsunday and Mackay. The BICCBF has two annual funding rounds. The closing dates for applications are 31 May and 30 November.

## **Special events**

Balls, walkathons, buy-a-button days. The list of possible special events to create interest in your cause is limited only by the imagination - and the budget. Be careful that your fundraising events are not simply attracting a list of partygoers rather than those with a genuine interest in your cause who will want to invest further in your work. Public relations and fundraising do go hand in hand. As mentioned before, people are loath to give to a cause they do not know. Special events planned to have some news value can attract media coverage and can bring new donors into contact with your organisation.

They are particularly useful when a set amount for a specific need has to be raised. Be aware of the bevy of volunteers you will have to muster, from ticket sellers to walkers, or whatever your event demands. Plan well ahead and make sure the event really is 'special'. It must attract the people you want to target, either through a top guest, exotic venue, or tantalising theme. Remember the outlays of food and facilities. Try to achieve and promote donations or sponsorship of as many of your requirements as you can, but realise that in most cases special events need some risk outlay. Plan for break-even points so you know whether or not to go ahead, and have some target of the numbers you need to attract. Like in many areas of life and business, the old adage 'get it in writing' is a worthwhile one to live by in setting up the many details and negotiations that lead to a special

event. Sometimes, events will take 50 per cent of the income in arrangement costs, so viewed purely in fundraising terms, there may be more profitable ways to raise a dollar. However, it may be that the profile, the new volunteers and the involvement of people in your cause are just as important to your organisation as the dollars, so special events must not simply be judged on net profit.

Further, if you can make your event a significant social occasion for your area, you have achieved a valuable yearly fundraising tool that people will look forward to being part of and that can grow in strength year after year.

### **Cause related marketing**

In recent years, we have seen more corporations embarking on cause related marketing (CRM). For example, American Express might pledge 5¢ to a nominated charity each time a card is used in a specific city, and \$1 for each new card taken out in that locality in a nominated period. Or a coffee company may add to its label that it will donate \$2 to charities helping children each time someone buys its product. Or the local fruit shop might donate fifty cents every time people spend more than fifteen dollars with them in a set week. A common one people notice is the link of a toilet paper brand with a seeing eye dog charity. With full promotion, this CRM concept brings business and a good neighbour image for the firm, and funds for the cause. This concept has broadened to encompass corporate community partnerships, where companies might 'adopt' a particular cause and their staff and customers work to help it.

### **Memorial/tribute gifts**

Gifts may come to your cause in the form of funding for an award, scholarship, room or clubhouse that is then named for the donor or in honour of someone who has died or someone whose contribution has been sufficiently large to warrant a tribute. People give to such campaigns to express their admiration for such individuals. The advent of the web has made this a much more personal process with people for instance setting up web pages on a charity's site to honour a loved one and other friends able to add comments and photos to the page as well as a memorial donation.

### **Gift clubs**

Quite commonly in arts organisations but also others causes, gift clubs operate as an incentive to people to give set amounts. Membership is achieved by making a gift above a certain level, and it is exclusive to belong to the club that honours this group. The club may have a special name, special yearly function (eg. dinner with the team, the research professor, a special artiste, behind the scenes

tour with the backstage crew etc) or other distinction that is seen as worthwhile recognition by its members. The recognition cannot be of monetary value however.

### **Electronic fundraising (E-Fundraising)**

The internet has revolutionized fundraising as it has so many other areas of life. Websites, charity portals that direct donations from shopping or other sites, updating and sending out appeals by email or SMS, adding podcasts, wikis and blogs to your information and outreach, using social networking sites such as MySpace, Facebook or Second Life, online video of the reality of your cause, downloading a ringtone or wallpaper of an endangered tiger – the list goes on. Visit <http://www.e philanthropy.org> to find out lots more.

A range of websites now offer guidance to individuals or groups wanting to raise funds online. Such sites generally help in three ways: a step by step system enabling a personal webpage to be created so you can start fundraising immediately, suggestions for outreach to your likely donors (such as email blasts to people you know) and a secure means of accepting and receipting donations. Large ones based overseas include [www.chipin.com](http://www.chipin.com) and [www.justgiving.com](http://www.justgiving.com). Local sites include [www.everydayhero.com.au](http://www.everydayhero.com.au) and [www.onlinegiving.com.au](http://www.onlinegiving.com.au).

Remember, pictures and videos work very well online. The 3M Corporation has researched visual thinking as part of its product development and has found human process visuals 66,000 times faster than text! Think visually on your site because most people sure do. Have a look at [http://youtube.com/nonprofit?info\\_lang=au](http://youtube.com/nonprofit?info_lang=au) for some tips and examples about online video campaigns for nonprofits. Remember that pictures are great storytellers and fundraising is essentially storytelling. It is worth also checking:

- Any fees charged by these sites as a percentage of any donations as these may vary;
- The payment systems in place for your donors and their security; and
- How, and how quickly you receive the money raised.

### **General comment**

Some combination of these techniques may be appropriate for your needs, particularly if yours is an ongoing cause. Smaller organisations may simply decide to run a raffle. Either way, be sure to check your legal obligations with the relevant government department.

## FACT SHEET 5

### How do you ask for funds?

Wise people realise that fundraising is not really about raising money. It is about building relationships. Fundraising is sometimes humorously called a 'contact sport'.

It is a process. And if the whole process is done well, it is almost a case of the potential giver volunteering their support because they have been so convinced of the worthiness of what you are doing. That is, the request for money comes as no surprise and the givers have been given ample opportunity to learn about your case and understand its importance. In many instances, they will have decided to give, before they are even asked. The amateur will waltz in with a letter to a large company and expect a big donation on the spot. In reality, few people will part with their money without a lot of prior information and involvement. You probably would not, so why expect others to do so?

This asking process could be described as having seven key steps.

(1) Identification

Having defined your constituencies, those with a linkage to your cause, you move to the individual level to identify your potential donors.

(2) Qualification

This identification step is followed by qualification, working out whether those people you have identified will and can give. This involves research from a range of sources - for instance, watching the paper, finding out backgrounds of potential givers to see what linkages they may have to your cause. You read an article that says a business person used to be part of an amateur opera company and you learn of a linkage for your arts organisation. You see an article on a prominent person in your district and learn that have long supported youth employment. Perhaps they may like to support your efforts here too. It goes without saying that any such research should be conducted tastefully and ethically.

(3) Strategy

Based on your research into the individuals who may give, you will have selected an appropriate strategy for raising funds. Strategy can operate at the individual level, too, deciding the proper person in your fold to introduce your potential giver to your cause. Remember the old chestnut that people do not give to causes. People give to people with causes. As part of your strategy you will also need to decide what amount to ask for. Fundraising is often said to be the right person asking the right supporter for the right amount for the right project in the right way.

(4) Cultivation

Build the relationship. Let your potential donors come to understand the cause and its significance as you do. Send information, invite them to functions, involve them on committees, ask for their opinions to improve your work.

(5) The actual asking

The main reason that people do not give is mighty simple - they have not been asked!

Fundraising according to some is like milking a cow. It is pretty difficult to milk a cow by post or telephone. There is a ladder of effectiveness in ways to ask for money. The rungs are logical if you put yourself in the place of the giver and think how you would like to be approached for a gift. The most successful asking usually comes from a personal visit by a team of two, one of whom is a peer or contact of the donor. The least effective is from an impersonal letter. In between are the personal visit by one person, the personal letter with a telephone follow-up, the personal letter, and the personal telephone call with a letter follow-up.

It is not easy to ask for money. Most of us will have some reservations about doing this. It is worthwhile repeating that you are not asking for something for yourself. It is for your cause, for your community. The donor looks on you as an extension of the values of your organisation.

There are definite topics you must cover in your conversation, beyond the usual opening stages and establishing rapport. Talking about your own commitment to the cause (remembering that you will already have pledged your money) encourages by example. You will be asking them to join you in filling a community need. You will also need to mention your asking figure. American philanthropist John D. Rockefeller jun. gave some valuable advice on phrasing a request for funds, saying

*I do not like to have anyone tell me what it is my duty to give. There is just one man who is going to decide that question - who has the responsibility of deciding it - and that is myself. But I do like a man to say to me, "We are trying to raise \$4 million and are hoping you are desirous of giving (blank) dollars. If you can see your way clear to do so, it will be an enormous help and encouragement. You may have it in mind to give more; if so we shall be glad. On the other hand, you may feel you cannot give as much ... if that is the case, we shall understand.*

Gifts can be made in many forms, not just cash. Some people sign over shares, works of art, deeds to property or gifts in kind from their company. You may also need to talk through the best mode of giving - a certain amount over three years, title to an asset and so on. Although you have spent much time in cultivating people's interest in the cause, they may still need to

think this through, talk to their accountant, their spouse and so on, especially if you are seeking a big gift. Be sure to make an appointment for a second visit if this is the situation.

(6) Follow-up

Once you have a pledge for funds, the process may seem to have ended. It has not. In talking to people about their donations, you will have done a lot of listening and learned much about why they care about your cause. This will guide you in deciding the type of information donors would like to receive about what their funds are achieving. Also ask the donor what they would like most by way of feedback.

Think of a donation as an investment. It is truly your donor's investment in the future of your organisation and its goals. As with any other investment, people will want a return and some idea on how their funds are performing. Apart from the obvious thankyou letter to your donors, think of ways you can let them know what their kindness is producing. How much closer are you getting to fulfilling your mission? How have they made a difference? This may take the form of an update letter, a newsletter or a personal call or telephone conversation. The old-fashioned word for this is stewardship. Some wise fundraiser once said that if you haven't thanked a donor in seven different ways, you are not doing your job.

(7) Renew the gift

If yours is an ongoing program, you will probably be speaking to that donor again in the future. A good way to measure your success is by the number of donors who choose to renew and perhaps upgrade their gift the next time they are approached. This attests to your stewardship.

## FACT SHEET 6

### How will you keep the momentum going?

In obtaining a gift, you have achieved more than just the funds that gift represents. You have made others conscious and committed to your cause. You have found true believers. There are many hundreds of worthy causes today and a true believer for yours may naturally be interested in other good works. That is the spirit of philanthropy.

Remember though that building a corps of loyal donors will be the lifeblood that makes your organisation grow in its ability to solve the human or social need it was established to meet. The more people give, the more people are likely to give again ... because they care about the cause. It is much easier to win funding support from existing donors than to find other believers. Take every opportunity to renew the donor's interest in the cause. Even if you have achieved the desired amount - you have enough to build your after school hours care rooms or start the women's shelter - there is likely to be a 'next time'. New needs will arise. Do not forget to express your appreciation on an ongoing basis.

### Useful contacts

For information on membership of the professional associations such as FIA, annual conferences, Queensland Chapter monthly meetings with guest speakers, member lists, codes of fundraising ethics.

Fundraising Institute Australia  
Member Services Department  
Telephone: (03) 9830 7211  
<http://www.fia.org.au>

### National Office - Sydney

Street Address	Suite 201/ 60 Archer Street, CHATSWOOD NSW 2057
Postal Address	PO Box 642, CHATSWOOD NSW 2057
Phone	+61 2 9411 6644
Fax	+61 2 9411 6655
Email	<a href="mailto:admin@fia.org.au">admin@fia.org.au</a>

For information on postgraduate study in fundraising and nonprofit topics

Australian Centre for Philanthropy and Nonprofit Studies

Queensland University of Technology

GPO Box 2434

BRISBANE QLD 4001

Telephone: (07) 3138 1020

Facsimile: (07) 3138 9131

[www.cpns.bus.qut.edu.au](http://www.cpns.bus.qut.edu.au)

FIA and the Queensland Government with the assistance of Dr Ted Flack FFIA have put together a useful CD-ROM called the Fundraising Toolkit that can be readily obtained through FIA.

For information on trusts and foundations and other philanthropic matters

Philanthropy Australia

Level 10

530 Collins St

Melbourne VIC

Telephone: (03) 9620 0200

Facsimile: (03) 9620 0199

[www.philanthropy.org.au](http://www.philanthropy.org.au)

The Australian Centre for Philanthropy and Nonprofit Studies has recently opened **The QUT Community Collection** which includes a database library for grant seekers, fundraisers and philanthropists provided by the Foundation Center USA. The QUT Centre as a Cooperating Collection allows free access to the *Foundation Directory Online*, the world's leading grant seeking database. The Centre is located at the QUT Library V Block, Level 7 at the Garden's Point Campus 2 George St Brisbane. And is open 7am -10pm Monday to Friday and 9am-6pm Saturday and Sunday. For further information visit [www.bus.qut.edu.au/research/cpns](http://www.bus.qut.edu.au/research/cpns)

## FACT SHEET 7

### Legals

#### The Collections Act

The Collections Act regulates the manner in which associations may conduct appeals for public support, mainly the collection of moneys from the public in Queensland.

Each Australian jurisdiction (apart from the Northern Territory) has fundraising legislation and organisations operating outside Queensland may well have to register in those places as well before conducting fundraising activities. The Productivity Commission recommended in 2010 that the legislation be harmonised.

No person or association can make an “appeal for support” unless they either apply for a “sanction” (approval) under the Act or are exempted from the provisions of the Act (Section 10).

An “appeal for support” is defined in Section 5 of the Act and is very wide including any invitation written or oral to contribute to an organisation or cause including that at any dance, concert, social, entertainment, bazaar, fair, fete, carnival, show, sport, or game. The section’s main limitation is that it has to be made to the public. The public is defined as including any member of the public. It probably does not include members of the incorporated association or company limited by guarantee, so an appeal to the members of the incorporated association only may escape the provisions of the Act.

An appeal for support solely for the advancement of religion by or on behalf of a religious denomination is exempted from the provisions of the Act (Section 6(2)). However, this exemption does not extend to door-to-door appeals (section 14A).

A religious denomination is defined in Section 5 and is an organisation that has been recognized for the purposes of the *Marriage Act 1961*. This effectively limits the definition of “religious denomination” to the larger religious denominations, rather than smaller independent faith based organisations.

The Act provides different types of authorisation to fundraise depending on the purposes of the association. The association may be registered as a “charity” or as an association whose purposes have been sanctioned as a “community purpose” under the Act.

Charities are divided into two classes: exempted and non-exempted charities. While the charity remains registered under the Act and as long as it abides by the Act any appeal for support can be made.

Sanctions for activities that seek public support can be granted to community purpose organisations. The definition of community purpose organisation is contained in Section 5 of the Act:

*“Community purpose” means any 1 or more of the following purposes (other than any charitable purpose):*

- (a) any purpose which promotes or assists in promoting, or is devoted or directed to the promotion of, the general welfare of the public, at large or in a particular locality, including, but without limiting the generality of the foregoing, the construction, carrying out, provision, maintenance, or repair of buildings, works, parks, recreation grounds, or other places (or of amenities therein) for the purpose of use or enjoyment by members of the public;*
  - (b) the objects of an association prescribed under a regulation for the provisions of this Act stated in the regulation;*
  - (c) the objects of any association where such objects comprise both charitable and community purposes;*
  - (d) any purpose which, pursuant to Subsection (2) of this Section the Minister determines to be a community purpose;*
  - (e) a purpose declared under a regulation to be a community purpose for this Act or particular provisions of this Act;*
- but does not include -*
- (f) the objects of an association declared under a regulation not to be a community association for this Act or particular provisions of this Act; and*
  - (g) a purpose declared under a regulation not to be a community purpose for this Act or particular provisions for this Act.*

Applications forms can be sourced from the Office of fair Trading at [www.fairtrading.qld.gov.au](http://www.fairtrading.qld.gov.au)

Organisations are required under the Act to obtain an assignment before conducting a street collection or door to door appeal. Assignments are obtained from the Department. This allows the Department to ensure that homeowners and businesses are not unduly solicited by organisations by rationing the areas and dates whereby an organisation can undertake collections from door to door or in the street (Sections 15&16).

The more important conditions that apply to street collections and door to door appeals are contained in Regulation 19:

- A written authority, signed by an authorising officer of the organisation, is to be issued to each collector, with a distinctive armlet or badge.

- The written authority should be signed by the collector and must be produced on demand by a police officer, departmental inspector or any other person.
- A record of the armllets or badges and the persons to whom they have been issued is to be kept by the organisation.
- Every collector shall keep the written authority and armllet or badge in their possession and shall return them to an authorising officer on replacement, when the collection is completed or at any other time at the demand of an authorising officer.
- The armllets or badges are to be worn prominently and are to be used only by the persons to whom they are issued. They are not transferable. Every collector should, wherever possible, sign his/her name on the armllet or badge.
- The collector is to be supplied with tickets or receipts based on the carbon copy or numbered butt system. She/he must issue a ticket or receipt to all persons giving money or articles to the organisation unless he is using a collection box (see below).
- Collection boxes may be used instead of issuing tickets or receipts. The seals on the collection boxes must not be broken by collectors.
- Each collector must return the butts or receipt book issued to him/her (together with all money collected) or the collection box (with the seal unbroken) to an authorising officer –
  - (1) when the tickets supplied have all been issued or the receipt book has been exhausted or the collection box is full; or
  - (2) on demand from an authorising officer; or
  - (3) when he/she does not desire to act as a collector; or
  - (4) on completion of the collection.

Proper supervision must be exercised by the governing body of the organisation in connection with the issue of tickets or receipt books and accounting for money and articles collected and the issue and opening of collection boxes and accounting for their contents.

The Collections Act and regulations are available on the Queensland legislation page at:

<http://www.legislation.qld.gov.au>

## Charitable Gaming

*The Charitable and Non-Profit Gaming Act 1999 governs gaming activities for charitable and nonprofit associations in Queensland. The Act divides all gaming activities into four broad categories, depending on the game type and its gross proceeds. Different conditions of authorisation are attached to each category of game and licences are required for conducting category 3 games, special category 3 games, bingo centres and for printing lucky envelopes (section 36).*

Category 1 games are any games with gross proceeds of less than \$2,000, but exclude lucky envelopes or games used for the promotion of goods or services (section 14). This category of game may be conducted by an association so long as it has at least four members and is formed for a common purpose that is not likely to harm the integrity of general gaming (section 7) or an individual who ensures all proceeds of the game are returned to players via prizes (section 18). Examples of category 1 games are meat tray raffles, lucky dips, guessing games or Melbourne Cup sweeps. This is a common category for the gaming activities of incorporated associations in Queensland.

Category 2 games are any games with gross proceeds between \$2,000 and \$20,000, or for lucky envelopes, less than \$5,000, and exclude games used for the promotion of goods or services (section 15). This category of game may only be conducted by an 'eligible association' which is an association that has been formed for a charitable, community, patriotic, educational, religious or sporting purpose, or is a parents and citizens association or registered political party (section 9 - 10).

Category 3 games are any games with gross proceeds of more than \$20,000 but exclude bingo, lucky envelopes and any game used for the promotion of goods or services (section 16). This category of game must also be conducted by an 'eligible association' who holds a category 3 gaming license (section 20).

Category 4 games are any games conducted for the promotion of goods or services (sections 17 and 13), commonly known as trade promotions.

If the association estimates the gross proceeds of their game (for a single game or session) will exceed \$20,000, a category 3 licence should be sought and will allow the association to conduct several games or sessions in accordance with the legislation and conditions of the licence.

Application forms and other information about gaming is available at the Office of Gaming Regulations website at:

<http://www.qogr.qld.gov.au/publications/forms/charitable-non-profit/index.shtml>

If an association wishes to conduct gaming activities that may flow into other state jurisdictions, it will need to look into the legislative framework for gaming licences for that jurisdiction. Gaming schemes are commonly referred to as 'lotteries' in most states and territories, and in all jurisdictions there is legislation that prohibits certain types of lotteries without authorisation.

Associations should also be mindful of the potential overlap between fundraising and gaming legislation. In Queensland, section 13 of the *Collections Act 1966* ('the Collections Act') provides that an appeal for support that consists only of the purpose of conducting a game under the *Charitable and Non-Profit Gaming Act 1999* is taken to have been granted a sanction under Collections Act for that purpose (for more on the Collections Act see Chapter 16). Additionally, if the proceeds of an association's fundraising or gaming activities are to be used for any political purpose, the provisions of the *Commonwealth Electoral Act 1918* (Cth) will require the association to report its political expenditure to the Australian Electoral Commission if it amounts to \$10,000 or more per year (indexed annually) and may require the association to disclose the identity and particulars of those who made the donations.

### **Other Acts applicable**

Associations should also enquire with their local authority about any by-laws regulating collections. An example is that in the Queen Street Mall in Brisbane permission is required before persons can collect moneys from the public. If the collection takes place on private property, for example in a large shopping complex, no permits need be obtained from the Police or local authority, but permission of the owner of the property should be obtained.

### **Contacts**

Office of Fair Trading

- **Phone: 13 1304** or (international callers: +61 7 3405 0970)  
Queensland Government Service Centre  
Upper Plaza Terrace  
33 Charlotte Street  
Brisbane QLD 4000  
GPO Box 3111, Brisbane QLD 4001  
<http://www.fairtrading.qld.gov.au/>

## FACT SHEET 8

### Case study

Our organisation provides support services to a diverse range of disadvantaged people in the community. But as is typical for many social services, the vast majority of our income is received through government grants. However while these funds are administered through governments, they are funds provided through the redistribution of taxes and as such are also public funds. These grants fund the core of our service provision but based on our experience **we thought fundraising might assist the organisation** to supplement our income and fund innovative activities to support service provision.

Fundraising is of course, part of everyday life in a not-for-profit organisation and we were no different. For many years we have had a strong donor base through a relationship with a faith community and local small businesses. However, we were not reaching out to potential new donors. Due to a growing profile for our organisation, we needed to rearrange how we could continue to maintain and grow the interest and support we were receiving from a wide range of stakeholders. We wanted to strengthen our existing donor relationships as well as build our donor base.

Our Board, through the strategic planning process, recognised that we needed to rearrange roles and responsibilities to support the Board and the Coordinator in maintaining the relationships with donors and volunteers. In order to do this the Board supported a decision to invest in skill development across the organisation in understanding philanthropy, governance and fundraising. Several staff members working in roles across the organisation such as Quality Management and Finance Management enrolled in courses at Queensland University of Technology's Australian Centre for Philanthropy & Nonprofit Studies (ACPNS – more on this later).

Our relationships with donors, volunteers and other community stakeholders was an area of interest that I particularly wanted to develop. I was already in the position of Community Liaison, working with community stakeholders who were supporting our work at a crisis centre we operate. While studying fundraising at QUT I became very excited about our organisation launching capital campaigns, online planned giving and bequest programs. However, what I was to learn is that there is a lot of groundwork that needs to occur internally to prepare an organisation before it can launch into structured fundraising.

**I got started** by networking. You have to get out there and meet people. Expanding our networks within the business sector and reaching into the general community was a great way to become known in the 'marketplace' and to conduct market research. One of the most valuable things I did in this regard was to **join a business network**. The particular network I joined worked on a 'givers gain' business referral methodology and was open to discovering how this system of reciprocity could support a not-for-profit. At weekly breakfast meetings, each member is able to market their business with a 60 second 'infomercial'. As a marketing exercise, this became a great training ground and where I could:

- **Hone our organisation's message.** Being able to succinctly introduce who we are and what we do is vital to communicating with potential supporters. It is the 'elevator speech' but I also learned that you should be able to say as much in one sentence. That might be all the time you have to grab someone's attention.
- **Tell stories.** Fundraisers usually need to be good raconteurs. Facts and figures are great for illustrating the magnitude of your cause but nothing is as powerful as the story of just one person and how your organisation helped them. It is easier for your audience to connect with another person and the reality of their experience than statistics. After you leave them they will more likely remember the story you told than the numbers you prattled off.
- **Learn what to ask for and how to ask for it.** You have to know what you want for people to know what they need to give you. One of the most vital and for many, scariest elements of fundraising is 'The Ask'. I found it very confronting to come straight out and ask for what we need until someone in the network just said, "Tell us what you need; we won't know unless you tell us". It turned out the more direct the ask, the better the response. The second part of this learning was that if you are going to put the call out, you had better be ready for what you will receive. Systems and resources need to be devoted to receiving support from the community e.g. recruiting volunteers; processing donations; receiving in kind support.

This was perhaps the **most significant learning** since our organisation started on this path of expanding our fundraising. It exposed the areas in our organisation that needed to be developed if we were to really go to market with formalised fundraising strategies. It is impossible to launch a capital campaign or planned giving program without a whole host of resources to make it happen. What we have been learning over the past three years since the Board decided to dedicate

resources to this work, is that there is a great amount of preparedness that needs to happen to bring an organisation like ours to a place where we are ready to go to market.

As we have grown as an organisation, we have been steadily building our capacity to grow our fundraising. We had to learn how to get the most out of our existing resources – especially our staff. For example, we purchased donor database software to manage our donor relations but we do not have a fundraising team dedicated to the task of maintaining the database. So we trained our Administration and Finance teams and they now share the work of managing the database. In recent times we have been able to employ a Marketing and Communications Manager. We recognised that at the end of the day, a professional approach was needed towards this work. This is a major step towards building our capacity to launch major fundraising campaigns. To support this staff person, we've trained other staff (myself included) in skills such as writing media releases. In this way, we have been able to create a Marketing and Communications team without hiring specialised staff.

Understanding where our organisation was at in our journey is something **I would have liked to have known at the start**. Furthermore, it became apparent that at the very start that you have to have a clear understanding of the role of your organisation in society. As social services, we have a role that is much more than the government contracts that fund our work but is instead driven by our mission. Recognising that role and articulating it is vital to our message.

**What we would have done differently** is to have done all of this work much earlier! Hindsight (isn't it a marvellous thing?) showed us that we should have dedicated resources and started on a strategy to engage donors and marketing and communication our message to the community sooner than we did. Ah well, better late than never!

Sometimes we learned the hard way **what works and what doesn't** in fundraising in social services. One of the tough lessons I learned was that all of our staff had to have an awareness of how to relate to donors; all of our staff are potentially fundraisers. I nearly died the day a kind soul came to our crisis centre with bags of donated clothes and one of our staff loudly announced, "Where did all of this rubbish come from?" right in front of the donor!

Here is a list of **what does not work** compiled from our experience and what we have seen other organisations do in the sector:

- using social services or government jargon to communicate what we do with the public

- complaining about the conditions of government funding and wages
- being negative about other organisations
- adopting language that does not reflect the core values of the organisation
- using business language about products to describe people (we are in the business of people not transactions or products)
- not having a clear mission
- not having clear fundraising goals
- not bringing the whole organisation along with you in the change
- valuing change as a strength and motivation towards a goal and not a response to deficits
- a belief that business and corporate people do not have values and or do not understand the issues to which we are responding.

#### **What does work:**

- providing a clear message to donors about where donations go
- providing feedback about the difference the donation made to people lives
- open and accountable information to donors
- acknowledgement and inclusion of donors in organisational celebrations
- engaging and training all staff in basic donor relations
- having an inspirational message
- being positive and optimistic
- problem-solving the wishes of donors that have the potential to compromise your organisation's integrity; e.g. a donor wants to be photographed 'with the poor kiddies' that their donation goes towards. Instead, set up a photo opportunity with staff and use the opportunity to educate your donor about what it means to uphold the dignity of vulnerable people.
- using every opportunity to education people about the mission and not just the need for money
- make the most of every situation and opportunity – you never know who your next donor or supporter could be
- developing a common mission – where our values and worlds intersect with the donors'
- remembering that people have families and friends who may share the experiences of your organisation's work e.g. supporting people with a disability, mental illness etc.

Our Coordinator has said the the most useful resource in fundraising needs to be a passion for the mission of the organisation; an understanding of the journey the organisation has been on; and a commitment to the aspiration to make a difference in the lives of people for whom our organisation exists.

**Professional development** continues to be essential for building my skills and confidence in fundraising and continues to guide me in my work. Here are some of **the most helpful resources** I utilise:

- **Mentors** really help to guide me in my work and give me personal encouragement. Over the years I have utilised different mentors for different stages in my professional journey and for different aspects of the work. For example, in the early days a business coach was great for helping me learn about converting people with a mild interest in our work into donors through common sales techniques. For guidance on how to always keep marketing and communications relevant to our work in the community, the Coordinator of our organisation continues to be an invaluable mentor.
- **Reading**, in print or online, is a great way to fit professional development into your schedule. I found *Fundraising Management: Analysis, Planning and Practice* by Adrian Seargant and Elaine Jay to be full of practical information. Subscribing to publications like *Fundraising and Philanthropy Australia* or enewsletters like the Not-For-Profit Network's *Finding Funds* is a great way to get new ideas and keep on top of developments in the sector. Our Community ([www.ourcommunity.com.au](http://www.ourcommunity.com.au)) is a fantastic resource that all Australian not-for-profits should tap into.
- **Workshops and lectures** can be great ways to hear first hand from the experience of others and interact with other people in fundraising. I have found the Fundraising Institute of Australia's Professional Development breakfast series to always be engaging and informative. Take a notebook!
- **Formal study** really cements your understanding of fundraising and gives you a qualification. ACPNS offers post-graduate business courses with flexible entry requirements. The teaching staff are extremely supportive and there are scholarships and bursaries are on offer. Much

more than just fundraising, the courses give a very broad understanding of the business of being a not-for-profit organisation.

- **Peers** of other professionals in fundraising offer support and ideas to assist in your work.