

How to fundraise

By Nigel J. Sivel

Fundraising can be one of the most challenging tasks in any volunteer organization. The constant need to raise money can drain creative energies which would otherwise be directed towards fulfilling the organization's primary mandate. Fundraising can, however, also be energizing, since success in these activities can help to revitalize your members and volunteers.

Your organization's structure

Charitable registration/incorporation

To aid in your fundraising activities, it is important that your organization have a charitable registration number. This will allow you to issue tax receipts to individuals and groups from whom you receive donations. For further information about applying for your registration number, refer to *How to apply for a charitable license* in this series of *A choral how to*.

Incorporation lends credibility and legitimacy to your organization. Some foundations and corporations will not consider funding unincorporated groups. For assistance related to incorporation, refer to the handbook published by the provincial government and the related article in this series of *A choral how to*, or approach a lawyer for professional assistance. Many law firms do a certain amount of free work for charitable groups.

Fundraising committee

Wherever possible, your fundraising committee should represent a cross-section of your membership, and it should include individuals whose work and/or social relations can offer access to potential sources of funding. The committee members should be interested in undertaking fundraising activities, should have ample time to ensure completion of these tasks, and should have a knowledge of and enthusiasm for the activities of your organization.

The committee's first priority is to identify your fundraising needs and the strengths and weaknesses of your organization's prior work in this area. Produce a month-by-month fundraising plan, encompassing between three and five fiscal years, that addresses these targets. When developing your list of targets, survey your members and board of directors to determine any of their personal contacts which might be useful to you. These contacts with your targets are invaluable to open the doors of potential funders.

Record keeping

Devise a method for record keeping which will be most effective for your organization. Your records should include information regarding all of your donors (actual, targeted, or potential). These records must contain the names of the funding body and your contact; their address, telephone, and facsimile numbers; and the history of requests, responses, and donations from that specific source. Complete and accurate record keeping will allow you to track requests from one year to the next, and it will assist your organization through personnel changes in your fundraising committee.

A large number of computer database programmes are available to assist in this record keeping. If such programmes would be effective for your group, seek advice from your local computer supplier regarding available software.

Types of fundraising

When considering the different methods of fundraising, it is important that you use the means which would be most effective in providing the highest yield for the least overhead. Always remember that overhead costs include the number of hours expended by your volunteers and/or staff. Event fundraising, for example, has the highest overhead of the types of fundraising listed below; foundation fundraising has the lowest. You need to determine what type of fundraising best suits your organization and its financial goals.

Corporate fundraising

When approaching corporations for donations, remember that companies generally require some level of public exposure for their contributions. Such exposure could take the form of free advertising at your events, recognition in concert programmes, and/or photos of company officials in local newspapers. When selecting targets for corporate fundraising, consider such things as any personal contacts your organization may have in the corporation, the activities of the corporation, the corporation's location, and its charitable history.

Reference materials:

- The Financial Post Directory of Directors, compiled and published by The Financial Post Datagroup: www.fpinfomart.ca, or telephone 1.800.661.7678 or in Toronto 416.442.2121. Available in some university libraries or as online search on FP Infomart website under FP Advisor, Additional Databases, with fees for address information.

Small business fundraising

Community-based small businesses have a vested interest in charitable giving, since it is an excellent vehicle for them to improve their public relations. Such businesses may choose to give you a monetary donation, but they are especially good targets for donations-in-kind or advertising.

Reference materials:

- Business directories published by your local Chamber of Commerce
- Local telephone books, particularly the yellow pages

Donation-in-kind fundraising

Many companies or small businesses respond more favourably to requests for services or more products than to proposals for monetary donations. For example, a company might agree to provide free refreshments for a fundraising event, to provide free wine for a reception, or to donate free dry-cleaning for sale at an auction. This kind of relationship provides your organization with services and/or products, and it allows businesses to be seen as contributing to the community. Large companies have public relations departments that routinely co-ordinate these types of exchanges; in small businesses, speak directly to the owner.

Foundations

Foundations are more likely to contribute to a project that matches their aims than they are to give towards general operating funds. Foundations receive hundreds of requests annually, so it may take several approaches before you receive funding. Continue to approach these targets on an annual basis. For foundation proposals, always follow the guidelines of the specific target exactly.

Reference materials:

- Canadian Directory to Foundations, published by The Canadian Centre for Philanthropy; telephone 1.800.263.1178 or in Toronto 416.597.2293; fax 416.597.2294. www.imaginecanada.ca Available for purchase as print resource or as database.

Government grants

Monies are available to many community choirs through grant programmes operated by provincial and municipal governments; the Canada Council restricts its funding solely to professional choirs. For information about grants that might be available to you, contact the Ontario Arts Council: www.atys.on.ca or 416.961.1660 or 1.800.387.0058. The Classical Music Officer for some time has been David Parsons: dparsons@arts.on.ca or 416.969.7452. Many cities or regions also have arts councils. You may also qualify for special funding assistance designated for special events by the Ontario Ministry of Culture, (community arts event project grants). Contact your regional office for more information.

Membership fees/donations

Membership fees offer a secure annual source of income that can be directed toward general operating costs such as paid staff/conductor, music purchase/rental, or rehearsal site expenses. If your organization has a charitable registration number, you may be able to issue a charitable donation receipt to your members for the full amount of their fees. In addition, you can encourage your members to make a donation to the organization in excess of their regular membership fees. You should always actively encourage your members to donate funds since they are the people most committed to your organization's objectives. It is particularly effective to allow members an opportunity to direct their donations towards a specific project.

Individual donations

Every organization, no matter how large or small, has supporters outside of its membership who are in a position to make financial contributions. You need to establish a system to recognize such donors. Many organizations publish a list of donors in their concert programmes and/or provide special ticket privileges. Generally, it is enough to recognize individual donors in this fashion; individuals who donate particularly large amounts of money, however, may require further recognition.

Special event fundraising

While special event fundraising requires a great deal of advance planning and volunteer commitment, it can be very lucrative for your organization. Many organizations have had success with events such as yard sales, auctions, bingos, 50/50 draws, banquets, talent contests, and cabarets. These events can be combined with silent auctions of donated items for greater revenue.

Presenting your request

Since corporations, small businesses, foundations, and individuals all receive many requests for donations, it is important to consider the format of your request to ensure that it will stand out. For a good, clean look to your proposal, desktop publishing software is invaluable. However, excellent proposals can be assembled efficiently using word processing programmes. Here are some pointers that might prove effective for you:

- ♦ investigate a funding target's guidelines for donations, and tailor your request to these guidelines;

- ♦ state your request (money, service, or product) clearly;
- ♦ explain your purpose in as few words as possible; and
- ♦ describe in detail how your organization will provide recognition to the funding body.

Your proposal should include a package of information which is sent to all potential targets, including such items as budgets, press clippings, recent programmes, your board list, an annual report, and your most recent financial statements. Make sure that all of this material is consistent in appearance.

The follow-up

You will have to follow up proposals to corporations, small businesses, and local service clubs several days after they have been received. You may have to make a phone call, drop in on someone you already know, or set up an appointment to discuss your proposal. Years ago this step was not always necessary, but today it is. Personal contact may not pay off immediately, but it may prove helpful for future proposals.

When approaching foundations, the opinions regarding follow-up are mixed. If you have established contact with the

foundation prior to your request, then it may be effective to follow up. If you have had no prior contact with the foundation, or are not known to anyone at the foundation, it may be detrimental to your request.

Always be prepared when you are following up a proposal. Know what you want, why you want it, and when you need it, and know the details of your organization. This impresses people making decisions regarding donations.

Don't forget...

Plan to make personal contacts. Talk with company officials, and speak to "coffee groups," churches, service organizations, and school officials. In addition to assisting in your fundraising activities, such contacts will increase your organization's profile in the community.

Plan special publicity events by making announcements of funding or artistic success in the local media. A positive public image makes funding requests easier.

If your project involves children, include a proposal to your local school board's teachers' federations. Because the local branch is part of a provincial organization, you may be able to access provincial funds through it. There are five teachers' federations you can consider targeting: Ontario Secondary School Teachers' Federation, Federation of Women Teachers' Association of Ontario, Ontario Public School Teachers' Federation, the Ontario English Catholic Teachers' Association, and the Association des Enseignantes et des Enseignants Franco-Ontariens. Contact your local school board to identify the federation leaders.

Your school board can also help in other ways. Ontario's school boards are under financial stress, but they also have a mandate to increase community/school relations. Your project may help them achieve their goal. Your school's parent association can also be very helpful. They can help with special event fundraising and provide support for grant and foundation applications.

Include municipal officials on your invitation lists to concerts and events. Endorsements from local officials can lever funds from other sources.

Finally, find ways to help other organizations. Co-operation rather than competition in small communities will benefit your organization financially.

Raising funds for a volunteer arts organization is never easy, particularly in recessionary times. It is no longer safe to assume that by dropping a letter of request in the mail, you will collect a cheque several weeks later. All forms of fundraising require hard work, persistence and, above all, a personal approach, to be successful. Attend fundraising workshops, read fundraising literature, and never, never give up.

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