

# A GUIDE TO SUSTAINABLE FUNDING

For Non-Profit, Voluntary & Community Organisations



## About This Guide

This guide was commissioned as a way of helping local Taranaki organisations develop a sustainable fundraising plan. It has been written in a no nonsense format which not only looks at the big fundraising picture, but gives practical ideas that groups can easily use in their organisations immediately.

The guide covers a variety of topics including:

- Generating a Membership Base
- Traditional Fundraising Activities
- Seeking Donations
- Securing Sponsorship
- Entrepreneurial Activities & Social Enterprise
- Contracts
- Grants and Community Funding

The guide was initially commissioned in 2011 by the then Taranaki Joint Action Group (JAG) and written by Kerry Tilby-Price of at EXULT<sup>1</sup> for Taranaki organisations. The most recent edit was in September 2019

Further copies of this resource are available for download at:

<https://wheelhouse.org.nz/funding-assistance/>

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<sup>1</sup> Exult – [www.exult.co.nz](http://www.exult.co.nz)  
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## What Is Sustainable Funding?

Securing funding is a constant source of anxiety for most non-profit organisations and many find themselves scrambling from one financial crisis to the next. The problem is most organisations focus on how they can secure immediate sources of income, but make no plans for generating funds on an ongoing basis. The knee-jerk reaction means their funding is anything but sustainable.

If you look at the term **Sustainable Funding** in a literal sense, it means finding *enough* money to fund a *specific* purpose, on an *ongoing* basis. Clearly it is more than simply finding some cash – there are 3 key words that organisations need to take into account.

### **Enough:**

If you want your funding to be sustainable, you need to know how much money is required. Not just for your immediate project or programme, but for the coming 12 – 24 months. Without an accurate long-range budget, it is impossible to know how much money is *enough* to keep you sustainable in the long term.

### **Specific:**

Having a budget is a good start, but if you want your funding to be truly sustainable you need to be *specific* about your costs. It's not enough to say you need \$500,000 to run your organisation; you need to know exactly how that \$500,000 is being spent. The more *specific* you are with your expenses, the more opportunities become available to meet or reduce those costs.

### **Ongoing:**

It is one thing to get *enough* money for a *specific* purpose once, but the key to sustainability is being able to generate that money on an *ongoing* basis. Often organisations expect the same funder or fundraising activity to cover their costs over and over again, and then panic when the situation changes. There are few guarantees in the fundraising arena, so it is important to have a Plan B – just in case.

With these key words in mind, having several independent income streams is one of the most effective ways to ensure sustainable funding for your organisation. That way if something unexpected happens with one funding avenue, you always have another one in place to support you through.

*One way to understand 'Sustainable Funding' is to imagine your funding plan is like a table with all your expenses resting on the table-top. The more table legs (or income streams) you have supporting them, the less likely it is to collapse in a disaster. Stability comes by having a diverse range of funding sources all working at the same time*

## **7 Key Income Streams**

There are 7 Key Income Streams (or table legs) available for non-profit organisations, and it is important to use as many as possible if you want to stay sustainable. It doesn't matter that some income streams will be stronger than others, what's important is that you have at least some support in place.

The 7 Key Income Streams available for non-profit organisations are as follows:

### **1: Membership**

Depending on the type of organisation you are involved with, this income stream could be referred to as membership, subscriptions or user pays. Essentially however, membership is where a person pays to belong to a specific club or group of people, and as a result receives specific services, benefits or privileges.

### **2: Traditional Fundraising Activities**

Traditional Fundraising Activities are activities that are organised for the primary purpose of raising extra funds. These activities usually rely on member or client involvement and do not necessarily relate to the services you offer.

### **3: Donations**

The definition of a donation is 'a gift'. This means a donation is made out of kindness and the donor expects nothing in return. Donations are not necessarily monetary; you can also receive donations of time, products, services or resources. Donations and sponsorship can often be confused. We address this issue on page 10-13 of this guide.

### **4: Sponsorship**

The definition of sponsorship is 'to assume responsibility for'. This means that a party (most often a business) gives you enough time, money or resources that they are as interested in the success of the project as you are. Sponsorship requires a contract and is given in return for specific rewards.

### **5: Entrepreneurial Activities & Social Enterprise**

An entrepreneurial activity or social enterprise is when your organisation sells a product or service using a traditional business model. These activities are not your core business, but they do make use of your existing resources and often add value to your current member base.

### **6: Contracts**

In the non-profit arena, a contract is where a party (usually a government department) contracts your organisation to provide a specific service or programme, and pays you for doing so.

### **7: Grants/Community Funding**

A grant is something given to you by an organisation, whereby the money is to be used for a specific purpose. Your organisation applies to funding bodies for specific projects or costs and you are accountable for where and how you spend the money

## **Generating Income Through Membership**

Sports clubs, art clubs and social clubs are familiar with using membership as a way of generating income, however many health and social service organisations struggle with how membership can be used in their type of organisation. For organisations like this, it is important to realise that membership doesn't have to be for your users or clients. Membership can be for a completely separate entity such as a 'Supporters Club' or 'Friends Club'.

Regardless of who your members might be, you need to create a membership package. That is, a package of benefits or privileges that people receive while members. In the case of a sports club, a large part of this package is the right to participate in the specified sport. For other types of organisations, other benefits may apply.

Some things you may like to include in your membership package include:

### **Regular newsletter or publication**

If people are prepared to 'sign up', then they have a genuine interest in what is happening with your organisation. A regular E-newsletter keeps them in the loop and helps them to feel like a part of the team.

### **Discounted rates for your products or services**

If you have products or services which are usually charged for, introducing a 'member's rate' can be an effective incentive for membership. It is also a tangible way to say thank-you for the commitment.

### **Use of your facilities or equipment**

Some organisations have great facilities or equipment which can be hired out for extra income. Making this available exclusively for members not only gives an incentive for membership, it means you have better control over who is using your resources.

### **Invitations to members-only events**

Create some events that only members can attend. They may be some sort of information evenings, networking events or purely for entertainment.

### **Discounts at affiliated stores or organisations**

Approach local businesses and ask if they would offer special discounts to members. This is an attractive proposal for business, as they are not required to give anything away unless they actually make a sale.

### **Pre-release tickets or premium seating at events**

Reward your members by giving them the opportunity to purchase tickets before they are released to the general public. You can make membership even more attractive by ensuring members get the best seats as well.

### **Access to a special area of your website or social media group**

Have an area on your website or social media group which is restricted to members only. This section could include useful articles, templates, contact details, video clips or any other manner of things depending on your organisation. The ability to post online could be restricted to members as well.

There are countless other benefits you could add to your membership package depending on your organisation. Bumper stickers saying 'I support ABC', branded T-Shirts, annual calendars, and key-rings are all relatively inexpensive products you could include in your package.

## **Making The Most Of Your Membership**

Creating a membership package can take a lot of work, so it is important that you make the most of the package you create. Here are some things you should consider when you are generating income through membership:

### **Charge a reasonable membership fee**

Make sure your membership fee is reasonable for both the member and you as an organisation. Don't make your fees so low that it ends up costing you money to administer.

### **Review your membership fees annually**

Review your fees annually to make sure they accurately reflect what you are offering your members. It is better to make small increases each year, than a massive increase every now and again.

### **Make it easy for people to pay**

People lead incredibly busy lives, and like it or not, if it's not easy to do it won't get done. Make it clear how, when and where fees can be paid, and if possible, provide various payment options such as eftpos, internet banking or direct debit.

### **Allow for extra donations at the time of fee payment**

Make sure you have a space on your remittance slip for an extra donation and include tick boxes for specific amounts. Make sure your expectations are reasonable and there is an option for even the smallest of budgets.

### **Keep track of who has paid and who hasn't**

Membership fees are only useful if they are paid! Make sure you have a system in place so you can keep track of outstanding invoices and chase them up straight away.

### **Increase your membership numbers**

Administering a membership package takes as much effort for 20 people as it does for 200. By continuously looking for ways to increase your membership numbers, not only will you generate more income, you will generate more activity and more interest in your cause.



## **Traditional Fundraising Activities**

Traditional fundraising activities like sausage sizzles and raffles have been a long-time staple of non-profit organisations in New Zealand. However in recent times, many organisations have flagged traditional fundraising as a lot of work for little reward. As a result, the good-old fashioned fundraisers are being held with less and less enthusiasm.

Regardless of the money earned, traditional fundraising activities are still an important part of the overall fundraising mix. While the financial reward is not necessarily as big as it used to be, your organisation still benefits in other ways.

Some of the best reasons for continuing with traditional fundraising activities are:

### **They are a great way to get some publicity**

Well run fundraising events are newsworthy, especially if there is some sort of celebrity angle. Send a press release to local media, use online social networking and generally make a song and dance about what's going on. This will in turn put the spotlight on your organisation, which will help generate more funds, more members and more support.

### **They give you a chance to engage face-to-face with potential supporters**

If someone supports your traditional fundraising activity, then chances are they are at least a little sympathetic to your cause. Running these activities mean you get to speak to potential supporters face-to-face and truly engage them with what your organisation does.

### **They show the community you 'work hard for your money'**

If you want people to support your cause, you need to show them it's a cause worth supporting. By running an event or a traditional fundraising activity, you are showing people that the organisation is prepared to roll up their sleeves and work hard to support themselves. This makes it easier for others to support your organisation as well.

### **They provide tangible opportunities for your sponsors**

Finding sponsorship for a specific fundraising event is usually easier than finding blanket sponsorship for your entire organisation. Event sponsorship is a great way to introduce new supporters to your cause, because you can give them tangible benefits in return. Once they are involved at that level, you can offer them other opportunities to support you as well.

### **They provide a great opportunity to develop team-spirit**

Traditional fundraising activities are a great way to get all your team members onboard working towards a common goal. This includes your members, staff, volunteers and supporters.

## **Making Traditional Fundraising Activities Sustainable**

Having a one-off fundraising activity is great, but if you really want traditional fundraising to contribute to your overall plan, you need to make sure the activity is:

### **Researched**

Just because you think it's a good idea, doesn't mean everybody else does. There are times when you need to grab an opportunity and run with it – but for the most part sustainable fundraising activities are researched well to ensure that they are viable first.

Check to see what other activities are happening in your town, who do you know who has organised a similar event or activity, what consents or conditions will apply? Basic research is important before you go too far.

### **Resourced**

Trying to create a fundraising event or activity without plenty of people to help, will only cause burn out in the long run. Even if you think you're super-human, resist the urge to plan a huge activity all on your own. If you are stuck for volunteers, ask at your local volunteer center or request support from service clubs such as Rotary or Lions.

### **Rewarded**

Obviously your fundraising activity must reward you financially, but it must also reward your volunteers, sponsors and supporters. If all they feel at the end of an event is worn out or ripped off – they won't be back to help out again. Make sure everyone involved in the activity gets back what they put in. A thank-you goes a long way!

### **Recorded**

In theory, fundraising events and activities get easier each time you do them, but that is only the case if you record the details so you have a plan to follow. Make sure you write down all the important contacts, sponsors, and information so that you don't have to re-invent the wheel next time around.

### **Reviewed**

At the end of every activity or event, take time to look back and decide what worked well and what didn't. What are the things you would keep? How can you improve? What could you do differently? What did you learn?

### **Repeated**

Provided you have got the first 5 'R's right – the key to sustainable fundraising activities is repetition. By repeating your fundraising activity, you will be able to generate ONGOING funds.

## **Seeking Donations**

The definition of a donation is 'a gift'. That is, something that someone gives without expecting anything in return. Donations range from gold coin donations in a street appeal, through to major bequests where people leave tens of thousands of dollars in their will. While the amount and the reasons for giving may vary, in both cases, the profile and credibility of the organisation plays an important role.

In order for someone to make a donation to your cause they must first:

### **Know you exist**

If people don't know you exist, it is impossible for them to show you support. Make sure you have basic marketing tools in place such as a website, business cards, signage, brochures and the like. Don't underestimate the power of traditional fundraising activities as a tool for telling people you exist.

### **Have a physical or emotional connection to your cause**

The stronger the connection to your cause, the larger the gift is likely to be. However, people do not have to be directly involved in your organisation to make a gift. Use the media to tell people about your organisation on a regular basis, and focus on real stories, not just statistics. Donations happen when people can put a human face to the cause.

### **Trust your organisation will use their gift effectively**

Regardless of size, people want to know that their donation will be put to good use. Personal relationships are the number one way to build trust with a donor, but it is important to build credibility in the general community as well.

As general rule, the more well-known an organisation is, the more people will trust it. Before you go seeking donations, spend some time raising the profile of your organisation in the community. Profile breeds reputation.

### **Be given an opportunity to give**

Someone can know your organisation exists, have a connection to the cause and trust you will use their gift effectively, but unless they are given an opportunity to give, they are unable to do so.

An opportunity can be as simple as having a donation box on a shop counter, a 'donate now' button on your website, or a donation slip in your newsletter. You could be shaking the bucket at a local event, speaking at a service club meeting or hosting a stand at a community expo. You could also use more targeted opportunities such as direct mail marketing or tele-fundraising.

## **Building Donor Relationships**

The longer someone remains a donor of your organisation the larger the gifts are likely to become, so it makes sense to develop real relationships with the people who support your cause. Saying thank you is a good start, but developing a genuine connection takes more than a thank you card and an acknowledgment in the newsletter. You need to look for ways that really engage your donors in the work that you do. Try some of the following ideas.

### **Use cards or gifts made by your clients or users**

Instead of a store-bought card or gift, let your clients or users say thank you in their own hand. A handmade card or gift shows the donor their donation is really appreciated at the coal-face.

### **Send photographs of your project or service in action**

It's one thing to tell your donor about how their donation is benefiting your organisation, but photographs give you the opportunity to really show them. Try using photographs of your project in action to make thank you postcards, or create a collage of pictures along with comments from your clients, members, staff and volunteers. Present the collage in a nice frame so that it is a constant reminder of how appreciated your donor is.

### **Create a thank you video**

Video is a great way to engage your donors. Create a short clip featuring your clients or users and post it on your website or You Tube. You can then send your donor a link to view it online. This same video can be used at presentations with new donors so they get a real feel for what your organisation is about.

### **Tell stories**

Donors want to know about more than statistics, they want real stories of how their donation is making a difference. Make sure you include real-life stories in a regular newsletter to donors, or try making a calendar that features a different person and 'story' on every month. You could also invite donors to a special event where you showcase success stories in your organisation.

### **Invite them to take part**

Invite your donor to visit your site or center and see your project in action. If appropriate, they may like to join in with the project as either a participant or volunteer for the day. If your donor can't take part in the project, there are other opportunities they could become a part of. Perhaps they could cut the ribbon at a special ceremony, or blow out the candles on your anniversary cake!

### **Make it personal**

Donors want to feel like they are more than a number. Make sure you use their name, add a P.S message, and relate any correspondence directly to them. It is important that your donor feels like you know *who* they are, not just *how much* they give.

## **Securing Sponsorship**

Sponsorship is often confused with grants or community funding. The main difference between the two is intent. Sponsors tend to get involved because of what's in it for them, whereas funders get involved because of what's in it for the community.

In times of economic downturn, securing sponsorship from the business sector has become difficult. Business owners have become increasingly savvy with what they expect from the sponsorship arrangement and they are no longer satisfied with a few signs and a thank you in the newsletter.

If you want to secure sponsorship for your organisation, you need to create a sponsorship package that is creative and engaging. Yes sponsors want promotion and exposure, but it is not enough to simply broadcast their name to the masses. Sponsors want an opportunity to truly engage with potential clients or customers.

When creating your sponsorship package, think past logos and acknowledgements to find ways that your sponsors can really interact with your audience. Use these ideas to get you thinking:

### **Make signage changeable**

Instead of offering your sponsor a single sign on your wall for 12 months, give them the opportunity to change the sign as often as they choose. That way they can promote specific areas of their business at times that are relevant for them. This is more valuable to a sponsor than 12 months of displaying their logo.

### **Provide opportunities for a regular column**

Instead of simply displaying your sponsor's logo in your newsletter and on your website, consider giving them space to write a regular column. Not only does this provide your sponsors with a chance to engage with your audience, if your sponsor is a good fit, the column will provide real value to your readers as well.

### **Allow them a chance to talk about their business**

Lots of organisations give sponsors the opportunity to present an award or make a 2 minute speech, but few give sponsors a chance to talk about their business and actually make a sale. You could create a special information evening for your clients or members where your sponsor runs a short workshop or presentation on a relevant topic. This not only adds value to your members, it portrays your sponsor as the expert and gives them the opportunity to generate business.

### **Make use of Social Media**

Facebook, Twitter and YouTube all offer opportunities for your sponsors to say something to your audience in a truly engaging way. Start discussions, run competitions, post photographs and let your sponsor be the center of attention with your fans and followers. The more interactive the opportunity is, the more chance the promotion will spread through the internet. ***Remember money for sponsorship normally comes out of a marketing budget***

## **Identifying Potential Sponsors**

Regardless of how good your package is not every business will want what you are offering, so it is important to identify who is most likely to say yes BEFORE you start approaching businesses with your proposal. In identifying a potential sponsor, you should consider the following things:

### **Who wants exposure to your market?**

Businesses do not need exposure to the whole world, they just need exposure to people who are likely to give them business. With that in mind, clearly identify who you can put your sponsors in touch with. Who reads your newsletter, visits your website or attends your events? Who will see your sponsor's signs, read their column or hear their presentation? Who is your audience? Once you have identified your market, ask yourself: Who wants to get in touch with these people?

### **Who do I have a personal connection with?**

People give to people, long before they give to organisations. Think about who you know in business. What connections do your staff, board members or volunteers have in business? Who could give you an introduction to a potential sponsor? The easiest way to make connections with business owners is to join a business networking group.

### **Who already trusts our organisation?**

Even if you have the perfect package, a business will not sponsor your organisation if they do not trust you can deliver what you promise. Presenting your organisation in a professional manner is important in developing trust, but real trust takes time to develop. When looking for potential sponsors, think about businesses that are already involved with your organisation in some other way. These businesses already know and trust how you operate.

### **Who has similar values and beliefs?**

Regardless of the money involved, chances are there are companies that you wouldn't want your organisation to be associated with. Equally there are companies whose values and beliefs are superbly aligned.

Look for businesses that strike a chord with you in their marketing campaigns. Perhaps they are visible in their concern for a specific topic such as the environment or education, or maybe they are well known for the way they care for their staff. Think about what's important for your organisation and find businesses that operate within that same ethos.

### **Who has the capacity to support you?**

No matter how much they like your organisation and your sponsorship proposal, a business can only provide sponsorship if they have the capacity to do so.

The more a business meets the above criteria, the more likely they are to say yes. Before approaching a potential sponsor, run through the checklist in your mind and always start by approaching the most likely candidates first.

## **Entrepreneurial Activities & Social Enterprise**

Entrepreneurial activities or social enterprise are activities that operate using a standard business model. Most often they involve the selling or hiring of a product or service, however entrepreneurial activities can vary greatly depending on your organisation and the resources you have available.

The key to using enterprise successfully is finding an activity that can generate ongoing income without an ongoing investment of time. Entrepreneurial activities are not about trading time for money, they are about selling resources or 'products'. Some good examples of non-profits using an enterprise model include:

- Second hand or 'op shops' operated by various social service organisations
- Schools selling school uniforms or stationery for a small profit
- Sports clubs selling personal first aid kits for players
- Organisations hiring out clubrooms or facilities
- Hiring out equipment such as projectors or gazebos
- Charging other organisations for the use of your photocopier

All of the above ideas involve the selling or hiring of common products, equipment or resources, however it is possible for your organisation to create saleable products or resources which are unique to you. In creating these products you need to consider:

### **What is your organisation an 'expert' in?**

Every organisation has special expertise in a particular area – that's why you exist. It might be that you have expert knowledge in the area of budgeting, theatre production, sports management, youth activities or something else entirely. Whatever it is, you have skills and knowledge that other people will pay for.

### **How can you package those skills and expertise into a saleable product?**

Sharing your skills and expertise with others is a good way to generate income, but you need to package them in such a way that you are not trading time for money. There are several ways you can package your skills into a saleable product including PDF downloads, printed booklets, or DVD's. These items only need to be created once, and then you can sell them over and over again.

### **What unique experiences can you capture to create a saleable 'memory'?**

Memories are a hot commodity, especially if they involve children. What activities does your organisation provide that parents, grandparents, aunts or uncles may want to have a record of? It may be as simple as taking photographs and having friends and family order copies. Perhaps you could create a coffee table book of children's art work or poetry, with every child in your organisation being represented in some way. Maybe there is an event that could be recorded and on-sold? You are only limited by your imagination.

## **Securing Contracts**

Not all organisations are suited to deliver service based contracts, but it is important to know what contracts exist and what is involved in securing them for your organisation. The following information is a general guide to how contracts work, however you should be aware that no two contracts will operate in exactly the same way.

### **Where do you find contracts?**

Most contracts are offered by either government departments or local government agencies, although private contract agreements do exist. All government related contracts must be put out for tender, which means any legal entity is able to apply.

You can find a full list of available government contracts on the Government Electronic Tender Service website [www.GETS.govt.nz](http://www.GETS.govt.nz). This site details all sorts of contracts and includes everything from building a toilet block at your local school, through to developing a Maori Health Campaign for the Far North.

It is possible to simply browse the site, however given the amount of contracts listed it is useful to register online to receive regular updates. In the registration process you will be asked to specify your skills and expertise, so that only relevant contracts are emailed to you.

### **How do you tender for a contract?**

Most contracts require you to 'tender' for them – which means you need to tell the contract provider how you will fulfil the contract and what price you will charge for doing so. In most cases you will be required to submit a 'Registration of Interest' first, and then a short list of candidates is invited to follow up with a formal application.

The tender process and timeline will vary from contract to contract, so make sure you read the tender information carefully before submitting your application.

### **How can you get more information about the contract available?**

In most cases there is a short period of time, prior to registering your official interest, where you are able to submit questions about the contract. This is a useful part of the process, as it gives you a much clearer understanding of what the contract provider is truly looking for.

If you are at all interested in a contract listing, it is helpful to 'click through' to the full information sheet. This will automatically register with the [GETS site](http://www.GETS.govt.nz), and you will be emailed any questions and responses that are generated from other parties during the pre-submission process.

A contact person is always listed with the contract, and in most cases you are able to phone for a discussion before any submission is made.



## **Things To Consider**

In tendering for a contract, you should consider the following points:

### **Contracts will not make you rich**

Contract funding can vary from a few thousand to several hundred thousand dollars depending on the service being delivered, however contracts very rarely cover the true cost of delivering a service. As such they are only a useful funding source if they relate to a project or service you would ordinarily deliver.

### **The accountability can be enormous**

Contracts, particularly government contracts, require an enormous amount of accountability – more so than that required from other funding bodies. Be prepared for this, and make sure to factor the wage-hours into your contract price.

### **There is no guarantee**

Even after investing many hours in the tender process, there is no guarantee you will get the contract. While this is obviously disappointing, the tender process is not a complete waste of time. In preparing for a tender, you are forced to look very closely at your policies, procedures and systems, so it is a good opportunity to learn where improvements can be made.

### **Contracts are about relationships**

Like any other form of fundraising, contracts are about developing good relationships and communication. Stay in contact with your contract provider throughout the contract, and keep them up-to-date with relevant successes and distresses. If you think the agreed upon service or programme is not meeting the needs of your community, discuss with them what you think needs changing and how that may or may not fit within the framework of the contract.

### **Nothing is forever**

Just because you have received a contract for your services once, it does not mean you will continue to do so. They may decide the service is no longer required, or perhaps they think a different organisation is better suited to deliver it. Do not rely on contract funding to last longer than the initial contract term.

## **Securing Grants And Community Funding**

Most organisations rely on grant funding to one degree or another. For some it is just for one off projects or events, whereas for others it is their main form of income. In either case, grant based funding has become more difficult to attain. It is important you understand both the process and the people, in order to give your application the best chance of success.

While all funders operate slightly differently, the general process is as follows:

Most funders have an advisor who works with community groups to ensure their application is suitable and is completed in a way to give the best possible chance of success. This advisor is often called a Donations Advisor or Funding Advisor and it is this person who receives all of the applications. On receiving the application, they check it is suitable for consideration before passing it on to the decision makers. In order for the application to be considered, it must:

- **Meet The Funders Criteria**

Every funder has a set of criteria which prescribes who or what they will fund. This criteria usually comes in three phases.

Firstly they will have criteria as to what *types* of organisations they will and will not fund. For example they may state that they will not fund sports clubs, or they will not fund religious based organisations. In most cases your organisation will need to be a registered charity or legal entity of some sort to receive funding, but this is not always the case.

The second phase of criteria states what projects they will and will not fund. For example, the funder may state that they fund sports clubs, but they will not fund tournaments. The third phase of criteria is expenses. For example, the funder may fund sports tournaments but they may not fund wages for a tournament coordinator. Your application must fit all three criteria in order to be considered.

- **Be Submitted On Time**

Every funder works to a timeline so that applications can be processed effectively. Late applications will not be considered.

- **Be Complete**

Some of the questions and requirements may seem irrelevant to your organisation, but you still must provide an answer and supply all the documentation requested. Do not assume that the funder will have copies of documents from previous applications because even if they do, they will be neatly filed away with thousands of others.

If your application meets these three things, it will be passed to a panel of decision makers who will first read through the applications and then meet to discuss their merits. To give your application the best chance of success, you should consider the tips on the following page

## **Top Tips For Funding Applications**

### **Submit your application early**

Funders are genuinely looking for great projects to fund, so they want to help you put your best case forward. By submitting your application early, it gives the funding advisor time to come back to you with any questions or areas of clarification before your application is passed on. If you submit your application right on deadline, there is no opportunity for changes or improvements.

### **Treat your funding application like a job application**

Yes, funders exist to distribute money to the community, but they do not have to distribute it to YOUR organisation. It is a privilege not a right. Think about your funding application like a job application. Make sure it is neat and easy to understand, stick to what's relevant, and be gracious!

### **Highlight the need in your community**

Funders are interested in funding needs, not 'nice to haves'. Highlight how their funding will help meet a genuine need in your community, and explain why it is a need now when it may not have been 12 months ago. What has changed in your community or organisation to make it so?

### **Make sure your project is value for money**

When funders are investing money into the community they want to see as much benefit as possible. This doesn't mean they will only fund projects reaching thousands of people, but they do want to know how far reaching the benefit will be. Consider that your project or programme is like a pebble in a pond. Who will be affected by the ripples and how deep will those effects be?

### **Show you have community support**

What makes a good idea a great idea, is community support. If your project is supported by other community organisations, make sure you let your funder know. Likewise if you are purchasing equipment or resources that will benefit other organisations, include that information in your proposal. If appropriate, you can ask other organisations to write you a letter of support.

### **Be upfront and accountable**

Regardless of how good your application is, the funder needs to trust your organisation before they will hand over any money. Be completely honest and upfront in your application and make sure you have been accountable for any funding you have already received. Tell them if you are applying elsewhere and keep your budgets accurate. They will know!

### **Think of your funders as people, not cheque books**

Funding decisions are made by ordinary people, with ordinary jobs and ordinary bias. Like all people, funders do not like to feel like they are being taken for granted. Show genuine appreciation for any funds you do receive and do everything you can to make their job easier. With so many applications and so little money, you need to make it easy for them to say YES, otherwise it is too easy for them to say NO.

## **Making A Plan**

Now you know the 7 key income streams that are available to you, it is important to make a plan. Your plan doesn't need to be complicated; in fact something simple that can be pinned to the wall is far more effective. That way you can refer to it every day and keep on track. Use the following steps to create a plan that works for you.

### **1. Look at the Big Picture**

Before you head straight into the details, get really clear about the big picture. It might feel like you're fundraising to pay wages or power bills, but you are really fundraising to serve a purpose and make a difference in your community. Wages, power bills and any other expenses are just incidentals in making that mission happen. It's easy to lose your passion if it's just the bills you focus on.

What is the purpose of your organisation? What mission are you committed to achieving? Who does your organisation support? What difference does your organisation make in the community? What gap would your organisation leave if it ceased to exist?

### **2. Identify the costs involved in 'Making your Mission Happen'**

The definition of Sustainable Funding is to have *enough* money, for a *specific* purpose, on an *ongoing* basis. So once you've reminded yourself of the real reason you're fundraising, you need to focus on the *specific* costs involved in making your mission happen.

### **3. Assess your Existing Resources**

Unless your organisation is brand new, you will have some existing resources to help you with your fundraising efforts. The problem is many organisations don't take stock of what those resources are or how they can be best used. Before you go any further, consider what your organisation already has going for them. This may include:

- A strong membership base
- A database of donors, supporters, sponsors or volunteers (past and present)
- A good track record with funding organisations
- A clear vision and mission statement
- Well-designed promotional material such as brochures and posters
- A website or Facebook page
- Good relationships with local media
- Board members experienced in fundraising
- Strong contacts in the business community
- Existing fundraising events or activities
- Good public support of your organisation

Of course, there are countless other resources your organisation may have, but you need to take the time to recognise them. Talk to your members and supporters and find out what skills, networks and resources they have as well. Fundraising should be a team effort, so get to know the people on your team.

## 4. Identify the Gaps

Once you are clear about what resources you have, identify what resources you need. You may discover that you've had plenty of support in the past, but no-one has kept an accurate or up-to-date database. Or perhaps you have lots of willing volunteers, but none of them have received training in the fundraising field. Maybe your promotional material is non-existent or you have no contacts in the business world.

By identifying both your strengths and your weaknesses, you get a clear picture of where your starting point is. From there you know what you're capable of, and where you need to make improvements before you start.

## 5. Set Your Goals

It is your goals that keep you focused and on track, so take time to set them carefully. When setting your goals make sure they are SMART:

**Specific** – What specific purpose are you raising the funds for?

**Measurable** – How much money do you need?

**Achievable** – Achievable doesn't mean 'easy', (so it's okay to set big challenging goals), but your goals must be realistic. People quickly lose motivation if they think the goal is an impossible task.

**Reviewable** – How will you know if you are on the right track?

**Time Based** – When do you want to reach this goal?

An effective fundraising plan will have short term, medium term and long term goals. Your medium and long term goals will encompass short term goals you need to meet along the way.

## 6. Choose Your Streams

Look back over the 7 key income streams in this book and consider the avenues that make the most sense for your organisation. While some streams are better suited to specific organisations or purposes, it's a good idea to use at least 4 of them in your organisation (regardless of who you are). This way you're not relying on just one or two sources of income and it gives you stability across your funding base.

## 7. Design a Strategy

It's one thing to choose which stream you will use, it's another to decide HOW you will use it. For example, if you are focussing on the donations stream, you could use one of several strategies a) Increase the value of each donation received from existing donors, b) Increase the number of times existing donors give or c) Increase the number of donors giving to your organisation. Any one of these strategies would work, but you need to decide which one you will focus on achieving.

The same is true of other income streams. Will you have one big fundraising event or several smaller events throughout the year? Will you work to increase your membership numbers or

increase your membership fee? Will you create products or resources to sell or use your members to on-sell existing products in the marketplace?

You should design a strategy for each one of your chosen income streams, based on the strengths of your organisation. It's no use deciding to host a massive fundraising event, if you have just a handful of volunteers. In contrast, if you have a strong membership or volunteer base, you should make the most of them.

Make sure that each of your strategies complement the other, rather than compete.

## **8. Do Some Research**

Now you've identified which income streams and strategies you're going to use, do some research into the options available to make it happen.

For example, what's the best fundraising software for your needs? What fundraising products are currently available? Which businesses in your area would make potential sponsors? To make the best choices in any area, you need to know what's on offer.

## **9. Document Your Action Steps**

At this point it's easy to jump in feet first and start moving towards your goal, however it is useful to list all the necessary steps before you get started. This not only helps to keep you on track, it creates opportunities for you to delegate tasks along the way. Your action steps create the 'doing' part of your plan, and by writing them down it makes the whole process easier to monitor and review.

## **10. Get to Work**

In every plan there comes a time when you have to just get out there and do the work. The hardest part is getting started, but once that happens momentum will carry you the rest of the way. Remember, fundraising is not just about money. It's about building relationships, raising your profile, and strengthening your reputation. Try not to judge every action by the amount of money it brings, but instead celebrate every activity for the part it plays in the bigger picture.

# Regional Funders

Here is a list of the main funders in the Taranaki Region  
For more information visit the [Regional Funders page on The Wheelhouse Website](https://wheelhouse.org.nz/funding-assistance/taranaki-regional-funders/)

<https://wheelhouse.org.nz/funding-assistance/taranaki-regional-funders/>

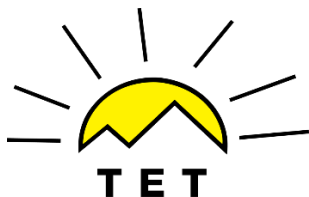
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TSB  
COMMUNITY  
TRUST

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Te Kaunihera-ā-Rohe o Ngāmotu  
**New Plymouth  
District Council**



**Te Puni Kōkiri**  
MINISTRY OF MĀORI DEVELOPMENT

TE KARAKA  
FOUNDATION  
Giving for Taranaki



**Pokie Proceeds:**  
Building Strong Communities



The Wheelhouse is a partnership of the following Taranaki capacity building organisations



[wheelhouse.org.nz](http://wheelhouse.org.nz)