

Fundraising

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A distinction is usually made between *fundraising*, namely acquiring funds through governmental or municipal bodies, foundations or own activities (donations, events, participation) and *sponsoring*, namely acquiring funds within the meaning of a countertrade: A company gives money, material assets or "manpower" for a project or an event and demands a service in return, such as the inclusion of its logo to demonstrate its provision of support – thus a type of advertising (see work aid on sponsoring, link on page 5). This work aid deals with the topic of fundraising.

For associations and non-profit organisations, being able to count on different sources of financial support is key. Fundraising ensures a wider support structure, but also involves a great deal of work that should not be underestimated. It takes a lot of time to raise funds. Planning needs to start early. It often makes sense to seek out support (obtain information, read literature, attend courses).

To ensure that fundraising activities are successful, it's important to ask the following questions:

- Which project and tasks do we need funds for and in what amount?
- Who do we want to support us financially?
- Why should funders support us?

1. Possible backers

Not every source of funding is suitable for every project; this needs to be examined in detail. For larger projects, it's important to be able to rely on various sources of funding so as to reduce dependencies. A project can be financed through:

- *Association member fees*: Membership fees can be temporarily increased for a special event or project. This must be planned sufficiently in advance and usually approved by the members (see the articles of association!). Of course, members can also be asked to donate to the project directly, which ensures that they are closely involved in the project.
- *Donations from individuals*: Individuals are more likely to donate to projects and events that have a strong local presence as well as under special circumstances, such as in the event of a disaster:
 - *In writing*: direct targeting by letter or email, on the website, via social media.
 - *Events*: donations collected at events (donation boxes, collections, etc.).
 - *Crowdfunding*: project advertised on a crowdfunding platform (see work aid on crowdfunding, link on page 5).

- *Contributions from the public budget* (municipality, canton, possibly government): such contributions can usually only be allocated on the basis of a legal foundation. The request must make a reference to this. At the cantonal level, requests can be submitted to so-called lottery funds; read up on the terms and conditions and options. Many municipalities and church parishes have earmarked funds available. If the project falls within the scope of these funds, they could also be a source of support.
- *Service agreements*: the public sector in particular can conclude service agreements with associations, setting out which task the association is to undertake and how it will be financially compensated for that task by the municipality/canton. This must be underlined by a clear need and a legal basis.
- *Contributions from foundations*: foundations usually have a large pool of funds, but receive many applications. It's key that the project is tailored exactly to the foundation's goals and that this is carefully presented in the request. For local and regional projects, it is recommended to submit a request to regional foundations, as national foundations do not usually grant funds for local projects (exception: innovative or exemplary pilot projects). Foundations can be found in the Swiss [foundation register](#), via the platforms [Fundraiso](#) and [StiftungSchweiz](#) or via cantonal registers. Regional foundations are usually managed by the cantonal banks. The efforts of finding the right foundation for the project/event are huge, but if successful can bring in considerable sums.
- *The Migros Culture Percentage and the regional Migros Cooperatives* promote and support projects and events in different areas. Find out whether your project or event meets the conditions.
- *Contributions from companies*: companies usually have a budget for donations and support local associations and organisations with what tends to be smaller contributions. Requests for events, in particular, stand a good chance of receiving support from companies. Determine whether a member or executive committee member works for one such company, as a personal connection will often help! Bear in mind the element of competition, however: do not submit applications to several companies in the same business area.
- *Further possibilities*: association members working on the event of another organisation and earning money from it; events such as sponsored runs, flea markets, tombola, games tournaments, etc.; selling (symbolic) objects or services (e.g. dessert with the president).

Often, it's not only funds that will come in handy, but also infrastructure, vehicles, material or help in realising a project.

2. The request

Content

Careful consideration should be given as to which organisations or target persons a request should be submitted to. The size of the organisation is also important: a small association is less advised to send a request to an international company. It is better to send just a few, very carefully formulated requests. It is important to send requests in the requested format (forms, necessary documents).

A request includes:

- *A cover letter*: A short, dated letter (max. 1 A4 page) with personal address and sender information. Positive wording and active sentences listing the most important points are an advantage. It is important to relate the application to the addressees and their possible interests.
- *Project description*: requests for larger-scale projects need, alongside a detailed project description, a summary of the most important points (management summary).
- *Budget and financing plan*: the budget consists of the contribution being requested and information on other backers, with the information "requested" or "committed".
- *Information* about the applicant, possibly articles of association, annual report, etc.

Once the request has been submitted, it needs to be actively pursued. If a response is not received, a follow-up should and must be sent. Any changes to the project should be communicated.

Tips and information with regard to requests: [Swissfoundation](#) (The perfect request) and [StiftungSchweiz](#).

Arguments for support

It helps to put yourself in the shoes of the organisation or person from which you want to obtain support so that you can include relevant arguments in the request. Possible funders should be addressed on a rational level by explaining the topic or problem situation, highlighting the relevance of the problem and the need for action and presenting a solution. People also want to be addressed on an emotional level, however. It's therefore important to specify how the project or event ties in with the funder's objectives and stance as well as how much the support will be personally appreciated.

Possible arguments for supporting a project or event include:

- The project/event will increase the quality of the location or open up avenues of contact from which the funders (municipality, canton, company) will benefit.
- Our association is nice and serious and is committed to helping the community.
- The objectives of the project/event tie in with the general principles of the target funder.

- The project will help the funder to achieve its objective, for example because it corresponds to the foundation's goals or a political mandate.
- Getting involved in the project is good from a political/social standpoint.
- The project/event will be undertaken with volunteers. Supporting volunteer work is nice and viewed positively by the public.
- There is already a link to the association because the funder's employees are executive committee or association members, for example.

Project description

The project description contains statements about the starting situation and the objective of the project/event. The application describes what exactly the funds requested will be used for and how the project will impact which target group. The project description also includes a clear description of the budget, listing all project expenses, the funds already available and the funds that are still needed (see work aid on project budgets, link on page 5).

For most funders, it's important that the applicants also demonstrate a personal contribution. Personal contributions include unpaid work by the executive committee of the association and its members, as well as funds provided through own sources (e.g. member fees) or goods already available to the association (e.g. infrastructure, material from earlier events).

It's possible to apply for financial support for a project or event as a whole. Often, however, it's more promising to submit requests for subprojects, such as for the welcome drinks at an event, for advertising costs, for assessments. In this case, the subprojects must be described precisely in the project documents.

3. Dealing with funders

Thanking funders for commitments as well as rejections is important. Funders must be kept up to date on the development of the project/event. If possible, they should be given the chance to participate (e.g. short welcome speech, invitation to the kick-off or evaluation). Even once the project/event has concluded, contact needs to be maintained (sending annual reports, an invitation to association events, etc.) – this creates the basis for further support.

Further work aids can be found at <https://www.vitaminb-e.ch/tools/work-aids>

- *Crowdfunding*
- *Sponsoring*
- *Project budget*
- *Budget*