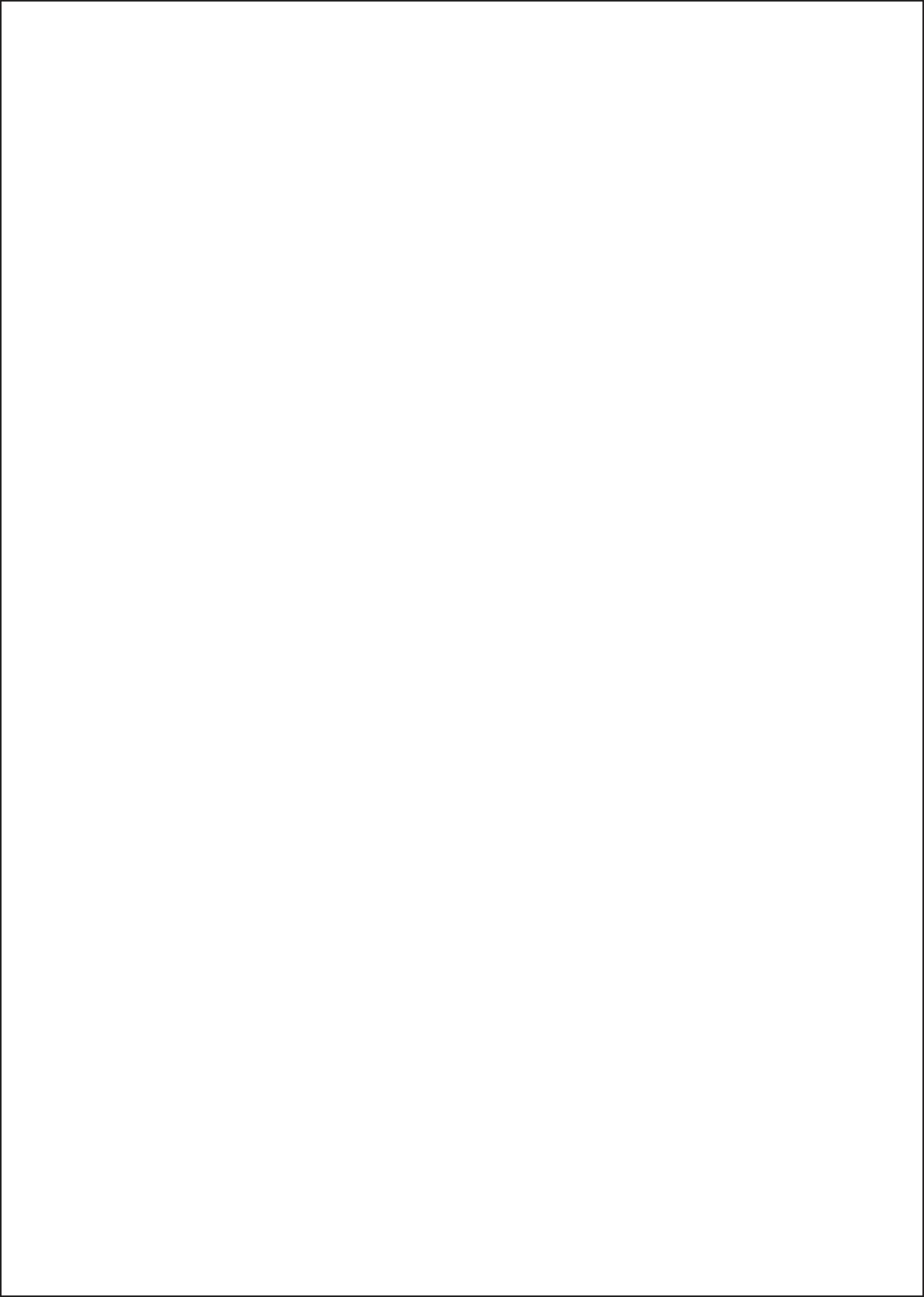


Guidelines **on** Fundraising



SCOUTS[®]
Creating a Better World



A publication by the Asia-Pacific Regional Office
for National Scout Organisations

Guidelines on Fundraising

Fundraising guidelines is designed as a practical tool to develop the capacity of National Scout Organisations to fundraise effectively for Scouting activities in their countries.



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June 2010

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WRITING FUNDING PROPOSALS

The right approach

Getting money for your project is not just a matter of luck. The key to being successful is learning a few skills and improving them with each proposal. The approach you take is also vital, ie acquiring funding is not about asking for money, it is about selling your idea. Do note that the donor needs good projects and you are persuading them that by giving you this money they will succeed in fulfilling their own aims.

Always put yourself in the donor's shoes – what would you want to see in a proposal? Usually, a donor wants to invest in a project that may:

- solve a specific problem;
- meet an urgent need - by funding a solution now you will bring immediate results;
- produce tangible benefits with lasting effects; and
- be used in an area that specifically interests the donor – it will fit in their niche and add to their portfolio of successful projects in their niche areas.

Understanding your funding agency

You have to target your proposal to each separate donor as no two donors are alike. You will need to do your homework and find out what the donor does and does not fund. Funding sources are established for a variety of reasons and understanding their objectives is usually the most important information you need, as it explains what the fund is trying to achieve.

Do find out what work the organisation likes to support. There may be specific objectives or priorities, so you need to have an up-to-date information ie funding organisation may only support community or education projects. Whatever the objectives, your job is to show how your project fits in.

How to find the important information

Donors present their information in many ways, in form of leaflets, application forms and more commonly these days on the internet. You need to work out an efficient method of extracting the relevant information so as to be sure that you have included all the right material in your proposal. By reading a donor's literature thoroughly, you will only need to ask questions to fill in the few remaining gaps in your understanding. It is also very useful to get details of past projects they have funded as this will help to guide you what kind of projects they will support.

Persuading the donor to give you money

Do use the same language as the funding organisation so as to shows that you fit closely with their objectives.

Show how your project fits with their organisation priorities. eg : *"The study area is one of country's priorities in youth development"* or *"This project will help in the call for volunteerism and meet strategies on enhancing youth development by..."*.

A checklist of things your application must do

- Your application must show the donor that yours is a project to which they want to give money to.
 - It will match each and every one of their priorities.
 - It will produce excellent results with which they will be proud to be associated.
 - Their investment will have lasting consequences in the good cause for youth development.
- Be convincing. Are you able deliver what you say? How will you do it?
- Make it interesting – how is it different or new? Or just a new 'packaging' of an old proposal.
- Be clear in your points. If any sentence is difficult to understand, then rewrite it. Do not use jargon.
- Your proposal has to stand up to criticism without your presence for explanation.
- Make it look good. Get rid of all typing and spelling errors – mistakes in your proposal indicate that you may mess up in your project.

If your application does not match the funding organisation's priorities

Do reword your application if need be. If you are not convinced even to yourself, then it is likely that the donor will be not be convince that the project fits their priorities.

Write a proposal for the part of your project that does meet their priorities. If you don't fit in closely with their priorities, then move on so as not to waste time.

Why do I feel rejected?

If your application is rejected, do not take it too personal as there may be limited funds out there and there a lots of other applicants. Try and find out why you did not get it, improve your application and try again.

Never resubmit the same application! Remember if it didn't work the first time, why should it work next time?

TYPICAL PROPOSAL SECTIONS

Before writing a proposal or submitting an application, it is useful to think of the structure, generally as below.

Title

Keep it short and make sure contents are relevant to your project.

Project summary or abstract

The summary is the most important part of your proposal as it will capture the donor's interest before they go into the details. It will allow the donor to consider if the project is worth funding and whether it fits their priorities.

Overall objectives

If the proposal form asks for an overall objective and specific objectives, then:

- State the project goal in terms of the longer term benefits eg, show how the project fits in with international priorities, country policies on youth development and the objectives of the donor.
- The overall objective will not be achieved by the project alone but will contribute to the donor's longer term objectives.

Background or justification

Do shows that you have identified a specific issue that needs addressing and that your project will provide tangible results that will solve this problem.

Do not than swamp the whole proposal with unnecessary detail but rather keep your project into context and relevant.

Specific objectives or aims

These should address the core problem. Try not to sound too ambitious as your project has to be achievable within the time available, so don't state objectives you can't achieve.

The project should have at least two specific objectives but not more than four or it will look too ambitious. It is better to tackle two objectives well than half finished.

Each objective should have clear, measurable outcomes. This is the opportunity to convince the donor that your work will have a significant impact.

Make sure your specific aims are in the same order as you state them in the earlier and later sections, and the wording should matches as closely as possible. Do use the same terminology throughout.

Outcomes

Your proposal must indicate the impact it will achieve. Each objective listed in your proposal should have a corresponding outcome or means to show that you have assessed whether you have met the project aims.

Methods/programme of work

This section must convince the donor that you will be able to achieve your objectives in the time available and that you have thought through the programme in detail.

Show what activity or research you will carry out to achieve each of the objectives.

Research studies if any should state details such as the techniques to be used.

Do put your activities into a timetable (schedule or programme of work) as this will show how long you will take to complete each activity.

Don't forget to include time for setting up the project at the beginning and writing it up at the end.

Budget and budget justification

- Do make your budget realistic - too high and people will be suspicious, too low it will look unrealistic.
- Do check that you have included all relevant amounts and check they add and balance up.
- Do find out if there are any specific items that the grant does not fund and if do, don't put them in.
- Do show your sources of other funding even if they are in kinds.

Finally, don't leave at the last minute to write your application. You need to beat the competition. A rushed application will have mistakes and make you look as if you don't really care.

FUNDRAISING STRATEGIES

Preparing for fundraising

The first step in fundraising is setting your goal, followed by developing a plan for realising that goal and finally selecting the tools needed to execute the plan. The goal, plan and tools should relate to the activities you want supported. Commonly, people organise brainstorming sessions to gather detailed information.

The project must be very clear on its expected achievements and beneficiaries. These will help you choose who to approach for funds.

Types of fundraising approaches

Different donors have different requirements, so you need to know what approach to take for each donor.

Ask yourself - will you be approaching donor as an organisation or as an individual? Some donors have a call for proposals or advertising the availability of funds for specific activities. There are usually strict guidelines for eligibility.

If you have a relatively small project, you will probably be more successful approaching grant-giving organisations. If you have a programme of activities that your organisation will be running, then you could approach donor governments or aid programmes. Other donors can be approached on an ad hoc basis, and this may require you to build up relationships with them over time.

Face-to-face meetings are usually good as it is an excellent way for you to learn about a donor's priorities, and for them to become convinced you have a good cause. Whatever your approach, your donor wants to know their money is going to be well spent and have an impact for which they will be given due recognition.

Ways of asking for specific amounts of money

- Most grants indicate the amount of money for which you can apply. You do this through an itemised budget.
- If you are asking for donations, show other sources of income, including in-kind contributions. This will give people a good idea of how much to give.
- If you are approaching a company or individual for sponsorship, then it can be a matter of guesswork as to how much you should ask for. Ask for a specific sum for an item of expenditure or for field costs.

Reporting your successes

Writing a report is one important way to thank your donors.

Good reports, showing how successful you have been will also help you attract further or future funding.

Putting donors' logos on your publicity materials or reports is also a good way of profiling them.

The skills required for fundraising

You must be committed to the cause. You have to believe wholeheartedly in what you are doing, and make your cause compelling to others. If you are not convinced of your project how will you expect to convince the donors?

- Be confident and do not be shy to ask.
- Use imagination and creativity.
- Be persuasive (but don't promise what you can't deliver!).

Making your proposal relevant

Always make your proposal relevant to donor's targets and priorities.

Alternative strategies for fundraising

General examples:

- Direct solicitation for donations and / or sponsorship
- Approaching retired Leaders, retired members of committees etc and establish a regular 'donor programme' for such people. Obtaining tax deductions for donations will be a positive incentive
- Operating Scout Shops selling scout uniforms, equipment etc
- Renting camp sites to outside parties
- Writing, publishing and selling Scouting publications
- Holding Banquets, balls and similar social activities
- Sponsoring Gala premieres of plays, movies etc
- Producing variety shows, plays and musical performance
- Conducting raffle, luck draw competitions, trivia nights etc
- Arrange a fund raising games competition etc soccer and charge admission
- Organise a Charity walk
- Holding a Flag day
- Selling souvenirs and other items of interest
- Performing a service (job week, car washing, cleaning up areas etc)
- Obtaining paid advertising in Scouting magazines

But do note, organising special fundraising events such as charity walks, exhibitions, dramas or shows, or a luncheon or dinner over an interesting talk can be educative but it is very labour-intensive and requires very good planning to be productive.

a. The corporate sector

Many business ventures may be supporting activities relating to youth development, community as part of their social corporate responsibility. This provides a good opportunity for getting funding from the private sector.

b. Open competition

This can be through open funding applications to institutions, foundations known to give funds and support work in the targeted areas of interest.

c. Other

Alternative ideas include joint promotions with donor or raffle ticketing or selling materials such as posters and books. Also, donors might be asked to "adopt" an item relating to the project theme. Exhibitions, trade fairs and so on can help generate funds directly or through contacts made at the events.

CATEGORIES OF DONORS

Finding a donor or a private donor can be a matter of luck – it is very different from filling in an application form.

It helps to have personal contacts (but friends can also help you approach the relevant people). Your chances of success will be much higher if you can show a clear link between your activities and their interests.

You need to be good with people, persuasive and opportunistic!

Potential Sources of Funds

Traditionally sources of funding, depending on the particular situation in each country, may come from a variety of sources including:

- Wealthy individuals
- The Corporate sector
- Government initiatives (including government run lotteries)
- Grant-giving Organisations
- Charitable Trusts
- International funding that can be from other Governments, Charitable Organisations etc.

When considering which sector to seek funds from it is important to recognise that a different approach may be required in each case depending upon the criteria set out by the potential donor.

LEGAL, TAXATION AND ACCOUNTING

General Regulations on Street Collections

Prior to any fund raising event carry by the Organisation, it should obtain approval and fundraising permit through the Government Board overseeing the Charities. In general, the 'House to House and Street Collections licence' will be issued.

The designated person in charge of fund raising event should familiarised with the country 'House to House and Street Collections' Act.

In most countries, no one below the age of 16 years is allowed to act as a collector unless specific approval is granted by the officer issuing the licence.

For sound fund-raising practices, the costs/ expenses relating to the fund-raising event should not exceed 30% of the proceeds of the collection.

The designated person of the fund raising event shall return every certificate of authority when the certificate is no longer required for the purposes of the collection or when the collection is completed.

General Restriction

During fun-raising activities, the organization (or licensee) shall ensure that the collectors do not obstruct the free movement of pedestrians or traffic, especially at street junctions, bus stops and entrances to business premises.

In some countries, there should not be collection carried out at Immigration Checkpoints, Airport, Railway Station, hospitals, Subway stations, hotels and places of worship.

Duty to donors

An organization conducting a fundraising appeal shall ensure that:

- any information provided to donors or to the general public is accurate and not misleading
- the information is disclosed to every person from whom a donation is solicited such as the name of the organisation to which the donation will be given; the purpose of donation; whether any commercial fund-raiser has been engaged; any information relating to donors is kept confidential and no information relating to a donor is given to any other person without the consent of the donor; any arrangement to solicit donations has adequate control measures and safeguards to ensure proper accountability and to prevent any loss or theft of donations.

Tax deduction receipts

Depending on various countries, an appointed representative from the government board overseeing the charities may authorise organisation that fund raised to issue tax deduction receipts to donors in respect of tax deductible donations made to the organisation.

The organisation should maintain records such as particulars of every tax deductible donation received and accounting records

Accounting and Auditing

In general, an organisation that fund raised shall furnish the following accounting documents:

- audited financial statements
- auditor's report on the financial statements
- auditor's report on the use of donations and whether such use is in accordance with the objectives of the organisation
- fund-raising and expenditure plans of the organisation for the following financial year
- annual report of the organisation.

Information to the general public

The Organisation shall disclose to the general public such information on its activities and financial accounts through in writing or on internet website or any other formats specified by the appointed representative from the government board overseeing the charities.

ACKNOWLEDGEMENT

The production of this handbook is a collective effort of the members of the Asia Pacific Financial Resources Sub-Committee (2007-2009) who saw the need to put together the principles and concept of fundraising.

- On behalf of the Asia-Pacific Region, we acknowledge the work and contributions of the following:

Horace Ho Man Kit for sharing of write-up and reviewing contents.
- Ian Langford-Brown for his own contribution, providing his time and expertise in strengthening the write-up and editing text.
- Ho Chee Heng for providing his time on research, write-up and putting together the chapters.
- Patrick Tan Kwang Yeong of the Singapore Scout Association for reviewing the write-up and sharing of his experiences.
- S Prassana Shrivastava for coordinating the sub-committee work and rest of the regional staffs for editing, design and production.



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