

Fundraising

Pennsylvania Parks and Forests Foundation

PPFF is providing a copy of *Financing Municipal Recreation and Parks—A Resource Guide for Recreation, Parks and Conservation* to all chapters. This book has information specifically geared towards parks and recreation and is an invaluable tool.

As you expand your programs, services, and projects, the need to raise outside funds comes into play.

Before you begin any fundraising activity, it is important to remember that successful fundraising comes from nurturing good relationships in the community. It is as important to “friend raise” as it is to fundraise. You are asking individuals, corporations and foundations to make an investment in your organization. To make that investment easier, they need to appreciate and understand your vision and trust that your organization will make good on their investment. The following is just an overview of the types of fundraising activities that could take place as you put together a fundraising program to support your group’s projects.

Earned Revenue—refers to income generated through the sale of goods and services including program fees, contracts, retail sales, admissions. See chapter’s 2 & 3 in *Financing Municipal Recreation and Parks*.

Grants—including those from corporations, community organizations, government and foundations. Chapter 5 in *Financing Municipal Recreation and Parks* provides a detailed examination of how to write a grant, where to look for funding resources, etc. You can also contact the PPFF office for more information and help in this area.

Capital Projects—including capital campaigns. See chapter 6 in *Financing Municipal Recreation and Parks*.

Annual Campaigns—including membership drives, special events and annual giving. (See chapter 4 in *Financing Municipal Recreation and Parks* for additional information.)

- **Membership Drives**—focuses on renewing current members and attracting new ones. Generally done through direct mail, it can also be accomplished through telephone drives or one-on-one canvassing at special events or programs.
- **Special Events**—are a great way to reach a broad audience, attract new members, donors and volunteers and offer something back to the community. The drawback can be that they take a lot of time and effort to coordinate, they may lose money, and they may exclude certain audiences in the community. See chapter 4 in *Financing Municipal Recreation and Parks* which includes good information on tapping community resources, advertising and obtaining sponsorships.
- **Annual Giving**—generally includes reaching out to people outside your membership, although members of your group should also receive your appeals. These donations may be solicited through direct mail, via phone, or face-to-face. The gifts can range from small amounts to major and planned gifts. You can also become a designated group for memorial or honorial gifts. These are gifts made in memory of a loved one or to honor a special occasion – anniversary, wedding, etc. See a sample form on the PPFF website. Include this information in your membership brochure as another way to contribute to your organization.

Fundraising Ideas

- Host a benefit, such as a special concert or community picnic
- Do a direct mail campaign to attract new members or raise funds for a specific project
- Get board members and volunteers involved with helping to solicit major gifts and sponsors for events
- Host a community art show
- Sell ads in a newsletter or program guide
- Solicit businesses in the community to help underwrite the costs of your event, donate materials or services.

Your annual plan and budget will determine what type of fundraising effort you need to undertake to accomplish your goals. Contact the PPF office for more assistance in developing a fundraising plan.

Attached you will also find some helpful articles relating to fundraising.

Corporate Donors - Tips for Friends Groups

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Any business entity has the potential to become a corporate donor and sponsor of your park. Current statistics indicate that business or corporations contribute about 5% of the total dollars given to charities and non-profit organizations (although this represents a small percentage of funds given to non-profits). More significantly corporate giving has grown 34% in the past few years. This paper is intended to help you narrow your list of companies you choose to approach for donations and to help craft your appeal in the most effective manner. It is intended to be a living document that will incorporate the successful techniques enjoyed by all the chapters of PPF.

Note: See the "Financing Municipal Recreation and Parks" manual for additional information.

Why do companies want to give?

Companies give for a full range of reason but largely because the act of giving satisfies a need they have. Your job is to identify that need before you approach them and tailor your presentation so that it shows how it meets their need. Some companies give because their corporate culture has a strong sense of community and community giving. Companies with a large customer base, especially those with a strongly defined regional area of operations, will concentrate their giving to those areas. Utility companies are classic examples of this concept. ***Companies which do not produce goods or services consumed by the citizens who use your parks may be less inclined to give. Most businesses want to give in areas of operation, and may also be willing to provide volunteers for projects.*** These are loose guidelines and are not to be applied too stringently as there are many exceptions. United Defense which manufactures armored vehicles for the military is a strong donor to local causes in the York area because of a strongly loyal work force, many of whom use the two state parks near the facility. Corporations will support causes that are of interest to their employees especially if their employees request the donation

Profile of good prospects

Before you start writing letters or calling for appointments you would be well served doing some research.

1. Identify all the businesses in your region and
2. Learn as much information about the company as possible in order to make an ask that is personal and focused. One of the best places to find the information is in your local library. The reference section usually contains a business directory such as Dunn and Bradstreet that will give a profile of local companies. The profiles normally contain what the company produces, who the officers are, the total sales and the number of employees.
3. Identify whether the company is private or publicly owned and the name of any parent companies. The more you know about the company the better the impression you will make on any visit.

Giving Policy

Many companies will have a policy that governs how much money they give to charitable, non profit efforts and what type of projects they support. This is generally public knowledge and may be listed on their website.

There is normally one person, more often than not the public affairs officer, who is authorized to make donations. That person usually can give up to a certain amount without seeking approval from the board of directors. For example, for one utility company that amount is \$6000. It is very important for you to know the amount and a simple question of the approval official will often produce the answer. Request for larger amounts may result in long delays until the request can be considered by the board of directors. A good method of finding the person in charge of donations is to call the company and ask the receptionists. A few polite questions can product a wealth of information.

Public companies are different in that donations are more at the discretion of the owner. Knowing the interests of the owner as well as the giving history of the company is essential in preparing a request with a chance for success.

Getting a foot in the door

Keep in mind that companies are bombarded with asks on a weekly basis, and many have a list of organizations to which they already give. The key to your success is to have your request considered rather than languish in the stack with other letters. One way is to have someone connected with the company provide an introduction to the decision maker. That someone may be a friend of the owner or an employee of the company. Most companies will have a difficult time saying no to a good employee.

The ideal is to make any request in person. Your letter should state who you are, what you do and why you want a donation. Conclude the letter with a statement that you will call in a week for an appointment to discuss your request. Again don't ignore the importance of company employees and the influence they have on management.

The Presentation

It is preferable to have one person make a presentation but two is the limit. If the park manager elects to accompany a uniform is a plus. Present a well dressed and groomed appearance that reflects what is worn in the office (Rough rule of thumb: dress one step above the dress code). A manufacturing plant will require different attire than a bank. Rehearse all presentation and if you have one person who presents very well, use them as much as possible.

Requests for donations to a readily identifiable, specific project will always be better received than a general asking for money "to support our work". Have a folder that contains the mission of the group, some details about the park/forest and if possible information on park/forest usage by company employees. If you plan to ask for money for playground equipment, show a picture of the product. State how much it will cost. Show who else is already contributing, such as volunteers who will do some labor or a construction company who is donating equipment time to prepare the site, etc. Leave the folder with the company representative and be sure it contains contact information. Finally show how any contributions will be recognized. Plaques on donated

equipment or a hall of fame for donors displayed in the park headquarters are typical ways to accomplish this. Any donations should be written up and sent to local newspapers or provided to the company for inclusion in the company newsletter.

In closing the presentation, remember to thank the company for their time and consideration. Ask when you might check back to hear of the decision.

The Follow Through

Send a thank you letter to the person with whom you met within two days. Thank them for giving you their time and for listening to you presentation. Call back in two weeks if you have not been informed of a decision. If you are denied, treat the effort as a learning experience. Call the person you met with and tell them that you fully understand why your request could not be favorably considered (use the same words they used in turning you down) and ask what you could have done differently that might have resulted in a favorable consideration. More often than not you will get a straight forward and helpful answer.

Fundraising Tips

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The Pennsylvania Parks and Forests Foundation strongly encourages its chapters to seek various means of securing funds in support of their parks and forests. Aside from direct solicitations possible sources of money include grants, corporate sponsorship, membership as well as projects in local communities. This paper is provided to inform groups of the existing laws that must be complied with to avoid problems and protect the organization against government sanction. PPFF insists that all chapters comply with federal, state and local laws covering monetary dealings. All proceeds, including donations and project results, must be given to PPFF to be included in our IRS form 990 filings. Money retained by the group could be construed as unreported income and although no profit is realized, it could be construed as a violation of the IRS code.

Since chapters are essentially volunteers working under the tax exempt status of The Pennsylvania Parks and Forest Foundation there is no need for a chapter to register with the Pennsylvania Department of States' Bureau of Charitable Organizations. When your group was made a chapter of PPFF you should have received copies of all the necessary documentation such as registration with the Bureau of Charitable Organizations and state sales tax exemption granted to PPFF and therefore extended to your group. Group members must remember that all solicitations are made in the name of PPFF and groups are technically covered by our registration.

Small games of chance such as bingo, raffles, and ticket sales require a yearly permit from your county treasurers' office. Any materials associated with the fundraising should clearly indicate the purpose for which funds will be used.

If your group regularly has a fundraiser that is unrelated to our mission and you gross more than \$1000 you may need to pay business income tax on that income.

If your group sells items to raise funds you must collect and pay Pennsylvania sales tax unless the items you sell are tax exempt, such as clothing.

Permission is required from the property owner, either private or public, before a fundraiser can be conducted on that land.

When an item or service is given in return for a donation the value of the item or service may not exceed \$7.60 (as of 2001 but subject to update). If above \$7.60 the value must be subtracted from the total donation to determine how much of the donation is tax-deductible. For example, if a donor receives a \$20 pen for a \$100 donation he will only receive credit for \$80 for tax purposes. Explain the situation when submitting the proceeds for deposit so that receipt letters will be for the correct amount

The following addresses and web sites are useful for further inquiry

Commonwealth of PA
Department of State
Bureau of Charitable Organizations

P.O. Box 8723
Harrisburg PA 17105
www.dos.state.pa.us/charities/charities.html

The Dept of Revenues “Small Games of Chance Primer”
can be found on line at:
www.revenue.state.pa.us/revenue/cwp/browse.asp?A=180

To discuss any of the above call Marci Mowery at 717 236-7644 or email mmowery-ppff@pa.net