

# Tools for Fundraising

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Fundraising! The word itself is scary! From your early days, you remember how much you disliked going to the neighbors selling candy, magazines, wreaths or gift items to raise money for school activities. Now, you need to raise money for your park or trail friends group, your activities and projects. Before someone else laid it all out and all you had to do was sell. Now your challenge is to put together a fundraising plan and do the selling. Wow! How do you do that?

If you're lucky, there will be someone in your group who is a natural fundraiser and likes to do it! Most groups aren't that lucky. Here are some strategies and tools to help you get started.

## *What are your financial needs?*

The first thing you must decide is what you need to raise money for, and outline a budget. Don't worry if your budget isn't perfect, you just need to start somewhere! Do you need money for:

- **Day to day costs of running your friends group?**

Things like paying for treats at meetings, for mailings to your members or for newsletters and brochures.

- **Special events?**

This may be to paying for flyers announcing your event; supplies and materials; t-shirts.

- **A special project?**

Maybe you want to pay for signage for your trail, new play equipment at your park, rehabilitation of historic buildings, or land acquisition or easements.

## *Show me the money!*

Now that you have an estimate of what funds you need to raise, you can explain to potential funders what you will use the money for, and determine where you will look for money.

## **Is it tax deductible?**

The short answer is only if your organization has 501(c)(3) status with the Internal Revenue Service, and

is a Minnesota nonprofit corporation. Your group can attain both of these with some time and effort, but it may not be needed. The Parks & Trails Council, which is a 501(c)(3) MN nonprofit corporation, can offer fiscal agency services to your organization. Basically, your donations come to Parks & Trails were they are held on your organization's behalf until you need them. Please contact the Parks & Trails office for more details.

## *Sources of Support can include:*

- **Individuals**

Those who know and love your park or trail are really important, they can provide cash, volunteer time and assistance, in-kind donations.

- **Community Groups**

Be sure to draw the link between what you are doing and the benefits to the local community. Groups might provide cash, hold a special event, and offer volunteer labor or in-kind donations.

- **Corporations**

Local businesses typically get lots of requests, but will often provide outright grants, or in-kind donations.

- **Foundations**

You should talk to a program officer and explain your project to see if the Foundation might be willing to consider your grant request. Prior to talking to someone at the foundation, get a copy of their guidelines by calling or visiting their website. Remember that this process can take a while to complete, and there is no guarantee of success, so start early!

- **Grant Programs**

Although highly competitive, grants are available for many park and trails projects, particularly from the DNR and Highway Enhancements programs. These will usually require a match, so securing a trail or park grant will be only a part of the need.

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PARKS & TRAILS COUNCIL OF MINNESOTA

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## *Fundraising Tools*

### **Day-to-Day Needs**

These can be met in a number of ways. Simply selling memberships in your organization is the easiest way. A member joins for \$10 a year and you use these funds to run the organization. Many day-to-day needs can also be met by using volunteer and donated services, such as donations from local printers for printing of membership brochures, or from the local newspaper for space for announcing a meetings and events. Often local service organizations, such as the Lions or Rotary, will fund a request for a few hundred dollars of support, providing enough to pay for postage and copying.

### **Special Events**

Once you are able to cover your basic needs, you might consider seeking funds to pay for a special event. Make sure you know what you hope to gain from your event- is it to increase awareness of your group? To gain members? To raise money? To give your members or communities a way to have fun? The event will often serve several of these purposes.

#### *Some examples to consider:*

- The Friends of Wild River State Park have established a tradition of presenting a Candlelight ski/walk. This event raises only a few dollars at best, but has attracted around 250 people each year. (The high was 850 attendees, almost more than could be accommodated on the trails!). It serves as a great “friend-raiser” for the park and the Friends’ group.
- At Glendalough State Park, the Friends group used the National Parks Conservation Association’s March for Parks model to hold a fundraising event each spring. Beginning in 1996, they have raised over \$200,000, paying for a historic Lodge restoration, interpretive and educational programs and more! By encouraging family and group participation, seeking individual donations and matching gifts, they have done amazing things.

## *Project Fundraising*

Typically special projects have the biggest price tags, and so require more than just one gift or source of money. It is important that you figure out when you need the money, and make sure to factor in the cost you anticipate at the time the project will be completed. If a goal is set based on current prices but the campaign takes several years to complete, that original amount will probably not be enough to cover the real cost. It is very disappointing to reach your goal only to learn the goal wasn’t big enough to complete your project!

Designing and managing what is essentially a capital campaign is a lot of work. There are many good resources and courses on this subject that can provide valuable information. Here are a few key points to consider.

It is usually necessary to have multiple sources of funding support. You might want to design a giving pyramid. If your project will cost \$10,000, knowing that three \$1,000 gifts, eight \$500 gifts, twenty \$100 gifts and twenty \$50 gifts would meet your goal helps to define your need, and can help contributors see exactly where they can truly make a difference.

Your group can then brainstorm ideas for places and people to ask for each gift- perhaps the local service club will give one of the large gifts, and might consider a match for other amounts, or maybe a car wash or community dinner will raise another of the large gifts? Create a list with three to four times as many names as you think you will need, and start asking!

Be pleasant and respectful as you share the pyramid and background information about your group and the project with them. Ask your prospect to consider as large a gift as they can, and even suggest a target amount from the pyramid. No matter if they say yes or no, thank them for considering your project, and make sure they know how to reach you in case they want to talk with you later. Don’t forget that you might find some people willing to contribute time or in-kind support but not cash, and be prepared to explain how these other gifts might be useful to your project. Also make sure you have determined how you will acknowledge the gifts. In the newsletter? At a grand opening ceremony? On a plaque?

Good luck, and get started! Remember, the bottom line for all fundraising is JUST ASK!