

# Keys to Success in Raising Funds

by Roger Neugebauer

*Child Care Information Exchange* has surveyed over 100 child care centers about their successful, as well as their unsuccessful fundraising projects. From the experiences of these centers, the ten factors described below have emerged as keys to successful fundraisers.

## Define Your Purpose

The willingness of staff members, parents, volunteers, and members of the community to give their support to a fundraiser will be enhanced to the extent that the need for funds is clear and important. People need to know that their contribution of time, talents, or resources will make a difference.

Therefore, before launching a fundraising effort, a center should assess whether it is truly necessary and, if so, for what purpose. This intent should then be identified at the outset of any appeals for support. Centers have found that the more specific the purpose can be defined the better. It is easier to

generate support for “constructing an outdoor climbing structure” than for “building up the contingency account”; it is more inspiring to contribute towards a “scholarship fund” than towards “general operating expenses.”

In child care, fundraisers often have important secondary purposes as well. Centers often utilize these projects to provide publicity for the center and to enhance parent involvement. These purposes should clearly be identified at the outset, also, so that the project can be organized in such a way as to ensure their accomplishment.

A common pitfall here is when a secondary purpose is really the main

purpose. Centers sometimes use fundraisers as a device for getting parents involved. This can unnecessarily waste the precious time of parents and can backfire when the parents realize their efforts do not accomplish anything of importance.

## Set a Goal

Centers have found it beneficial to set a target amount to be raised each year. Having a financial goal helps planners to gauge the magnitude of the effort required, and to decide on the type of activities which are appropriate.

A center needing to raise \$500 would not establish a thrift shop, nor would one requiring \$6,000 schedule a bake sale. Having a specific dollar goal is more likely to instill confidence in potential donors that the center knows what it’s about. Once the goal is set, it can also help focus volunteers’ efforts if they are kept informed about the progress toward that goal. Some centers even post a chart at the center, much like the thermometer of United Way, which shows volunteers how close they are to accomplishing the goal.

## Know the Audience

Who is likely to contribute to your center? The type of fundraising projects a center implements should be appropriate to the project’s potential audience.

If your center is known by individuals in your community who have abundant financial resources and who believe in what your center is doing, the direct approach may be best. Contact them, explain your need, and ask for a donation.

If, on the other hand, your program is known and supported primarily by individuals with scant financial resources, asking for donations may not be realistic. Instead, it may be more appropriate to offer some goods or services in return for people's contributions.

In planning this type of fundraiser, the potential audience needs to be examined even more closely. Who is the potential audience? What goods or services are likely to be of real interest to them? How much are they likely to contribute? You are operating on shaky ground if you cannot answer these questions with some certainty before planning a fundraiser.

### Make It Fun

Select a project that staff and parents are excited about. Most fundraisers depend heavily upon the volunteer work of staff, parents, and board members. The amount of effort these people are likely to invest in a project relates significantly to the extent they are excited about it.

If the chairperson of a fundraising committee decides that a raffle will be the solution to all the center's financial woes, but parents are none too eager to hustle prizes or tickets, chances are the raffle will fizzle.

### Build on Strengths

Try to select a fundraiser that builds on the skills that already exist in the center. Personnel in child care centers have expertise in areas such as child development, child nutrition, children's activities, and parent education.

Examples of fundraisers capitalizing on such skills include children's entertainment series, gymnastics classes, babysitter training and referral, cookbooks for children, and parenting workshops.

A child care center should be most effective and efficient in organizing fundraisers such as these. In addition, such a project can showcase the skills and services of the center to potential supporters and customers.

### Look for Repeaters

Centers surveyed noted several reasons for selecting fundraisers that can be repeated on a regular basis. First, the center can learn from its mistakes. Errors which were made the first time in planning, publicizing, and putting on a project can be eliminated in future reruns, thus saving on wasted energy and resources.

Second, the project will not need to be organized from scratch every time. Press releases, flyers, costumes, booths, or publicity strategies developed the first time can simply be refined rather than reinvented.

Third, the more often a successful project is run, the more effective publicity will be.

### Be Cost Effective

Centers can fall into the trap of thinking that any project that brings in money is worthwhile. However, such reasoning fails to consider the value of staff and volunteer time expended in raising the money.

People's time should be considered as a valuable resource. It should not be squandered on fundraising projects that generate a small return on time invested.

To calculate the return on time investment (R) of any project, simply deduct all expenses (E) incurred in putting on the project (including the value of paid

staff time) from total income (I) of the project, then divide the remainder by the total number of hours (T) spent by staff and volunteers on the project:

$$\frac{I - E}{T} = R$$

To illustrate, consider the case of a spring fair held by a nursery school in New England. This school's staff and parents donated about 475 hours of time (T) planning, publicizing, setting up, and operating the fair — and expended \$250 in center funds (E) for booths, food, and publicity in order to raise a total of \$850 (I) for the center. Plugging this into the formula, it can be seen that for every hour invested in this project the center earned \$1.26 in profit:

$$\frac{\$850 - \$250}{475 \text{ hours}} = \$1.26/\text{hour}$$

Even though the project was a *success* in terms of raising a significant chunk of money, the return on the investment of volunteers' time was dreadfully low. Bake sales and dinners are often equally wasteful of volunteers' time.

On the other hand, other fundraisers described by directors interviewed for this article brought returns of anywhere from \$25-150/hour. Given the fact that such cost effective projects are quite realistic, a center should certainly think twice about engaging in any project which will return less than \$20/hour.

### Publicize Aggressively

Centers that have the most success with fundraisers are those which have mastered the art of getting the right message to the right people at the right time.

The first step in an effective publicity campaign is clarifying what is being *sold*. If the fundraising project is a direct

appeal for donations, what is being sold is the cause — people are being asked to give money to a cause they believe in.

For an indirect fundraiser, such as a raffle, a bake sale, or a dinner, it is the product or service that is being sold — the chance to win, the cookies, or the meal. The *message* of all publicity should concentrate heavily on what is being sold.

This right message must also reach the right people. Often in membership drives and appeals for donations, certain professionals — such as doctors, who are deemed most likely to contribute to the center — are singled out for calls.

Likewise, a center which offers a noon luncheon in a downtown area sends flyers around to offices in the neighborhood to alert people who eat lunch out. Effective publicity has much less to do with *how much* than it does with *where*. Centers with sound ongoing fundrais-

ing campaigns also take great pains to develop extensive lists of known supporters. Included on this list should be former parents, staff, and board members; those who have visited the center; and those who have attended or contributed to past fundraisers. For every fundraiser, this group should be sent a special announcement.

## Maximize Publicity

At the outset of this article, it was mentioned that publicity can be a secondary purpose of fundraisers. In fact, every time you embark on a fundraising initiative you should analyze the publicity opportunities the fundraiser offers. That way you will get extra mileage out of the time and resources you invest in the fundraiser.

A classic example of a missed opportunity occurred when a New England center provided child care at a Women's Fair. The center set up a variety of

activities in a corner of the auditorium where the fair was being held. Children were so happy and fully engaged that fairgoers stopped and enjoyed observing the children at the *play area*. This could have provided extremely beneficial publicity with a highly appropriate audience. However, nowhere in the area was the name of the center posted.

## Thank Contributors

After every fundraiser, the center should send a thank you to all who contributed to the project — those who planned it and volunteered time to make it happen, as well as those who donated money, goods, or services. The thank you typically includes a final report on the results of the fundraiser — “We reached 110% of our goal,” “We were able to finance remodeling of the infant room,” etc. Some centers keep donors on their mailing list for the center's newsletter.

# Buyer's Guide to Fundraising

This directory is a partial listing of companies providing fundraising. Companies were included free of charge. Inclusion does not imply endorsement by *Child Care Information Exchange*. Request free information about these companies by circling the number for each company on the Product Inquiry Card (between pages 64 and 65).

### Berg Fundraising

Bob Berg  
4481 North 55  
Milwaukee, WI 53218  
(800) 233-BERG  
*Circle 60 on Product Inquiry Card*

### Cherrydale Farms

Customer Service  
1035 Mill Road  
Allentown, PA 18106  
(800) 333-4525  
www.cherrydale.com  
*Circle 61 on Product Inquiry Card*

### Chinaberry Book Fairs

Pam MacIntosh  
2780 Via Orange Way, #B  
Spring Valley, CA 91978

(888) 481-6744  
www.chinaberrybookfairs.com  
*Circle 62 on Product Inquiry Card*

### Dutch Mill Bulbs, Inc.

Jeff Ellenberger  
25 Trinidad Avenue  
Hershey, PA 17033  
(800) 533-8824  
www.dutchmillbulbs.com  
*Circle 63 on Product Inquiry Card*

### Kids Choice Cookie Dough

Derek Myers  
7741 Alabama Avenue, #10  
Canoga Park, CA 91304  
(800) 774-4474  
www.kids-choice.com  
*Circle 64 on Product Inquiry Card*

### Schermer Pecans

Vivian Theel  
1316 W. Oakridge Drive  
Albany, GA 31706  
(800) 841-3403  
www.pecantreats.com  
*Circle 65 on Product Inquiry Card*

### Skool-Daze

Derek Myers  
7741 Alabama Avenue, #10  
Canoga Park, CA 91304  
(800) 774-4474  
www.kids-choice.com  
*Circle 66 on Product Inquiry Card*

### The FundFactory, Inc.

Daniel J. McMaken  
6032 Highview Drive, #F

Fort Wayne, IN 46818  
(800) 777-8140  
dmcmaken@thefundfactory.com  
*Circle 67 on Product Inquiry Card*

### Tom Evans Fund Raising

Tom Evans, Sr./Jr./III  
722 Spirit of St. Louis  
Chesterfield, MO 63005  
(636) 532-1902  
www.mrfundraising.com  
*Circle 68 on Product Inquiry Card*

### Usborne Books at Home

Wendy Kennedy  
1730 Cedarpoint Drive NE  
Corydon, IN 47112  
(812) 952-1643  
www.ubah.com/T0379  
*Circle 69 on Product Inquiry Card*