Example funding strategy

This is an example strategy for a small organisation.

Two charitable trusts and the Local Authority presently fund the organisation. The strategy is to enable the organisation to identify new sources of funding when the present funding ends.

The plan is to expand the number of trusts from which the organisation seeks funding and seek to generate money to pay for core. Part of the strategy includes reviewing expenditure and how the organisation manages its finances. The information here is fairly brief, but can be given in more detail if needed.

The strategy has three parts
●   Funding sources
●   Developing funding sources
●   Action plan

Funding sources
This identifies the existing sources of funding of the organisation and what future funding sources will be used to pay for activities.

Developing funding sources
This simply lists various methods that the organisation is going to consider in its future funding. Included here are actions that are related to fundraising such as Budgeting, reviewing expenditure and Full Cost Recovery

Action Plan
This section prioritises the actions and who should be responsible for completing them (and when)

Funding sources

Item to fund	Activity / benefit	Cost	Present source	Future source	Actio deve
Staff member	Activity A e.g. project development	£30,000	Trust A	Trust B and Appeal	Resea funde applic
	Activity B e.g. supporting volunteers			Local Authority Service Level Agreement	Seek devel LA
	Activity C -e.g. monitoring, evaluation			Core	See b
	Activity D - e.g. Newsletter			Trust D	Resea funde applic
	Activity E - e.g. supporting membership			Core	See b
	Staff Travel expenses	£500		Core	See b
Rent		£5000		Trust E	Resea funde applic
Office costs	Heat, light,	£2400		Core	See b
IT	Computers, printers	£500	Trust B	Sponsorship / in kind	
Publications	Printing newsletter, annual report, guide book	£1500	Local Authority	Sponsorship	Ident busin and relati to be devel
Volunteer expenses	Travel, training, out of pocket expense	£600	Core (A)	Trust B	Resea funde applic
Trustee / staff training	Raising standards,	£400	N/a	Trust F	Resea funde applic

(A) Core - Money from any donations and unspent grant monies

Developing funding sources

In order to develop unrestricted core funding the organisation will:

- Register with Mission fish (E Bay) for donations
- Register and Use "Everyclick" as its primarily search engine and encourage supported / members to do the same
- Set up link to Amazon under their affiliate scheme and encourage members to use link
- Set up link on site to enable online giving

Events
Aim to run two funding events a year, this could be coffee morning, sponsored walk, raffle. The primary aim is to raise awareness of organisation rather than to generate income. (Initially at least)

Gift Aid
Register for Gift Aid and ensure all donor are signed up (that are eligible)

Legacies
Drip feed message in all publications, website, annual reports. List organisation with legacy promotion sites
(e.g. http://www.rememberacharity.org.uk/)

Donors
Ensure that there are a range of giving options available to the organisation from raffles, collection tins to regular giving. Build up a list of those who give to the organisation, ensure all people who give are thanked.

Sponsorship
Before seeking sponsorship be clear what the organisation offers the business.

Membership
Introduce a staged membership to enable a higher rate for those wishing to give more. Also ensure a donation box is on the membership form.

Other fundraising activities:

Full cost recovery
Set up accounts for Full Cost recovery. Use the Excel template from ACEVO. This will also enable more money to be put towards 'core' cost, ie those costs associated with running the organisation essential for delivery of the project.

Expenses
Provide forms to Volunteers and Trustees to donate expenses back to the organisation. This will add the gift aid value to these costs. For trustees that never claim encourage them to use the form, even if they never claim the money themselves by identifying the costs and stating they wish to donate these back to the organisation will enable Giftaid to be claimed. This can easily be done at the end of meetings etc.

Review expenditure
On an annual basis review expenditure and costs from suppliers. Check that they have not crept up and check with competitors for better deals.

Volunteer fundraisers
Encourage a pool of volunteers to undertake fundraising; this could be E-bay sales, coffee mornings, sponsored event etc. Provide training and mentoring support for volunteers.

Trusts
Identify a number of trusts that support the general area of work of the organisation, particularly those for smaller amounts. Identify any opportunities to make applications to these trusts for activities that are not presently being funded. Ensure all trusts who provide funding receive annual reports and thank you letters. Also consider inviting to any open days and / or AGM. Seek to build up relationship with these trusts. Also identify trust who you can make annual applications to (such as Awards for All in Wales).

impACT
Register with the impACT coalition and undertake their impact audit. This will help to ensure that the organisations activities are Accountable, have Clarity and are Transparent. This helps to build trust in the organisation that in turn helps encourage donations and support.

Guidestar (www.guidestar.org.uk)
Ensure that the organisations details are correct on Guidestar and provide additional information as necessary. Guidestar is used by charitable trust to find out a bit more about organisations that they may fund.

Facebook
Set organisation on facebook to engage and keep members up to date with our work and encourage interaction between member and supporters with the longer term goal of encouraging people to donate money / time to the organisation

Publicity strategy
In order to maintain a strong public presence and ensure people know about the work and benefit of the charity a publicity strategy needs to be developed. This should include how the website is used and who events, fundraising and general publicity is being aimed at.

Action plan

Priority of work, timetable and responsibilities (TO BE COMPLETED!)

Source to be developed		Priority 1 high 5 low	Who is responsible	Timescale	Cost implication
Trust funding	Trust B - make application for project and IT equipment	1	Worker	ASAP	
	Trust C -	2	Worker		
	Trust D		Worker		
Trusts	Develop list of possible future trusts	3	Worker	Ongoing	
Core	Internet, register for those identified above	2			Low
	Legacies - ensure message is on all publications.	3			Nil
	Gift Aid, register for Giftaid and draw up appropriate paperwork	1	Worker	ASAP	Admin time
Events	Working with volunteers to run two events	4			Low - medium
Sponsorship	Identify potential sponsors and clarify the benefits to sponsors		Trustees		
Donations	Develop range of ways in which people can make donations.	3	Worker		
Membership	Revisit membership fees and structure	3	Trustees	Next AGM	Low

Other activities					
Full cost recovery		1	Treasurer		
Expenses of Trustees					
Review Expenditure		1	Treasurer and worker		Nil
Recruit Volunteer Fundraisers	Develop fundraising group	3	Worker and Trustees		Training and volunteer expenses
ImpACT	Register with impACT and undertake their audit	3	Trustees		
Guidestar	Check details and add annual report and other suitable information	2	Worker		
Facebook	Register with facebook	4	Volunteer		Nil
Publicity Strategy		2	Trustees		