

## Landcare Victoria Inc.

# Advancing Landcare Pilot project



## **Fact Sheet**

The Art of Fundraising

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# The Art of Fundraising

Information on fundraising for Landcare Groups.

#### This fact sheet covers:

- Top tips to get the most out of your fundraising activities
- The most common sources of funding for not-for-profit organisations and charities
- An overview of Deductible Gift Recipient Status and the Landcare Victoria Fund

Fundraising refers to the ways that groups can raise money, such as requesting public donations, holding events with admission fees, raffles and other games, corporate partnerships and crowdfunding. With fundraising you can collect money from governments, private investors, businesses, philanthropists or individuals.

Fundraising is an important source of income for many charities and not-for-profit organisations, including Landcare groups. Each state has different rules and laws around fundraising. Before you start fundraising, it is a good idea to investigate whether or not your fundraising activities require a license or approval.

For more information on fundraising rules and requirements, see:

- Justice Connect
- Australian Charities and Not-for-profits Commission
- Consumer Affairs Victoria



This fact sheet provides general information on fundraising, and is intended as a quide only. It is not legal advice.

## **Top Tips for Fundraising**

Fundraising can be a complicated and time consuming task. Here are some tips that you might find useful for your Landcare Group.

- PLAN: have a strategy in place (and review it!): what for, how much, for how long, what resources, do I meet the criteria?
- Do a SWOT (strengths, weaknesses, opportunities, threats) analysis
- BE VISUAL: make it appealing
- BE SIMPLE: keep it simple and easy to understand by ALL
- BE POSITIVE: negativity turns people off
- Build relationships and partnerships: say thank you, acknowledge, and keep in touch. Ongoing sponsorship is the holy grail!
- Start small
- Use your community, they are your first supporters. Consider local businesses, banks, and other organisations
- Membership fees and opportunity for donations (add donation button): watch this video on membership collection and management
- Merchandise sales (t-shirts, mugs, vehicle stickers, etc): incidental education of people
- Don't worry about setbacks and have a backup plan
- Have your high pitch ready!
- Use social media to communicate. LinkedIn is a great platform to connect with sponsor and showcase your work and professionalism

## Sources of Fundraising

- Philanthropy (structured, mainly in perpetuity)
- Individuals (unstructured)
- Private sector



#### What is a deductible gift recipient (DGR)?

A deductible gift recipient (DGR) is an entity or fund that can receive tax deductible gifts. Even if your not-for-profit registers as a charity, it does not necessarily mean it will have DGR status and vice-a-versa.

## **Funding from Philanthropy**

Do you know that the state of Victoria has the most trusts and foundations in Australia?

**Philanthropic funding** can come from a number of different sources, including trustee companies, corporate foundations, private ancillary funds or family foundations and public ancillary funds.

A **trustee company** is a legal entity that manages and invests funds on behalf of a beneficiary for their benefit. Some are old, from people that have passed away and some are new, from people that invest their own money. Deductible Gift Recipient (DGR) status may not be required to apply for funding from a trustee company.

A **corporate foundation** is generally a not-for-profit organisation established by a company to provide funding or support to a particular social outcome.

**Ancillary funds** are funds that provide a link between people who want to donate and organisations that can receive tax deductible donations (DGRs).

**Private ancillary funds** or **family foundations** are established by an individual or family group who donate money into the fund, which is then distributed to their choice of charities annually. **Public ancillary funds** are fundraising entities that can provide funding support to organisations through donations or grants programs. They are generally more accessible than private ancillaries.

### **Examples of Philanthropic Associations:**

- Foundation for Rural and Regional Renewal
- Ross Trust
- Helen Macpherson Smith Trust
- Lord Mayor's Charitable Foundation
- William Buckland Foundation
- Natural Resources Conservation Trust
- The lan Potter Foundation
- Wettenhall Environment Trust
- Equity Trustees ANZ Community Foundation
- Patagonia
- Australian Communities Foundation

## **Top Tips for Philanthropic Funding**

The best place to start is with publicly available grants. If you are funded, deliver and fulfil all the requirements under the grant agreement for both the project and reporting. Engage with your funders and demonstrate the value of your work and the outcomes of their funding.

#### Other tips include:

- There is no one approach to it
- Some funders are motivated by particular and measurable outcomes
- Some funders are motivated by values and emotions. The project needs to resonate with their values
- ASKING IS CRITICAL no one will give you money unless you ask!
- DGR important (mostly), Landcare Victoria Member Groups can use the <u>Landcare Victoria Fund</u> (see 'How to use the Landcare Victoria Fund' section below)
- Make it easy to give to your organisation
- SAY THANK YOU
- Keep records (don't forget them!)

#### How to use the Landcare Victoria Fund

Many philanthropic organisations can only provide funding to organisations with DGR status.



Landcare Victoria Inc. has established a DGR Fund, called the Landcare Victoria Fund that allows for tax-deductible donations in support of landcare. Registered financial Member Groups can use this Fund in support of their own fundraising activities (terms and conditions apply). To find out more about the Fund and how it could help your fundraising activities, visit the Landcare Victoria Inc. website.

## **Funding from Individuals**

Funding from individuals can come from community fundraising and crowdfunding (see below), peer to peer sources (occurs when someone fundraises on your behalf, for example asking for donations to your organisation as their birthday gift), gifts in wills, your members and one-off, regular and major donors.

#### **Community Fundraising**

Community fundraising can be done through crowdfunding platforms, or through other fundraising activities such as events, or auctions. You can be as creative as you want with your approach to community fundraising. Examples include the <a href="Treasures of the Land Biolinks Alliance">Treasures of the Land Biolinks Alliance</a>, who held an art auction to raise invaluable funds for animals and plants in the Macedon Ranges, and the <a href="King Island Landcare">King Island Landcare</a> <a href="Group">Group</a>, who partnered with the Moonbird Festival to raise \$20,000 in 2023.

Community fundraising is engaging and has multiple additional benefits including raising awareness of your group or cause, providing social opportunities, and encouraging participation from outside your organisation. This method of fundraising can be resource intensive and should be supported by a cost analysis.

#### Crowdfunding

Crowdfunding is great option if you have a particular project that is easy to understand and exciting enough to entice donations.

Before you select a platform be sure to check out the costs, terms and conditions and how easy it is to use, both for you, and your donors. Once you have chosen a platform, set a target and start promoting!

Donators can share their donation and your project through their social media.

#### **Examples of Crowdfunding Platforms**

- Kickstarter
- Patreon
- Crowdfundr
- GoFundMe
- Mightycause

## **Funding from the Private Sector**

Support from businesses can be provided in a number of different ways, including volunteer or mentoring support, in-kind contributions or discounted services, sponsorship or direct donations from the business or employees. Think more broadly than dollars!

To successfully obtain support from buisinesses, it is critical that your values align. You need to be able to demonstrate the benefits of their funding or support.

Once a funding or support arrangement is in place, be sure to foster the relationship. Thank and acknowledge their support and keep in touch.

#### **Useful Resources**

- Australian Tax Office Fundraising
- Philanthropy Australia How to Seek Funding
- Consumer Affairs Victoria What is a Fundraiser
- Consumer Affairs Victoria Register as a Fundraiser
- Consumer Affairs Victoria Exemptions from Registration
- Consumer Affairs Victoria Fundraiser Responsibilities
- Australian Charities and Not-for-profits Commission
- Fundraising Institute of Australia
- Not-for-profit Law Fundraising and Events
- Not-for-profit Law Register as a Charity