

# Tip Sheet

## FUNDRAISING

**It takes more than good intentions to run a neighborhood organization. There are always expenses associated with organizing and special projects. Raising money takes advance planning, sound ideas and good business practices. Here are the basics:**

### WHY RAISE MONEY?

- ◆ Fundraising is necessary for any neighborhood-based organization. It takes money and donations to print newsletters, to pay for postage, refreshments and the other basic costs of being an effective presence for your neighborhood.
- ◆ Some groups work on special projects throughout the year, which require additional funding.

### PLANNING

- ◆ Develop a plan of activities and a budget for the year. Include basic costs and a wish list for projects and the materials you will need to complete them.
- ◆ Research unknown costs. Get estimates for new supplies, equipment, cost of meeting rooms, refreshments and printing before you determine how much to budget for items you need. This will help you understand the value of donations you receive.

### DEVELOP RESOURCES

- ◆ To pay for projects, some neighborhoods have mandatory memberships with dues. Many organizations suggest voluntary membership donations.

- ◆ Identify businesses in your neighborhood that are willing to offset certain costs:

**Print shops**-ask for free or discounted printing in exchange for mentioning the company in your newsletter.

**Grocery stores & restaurants**-ask for food donations for your annual picnic, gift certificates for welcome baskets.

**Retail shops and theatres**-ask for items to give away as appreciation awards, office supplies and equipment.

**Churches, schools, hospitals or libraries**- ask for a regular meeting room; an annual donation will encourage them to accommodate your schedule. A custodial fee may be required for after-hours meetings at a school.

- ◆ Your municipal government may offer small grants (\$2,000 or less) to improve neighborhoods. Often they require the groups to provide labor for the project.
- ◆ Call your city's planning office to find no-cost and low-cost opportunities. Programs like Denver Digs Trees provide free trees to the public.
- ◆ Some of the best resources for donations are your neighbors. Ask about skills or equipment that they may be willing to lend for a project.



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### SPECIAL PROJECTS

- ◆ Neighbors, local businesses and nearby communities often are willing to make donations for a project they feel will enhance their neighborhood. Examples include funding new playground equipment or a berm with trees to block out highway noise.
- ◆ Mention the project in any communication you send to your members. Suggest a timeline for donors so you have a deadline for receiving money.
- ◆ Count your donations before committing to final details of the project.

### GRANTS

- ◆ For large-scale projects, apply for grant money. Grants guides with ideas on where and how to ask for money include the Colorado Foundations Directory, 692-0270 and the Colorado Grants Guide, 623-1540.
- ◆ Foundations can only give money to organizations with 501(c)(3) tax exempt status. If you do not have this status, consider recruiting a fiscal agent. Your fiscal agent can receive your grant and disburse it for you.

### GRANT APPLICATION TIPS

- ◆ Read funding applications carefully. Give information requested in a concise, well-organized, neatly typed application.
- ◆ Write a one-page cover letter on your organization's letterhead. The letter should emphasize the strengths of your proposal.
- ◆ Include a short summary of your project

in the beginning of your proposal to help focus your grant reviewer's attention on your goals and purpose.

- ◆ Have a strong problem statement that includes local data and results of a community survey if available.
- ◆ Emphasize new ideas and the involvement of new people in your summary of program activities.
- ◆ Keep your goals and objectives strong, direct, short, and easy to measure.
- ◆ Explain how you will measure success. Rather than say, "This program will increase youth participation," it is better to say, "At least 80 students will attend one session of the program. At least 75% of those students will attend at least 6 sessions."
- ◆ Discuss an evaluation plan with the funder before you apply. Ask the funder how you can best demonstrate your success. Surveys before and after the program are often appropriate.
- ◆ Your budget is very important. Be sure your math is correct. Remember to include costs of personnel, overhead, printing, travel, equipment, or consultants. Show any donations of supplies or services you know about.

### THANKING DONORS

- ◆ Be faithful about thanking donors in person, in a note and in your newsletter. Be sure to include them on your mailing list and invite them to special events.
- ◆ For special projects, consider a permanent way to thank donors, such as an engraved plaque. Include the cost in your budget.

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was the major contributor to this tip sheet.*



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