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## LOCAL FUNDRAISING EVENTS AND SPONSORSHIP: OPPORTUNITIES FOR BUILDING RELATIONSHIPS AND COMMUNITY SUPPORT

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Local fundraising events can be wonderful opportunities for mentoring programs to engage their community and bring diversity to the types of support they receive. They can provide increased community awareness of the program, new relationships with local businesses, and valuable in-kind donations of goods and services, in addition to direct funding for the program.

Unfortunately, special events can also be difficult to do well. They are a high-risk, high-reward method for raising funds. They can take considerable staff and volunteer time and, depending on the nature of the event, investment of substantial program resources.

Office of Safe and Drug-Free Schools (OSDFS) mentoring programs must also be aware of the restrictions on spending grant funds on fundraising events or direct fundraising activities. (The basic advice is that you may not use grant resources for direct fundraising activities or staff time spent on raising funds. However, there are some creative solutions to these restrictions. Programs *can* use grant funds for staff time spent on planning and other development tasks related to the long-term sustainability of the mentoring services beyond the grant cycle. Programs may also use *other funds* to which they have access to pay for staff time spent on sustainability tasks. As always, contact your OSDFS Program Officer for clarification on what is allowable and what is not.)

For programs that *are* able to address those restrictions, and can invest the time and energy it takes to make a fundraiser a success, these events are one of the very best ways to build community and business support. They can lay the groundwork for many other fundraising activities while increasing your com-

munity profile and volunteer base. Because of their far-reaching potential, OSDFS programs should seriously consider events as a key strategy in developing their post-grant funding plans. This training supplement explores strategies for holding these special events and for fostering sponsorships, in-kind donations, and other related forms of local business support.

### Building a Local Support Mind-set

The key to planning an event or seeking local business support is to be fully prepared for the work that lies ahead. The following principles can give your staff a frame of reference for effectively building local support, whether through events or other fundraising activities:

- ❖ **Start thinking of your program as a business equal.** This does not mean that you start seeking profits or that your mission changes. It simply means that you must approach local businesses and the community at large as an equal. Occasionally, the staff of nonprofits and educational agencies feel separated from the business community—that they are of two worlds. To get the support you need from local businesses, especially for events, you will need to be comfortable interacting with them, presenting yourself as a partner who has something valuable to offer in return for their support.

Joining your local Chamber of Commerce or other business associations can help foster this mind-set (and build connections). Asking businesspeople to serve on your Advisory Board or Planning Committee can also provide insights into the business community and help make your staff more comfortable about approaching businesses for support.

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❖ **Define and refine your program’s story.**

Just as a successful business meets a specific community need, your program also meets a specific need. Your program exists to provide a service that would not be available otherwise. You should be able to articulate that need and explain how your services meet it. The “story” of your program will define how others view your efforts and will be the main reason they decide to support your work (or not). Spend some time writing down your program’s story—your mission, your goals, your evidence of success—and make sure that everyone who will be helping with your event or other fundraising activities knows it by heart.

❖ **Get ready to be the “face” of your program.**

It’s been said that people give to other people, not to organizations, and this insight has obvious implications for how you secure local support for your program. Fundraising events and other forms of local support are grounded in relationships. Your staff, and the conversations they have with potential sponsors and donors, will determine your level of success. While your program’s story is obviously important, it is just a starting point, an opportunity to find common ground around your program’s mission and work. What really matters is the relationship you build from there.

It is critical that the individuals forming these relationships have excellent communication and public speaking skills and the ability to follow through with commitments. Look for these qualities when putting together an event planning or fundraising team. Some refer to events as “friend-raisers” and that term applies to *all* the work you are doing building your base of local support. The reality is that people will think of you and your staff when they think of your program, so be prepared to put yourself out there and play the role.

## The Basics of Planning an Event

If your program decides to organize a fundraising—or friend-raising—event, the following guidelines can help ensure its success:

**1. Form an event-planning team that can get the work done.** Several factors will determine who you want on your planning team. First, you’ll want individuals who have available time. Events are detail-oriented affairs and there will be many loose ends and little projects that need wrapping up in advance of the big day. In addition to time, you’ll need individuals who can do this type of direct fundraising work without violating the restrictions of the OSDFS grant. You might find that adding volunteers, board members, parents, and other non-staff stakeholders will enhance your team’s skills while also avoiding the restrictions mentioned earlier. Finally, you’ll want to find individuals with connections into the community, especially those with ties to local businesses and other large organizations. These individuals can help spread the word about the event and solicit donations of good and services that will lower your expenditures.

**2. Develop reasonable and diverse goals for the event.** Obviously, you’re hoping that your event will raise funds. But how much? You’re unlikely to replace all your grant funds with one event, or even dozens of them. But you should identify an amount that is reasonable and achievable. How you reach that number depends on the type of event you choose (auction, raffle, etc.) and how well you articulate the need to those in attendance. You should always be able to tell donors or sponsors exactly what aspects of your program the amount raised will support.

When setting event goals, be sure to include several that are not tied directly to an amount of money. You may choose specific goals such as:

- Bring in ( # ) new volunteer mentors
- Increase our mailing list by ( # )

- Secure ( # ) business sponsorships
- Form new partnerships or relationships with ( # ) youth-serving agencies
- Get media coverage in (newspaper, TV, radio, Web sites, etc.)
- Find ( # ) new potential members for our Advisory Board

Events can lead to many types of valuable outcomes, so create goals that address the wide variety of needs that your program has.

**3. Choose the right event to meet your goals.** If one of the main goals for your event is to increase your business contacts, then an event based around, say, a performance by a local band might not provide much opportunity for personal interaction and networking. Make sure there is a strong connection between your goals and the type of event you choose. Also pay attention to the level of staffing and budget. If throwing a fancy dinner and reception would be a break-even proposition and overwhelm your small planning team, another type of event might be a better fit. The questions in the box at the right can help you select an appropriate event.

MRC trainer Miki Hodge offers the following event themes that she has seen work well for local mentoring programs in terms of cost, effort, and alignment with event goals:

✓ **Soup for the Soul.** This winter event works with local ceramic artists to create soup bowls. Attendees buy the bowl and in return get to sample several soups, homemade breads, and desserts donated by local restaurants. Combining a silent auction with this event makes for a great evening.

✓ **Microphone Marathon.** Work with your favorite local radio station to have DJs to promote donated items in this live auction-type approach. Talk about exposure for mentoring! Several phones are set up at the radio station to take callers' bids, and the DJ helps promote your cause between songs and advertising from

## Selecting an Appropriate Event

*Will the event appeal to the constituency we are trying to attract?*

*Are the logistics of the event doable?*

*Do we have the people power to plan the event and make it a success?*

*Will the cost-benefit of the event be meaningful enough to motivate volunteers to participate in its planning and implementation?*

*Is it the kind of event that can be repeated in the future? If it is repeated, are there opportunities for it to grow?*

*Can we afford to do an event that might not make money in the first year but will lay the groundwork for big revenue down the line?*

*Are there similar events offered by other organizations in our area?*

*Do the dates we are planning for conflict with other community or charity events?*

sponsors. The "marathon" portion keeps the DJs working until your organization has raised its auction goals. This event is great during the holiday season when people are in the mood for shopping.

✓ **Taste of (your town's name).** Food can draw a crowd and is a relatively low-cost donation for most restaurants. Encouraging local chefs to compete with one another offers a great incentive for restaurants and attracts media. This type of event is already very popular around the country. It can be a low-cost effort as sponsors abound for these types of events.

## Even more events . . .

**Bid on a “Dream Date”** with local celebrity bachelors and bachelorettes – provides great dinners and activities to a Dating Game type of event.

**Golf Tournaments** (can range from serious to silly formats)

**Dine Out for Youth Night** (numerous restaurants donate a percentage of the proceeds)

**Tomato Wars** (people love the stress release!)

### **Music Festivals**

### **Jail-a-Thons**

**Dive-In Movies** at your local swimming pool (JAWS!)

### **Casino Nights**

**Chocolate Fantasia Extravanzas.** Local dessert chefs, chocolate shops participate with any food that can be chocolate! Tickets are sold to chocolate lovers to come sample an extravaganza of different chocolate desserts and drinks. The event is great to hold on Valentine’s Day!

### **Run/Bike/Walk/Swim Events**

**Non-Events.** People pay to stay home, which saves the organization the costs of running an event.

### **Local Celebrity Dodge Ball, Volley Ball, Baseball, Broom Hockey**

**Tailgate-a-Thon.** If your town has serious sports fans, find out if they have a “tailgate party organizer” for the sports team or facility where the sports are played. Tailgaters obtain donations for consecutive hours tailgating before the big game.

**Bowling/Karaoke-a-Thon.** Ask your local bowling leagues if they would hold a tournament to benefit your mentoring efforts. Attach a Karaoke contest and the event is fun for everyone!

✓ **Black Tie Gala with a \$ Twist!** I went to a gala that raised \$20,000 due to a unique theme. Tickets were \$100, and only 250 tickets were available. Attendees received a great meal and live music. The gimmick? One lucky person would walk out with \$5,000 that night! The odds for winning were good, one in 250! Simply get your location, dinner, and music donated and give away a portion of your ticket sales. This event is a huge hit year after year. The hotel that donates the space and food receives an average of 200 people paying to stay in their hotel for the night.

✓ **Cardboard Derby/Wacky Craft Races.** Strange as it may seem, people love to build wacky crafts out of odd materials and maneuver them over snow, water, grass, and parking lots! This event draws curious onlookers, vendor interest, and sponsors’ attention, especially if you are creative with the event materials (for example, invitations made out of the same materials the cars are made of). This event offers silly fun while bringing in the bucks.

✓ **Business Scavenger Hunts.** Get local businesses to sponsor their own “team-building” event by competing in an afternoon Scavenger Hunt against other local groups. You outfit the teams with digital or Polaroid cameras to take pictures of their team with each item they need to find on their list. Businesses love to compete for the obnoxious trophy (that your program youth make!) and crave the media attention they get while supporting your effort. Program kids and mentors can also participate!

✓ **Silent Auctions.** Include creative bidding items, such as the mayor taking the highest bidder fishing, the sheriff staying one night in a cell, a famous local chef making dinner in your home, a principal doing homework with your child. Have fun with silent auction potential.

#### 4. Remember that “the devil is in the details.”

Events are labor-intensive affairs because of the many little details that separate an average event from a spectacular one. If you are to avoid embarrassing mistakes and unforeseen complications, your team will need to write up a full planning guide for the event that covers:

- The location (hotel, ballroom, concert hall, etc.) and any logistics about using that space (hours of operation, what the facility provides and what you do, etc.)
- Staff needed for the event (ideally your program leaders will be task-free that evening and free to network with guests)
- Food, drink, and entertainment
- Audiovisual needs
- Marketing the event (how will you create community interest and entice people to attend?)
- Media tie-ins (can they help with promotion prior to the event or provide coverage of the event itself?)

In addition to these details, you will want to:

- Identify opportunities for business sponsorship or in-kind donations of goods and services. Common ones include food/drink, entertainment, facilities, prizes or awards, and volunteers to plan or work at the event.
- Set a budget that includes in-kind contributions and establishes benchmarks for profits/income. The sample budget at the end of this training supplement illustrates how one might structure a budget to determine the “break-even” point for an event.
- Create a master timeline working backward from the date of the event. Build in more time than you think you need to accommodate any unforeseen complications.

- Speaking of unforeseen complications, expect the unexpected. Chances are some aspect of your event will require last minute “scrambling.” See the following page for a listing of event issues to be aware of.

#### 5. Evaluate your event and follow up with participants.

One of the truisms of fundraising is that you can never thank donors enough. After your event is over, send a timely follow-up to participants letting them know how much money was raised (along with any other positives) and thank them again for attending. You might also consider sending a survey asking their opinions about the event and asking if they would be interested in helping plan next year’s. You can also include an invitation for further involvement with your program, perhaps as a mentor or assisting with your ongoing community and business outreach. You may also consider sending a follow-up letter to those you invited to the event who did not come for whatever reason. They may have valuable feedback that can help increase next year’s attendance.

It will also be important to convene your planning team one last time to debrief on the event. Chart the things that worked well about the event and the lessons learned about what didn’t go so well. Putting these in writing will help with the planning of next year’s event, especially if the next planning team has many new faces.

### Securing Business Sponsorships and In-Kind Support

Local fundraising events are a logical place to start building business sponsorship, both in terms of financial donations and the procurement of goods and services. Events have many small components—food, prizes, equipment, etc.—that businesses could easily donate. Your event gives you a reason to approach businesses and start building new relationships. You can also court other community groups, such as public agencies, school partners, and civic organizations to see what they may be willing to sponsor.

## Miki Hodge's "Event Lessons I Learned the Hard Way"

In general, event day always brings last-minute issues. I've simply come to expect it. Event leaders need a high threshold for stress and the ability to improvise, and need to have on-the-spot decision making skills (with sometimes very difficult people). Whatever techniques you use, just remember to include stress management principles! Managing that stress will help deal with issues such as:

**Deposits.** When speaking with event site managers, supply rental groups, and entertainers in general, always ask if they require a deposit.

**Insurance for events.** Always check with your insurance carrier about event coverage for your organization.

**"Additionally insured" issues.** When using a site for an event, check with owners and managers if they require you to show an "Additionally Insured" certificate from your insurance company.

**Money/change.** If your event is going to be selling products to the public make sure you have enough change to work with. Nothing's worse than running out of \$1 bills when selling raffle tickets or food.

**Liquor service.** If your event is going to serve liquor you're entering a dangerous area. Check all insurance liability for your organization and make sure you have a Special Event Liquor Service License if holding an event in a place that doesn't already have one (i.e., the park). If you are collaborating with a group that will be serving liquor, make sure it's in writing that your organization is not liable for any portion of the liquor sales and service.

**Understanding fire codes.** Most facilities that people rent have this issue under control. However, I once used an event tent that didn't come with rules or capacity limits. The fire department almost shut me down because I had so many people in a closed space with not enough exits.

**Health Department.** If your event is going to sell food, or hire vendors to sell food, make sure you have hand-washing areas that are up to health code standards. Many port-a-potty rentals now have hand washing stations you can rent.

**Parking capacity.** Always inform your local police department that you are having an event. They will let you know about any parking issues in the area, especially if it's a residential area.

**Clean-up agreements.** I've been slapped with extra cleaning bills that I never anticipated because I didn't ask enough questions. Get it in writing, especially around issues of garbage removal.

**Electricity capability.** If you're hiring a band to play at your event make sure you ask how much electricity they require to plug it all in. This issue alone has devastated events. A band blowing breakers and circuits can really dampen the mood. Always do a walk-through on how many electrical outlets you will need for the entire event.

**Floor plan.** Make sure you always have enough seating and tables, and your entire team has a copy of the floor plan, just in case.

**Restroom capacity.** A lack of adequate restroom capacity can create lines of unhappy guests.

**Vendor agreements.** If you're going to have someone selling, say, cotton candy at your event, they should give you a portion of the sales. They might argue they are doing all the work, but you can argue your work got them customers. Collect at least 20 percent.

**Get it all in writing = Terms of Agreement Contract.** Never underestimate the power of asking for agreements in writing. These contracts should always highlight what your organization is going to provide and what the partners and vendors are going to provide.

Once these relationships are established, you can always expand their involvement with your program, turning a one-time donation of something small for your event into new volunteers, much-needed supplies, or larger financial contributions.

In general, there are two types of business support you will be seeking, regardless of whether it is associated with an event or not: **goods or services** and **direct financial support**. Let's examine these further:

**Donated goods and services.** In addition to the obvious event-related donations discussed above, there are many items you can ask for that can help address your program's general operating expenses. Sometimes mentoring programs get so caught up in the search for dollars that they forget to pursue donated things that could relieve them from having to raise funds in the first place. Be specific with your asking; it helps potential donors make the decision and let's them know they can address a concrete need you have. Among the things to ask for:

✓ **Office equipment.** A computer that's too old or a laser printer that's too slow for a high-end company or government agency could be ideal for your needs. Older versions of software can be a great acquisition, too; just be sure you can use it legally.

✓ **Used office furniture.** Desks, chairs, tables, file cabinets, fans, table lamps, etc. Larger companies often have regular giveaways of these items—watch for public notices in newspapers or find out who does this in your area and get on their notification list.

✓ **Office and meeting space.** The free use of a spare room or two (or greatly reduced rent) can really have a huge impact on a program's budget. Potential sources include your school partner, neighborhood libraries, churches, civic organizations, and local businesses with significant office space.

✓ **Advertising space.** Newspapers can contribute free ads, billboard companies may have unused spots you can use, and radio and TV stations can donate air time for public service announcements. Potential advertising space can be found on sides of buses, taxis, buildings, in store windows, on restaurant counters. Some space in corporate newsletters can also lead to increased volunteers and financial contributions.

✓ **Services.** This can range from simple, inexpensive tasks like photocopying flyers or helping with data entry to high-end professional services, such as legal counsel, designing and desktop publishing of your newsletters and brochures, Web site and technology support, assistance with marketing strategies, fundraising consultation, event planning, or designing your match tracking database. Ask for the big ticket services that will free up your staff to concentrate on running the mentoring side of things.

✓ **Access to community resources and activities.** If your matches meet out in the community, think of activity options that you could get donated. Reduced ticket prices (or free admission) to educational and cultural events is a great gift to mentoring programs.

✓ **Expendables.** Paper, tape, envelopes, pens and pencils, file folders, paper clips—these expenses add up!

**Sponsorship.** Sponsorships can either involve something specific for an event or general financial support for your program from a business "partner." You should offer various levels of sponsorship so that businesses of different sizes can participate at a level that suits their ability to give. The box on the next page offers an example of varying sponsorship levels for a golf-themed fundraising event.

Regardless of what program features or event specifics you seek sponsorship for, the overriding question you must address for businesses is, "what's in it for us?"



The reality is, you have a lot you can offer a sponsor:

- Logo placement and media mentions
- Increased public awareness and business traffic
- Public recognition as a company that “gives back”
- Increased exposure of a business product (catered food from a restaurant is a good example)

- The opportunity to network with other business leaders (either at an event or through your Advisory Board)

As with the levels of sponsorship mentioned previously, always detail in writing exactly what the sponsors will receive for their support. If you’ve promised something like logo placement, give a firm number of how many people will see it (for example, “your logo will appear on all 200 participant gift bags,” or “your logo will appear in the ‘program partners’ section of each of our monthly newsletters, which has a circulation of 435 community leaders”).

## Samples of Sponsorship Levels

Below are sponsorship-level examples from a “Golf for Kids” tournament for a program in a small, rural town. The more creative you can be in creating and naming levels, the better.

### **Golf for Kids – TOURNAMENT-LEVEL SPONSOR – \$300**

*Incentives:* Your business name on all printed materials and radio spots. Your banner prominently displayed in golf clubhouse during all tournament activities, your business Web site hot linked on program Web site, free food and beverages during silent auction event, free continental breakfast before tournament and award luncheon. Decorated golf carts during event.

### **Golf for Kids – TEAM-LEVEL SPONSOR – \$100**

*Incentives:* Your business name given to a team in the tournament, your business name in program brochure, free food and beverage at silent auction event, free continental breakfast before tournament and award luncheon; your business name thanked in local newspapers.

### **Golf for Kids – HOLE/GREEN-LEVEL SPONSOR – \$25**

*Incentives:* Your business name displayed on one green; your business name thanked in local newspapers.

There is another “level” of sponsorship that programs should be aware of even though it can be difficult to use for small events or events where you need support from many sources: **exclusivity sponsorships**. This level offers a guarantee to sponsors that once they sign on, none of their competitors will be allowed to sponsor. The event will place their business name in the event title. Sponsor receives all media and advertising exposure, prominent on-site event exposure, and all VIP treatments (e.g., box seats, beverage service, backstage access etc.). This level of support will only happen if you tap into a business with significant financial resources and a real desire to garner public recognition. Work with repeat small-donation sponsors to reach this level of giving.

## Who Should We Approach?

Corporations—even in the smallest towns, corporations are everywhere!

- ✓ Leading employer groups
- ✓ Banks
- ✓ Insurance groups
- ✓ Real estate offices
- ✓ Law offices
- ✓ Hospitals/Private practices
- ✓ Construction/Land developers
- ✓ Service organizations (may provide people to help with your event!)
- ✓ Mental health providers
- ✓ Automobile dealerships
- ✓ Retail stores and grocery chains

**Tips for approaching sponsors.** There is an endless variety to the groups you can approach for sponsorships and in-kind support (see box above). Start with the obvious connections into the community that your staff, parents, mentors, board members, and existing partners bring. (See the previous training supplement, *Assessing Local Community Assets: Finding Opportunities, Making Connections*, for more advice on mapping your community connections: [http://www.edmentoring.org/pubs/supplement1\\_assets.pdf](http://www.edmentoring.org/pubs/supplement1_assets.pdf).)

Once you have a reasonable number of solid leads, revisit your program “story” and develop a short presentation. You may get an opportunity to present this formally or it may simply serve

as your talking points during more informal relationship-building conversations. This presentation should cover:

- Your mission and vision
- Evidence that your program works (every program needs evaluation data!)
- Details about your upcoming event or the specifics of your funding need
- What’s in it for sponsors
- Prior sponsor success (testimonials from previous sponsors about the impact on their business works great for this)
- A formal “ask”
- Multiple opportunities for following up or answering questions they may have

Be prepared for lots of personal contact when soliciting sponsorships and donations. Many times, your “in” into a company will not have the authority to say “yes” or “no” to your request. Be patient and build relationships with decision-makers, ideally the owners themselves.

*See the next training supplement in this series for a listing of select resources that can help with securing local support, planning events, and other aspects of “micro-sustainability.”*

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This training supplement was adapted, in part, from “Local Support and Event Planning” by Miki Hodge in *Sustainability Planning and Resource Development for Youth Mentoring Programs*, 2005, National Mentoring Center. <http://www.nwrel.org/mentoring/pdf/sustainability.pdf>



## Sample Event Budget

Use “Break-Even Analysis” to find out how many tickets to an event you must sell before you start to make money.

1. Add all costs that will remain the same, regardless of how many attend (fixed costs).
2. Estimate all costs per person that will vary depending on how many attend (variable costs).
3. Subtract the variable costs per person from the amount you will charge for admission.
4. Take the resulting figure and divide it into the total fixed costs. The result will be the number of tickets you must sell to break even, based on door receipts alone.

A simple example . . .

### **Fixed costs:**

Grange Hall rental (1 night)	\$250
Printing (tickets, flyers, ads, etc.)	\$250
Staff time (1 FTE x 1 month, incl. benefits)	\$3,000
Decorations	\$500
<b>TOTAL</b>	<b>\$4,000</b>

### **Variable costs per person:**

Catering	\$25
Printing of programs & theme placemats	\$1
1 complimentary drink	\$2
Table decorations	\$2
<b>TOTAL</b>	<b>\$30</b>

**Planned price per ticket:** \$50

### **Break-even formula:**

$$\begin{aligned} \$50 \text{ per ticket} - \$30 \text{ per person cost} &= \$20 \\ \$4,000 \text{ fixed cost} / \$20 &= \$200 \\ \mathbf{200 \text{ tickets must be sold to break even}} \end{aligned}$$