

## WHAT FUNDRAISERS ARE...AND AREN'T.

### **fund-rais-er (noun)**

**an activity or event that is intended to generate money to support a non-profit or political organization.**

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Nearly every non-profit organization has a need to raise money to support its goals. Some activities just bring in money; some have both money coming in and money going out. Some of the things you do raise a lot of extra money; some barely break even.

Often we see Financial Reports that list every activity that has money coming in under "Fundraisers". We encourage you to challenge that idea and spend some time really thinking about the activities your group is involved in and the purpose behind them.

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### **The place to start is purpose.**

- Why are we selling Candy Bars? If we are a soccer club, does it help our kids play better? Or is it a social activity that everyone enjoys? Or are we really just doing it for the money – in other words, if we didn't make any money on it, we wouldn't dream of spending our time on it. Is this a fundraiser?
- Let's compare that to a Family Pizza Night at the school. We charge enough money for the pizza and pop to cover our costs, but not so much that it dissuades people for coming. This is a get together that gives parents an opportunity to meet and encourages interaction. We collect money for sure, but we may make a little on the night or we may lose a little on the night. Does it help our kids read better? No. But that's not what we are trying to accomplish. We are willing to risk losing a little money because we know it's good for school spirit. But if we get lucky and sell all the pizza and pop and come out ahead, does this mean it's a fundraiser?
- Now what about training or workshops that we provide for our membership (or chess club for the kids at school)? We charge a fee for registration that may or may not cover all our costs. The training is an important method for our members to acquire required knowledge or skills or certification. If we bring in more than we spend, does that make this event a fundraiser?

### **We hope that you answered Yes / No / No.**

Fundraising is about making a bunch of extra money that you can go ahead and use for activities that your organization really wants to provide. It is how you get the money to help you achieve your core purpose.

We are big believers in having groups think about why they are in existence. What is our core purpose? Our mission? How are we going to make a difference in our community or in the world? What is it that we have to offer? This is not a trivial exercise. And it is something that we may lose sight of over time. We encourage your group to take the time to step back and question the things that you have been doing "forever" and see if they still meet your needs.