



Fundraising 101: Nonprofits

Need tips and tricks on the best ways to fundraise? Explore common ways nonprofits raise money and gather ideas from Special Olympics Tennessee's most successful events.

This article is aimed at publication for *The Chronicle of Philanthropy*, a main publication for articles on nonprofits. The Chronicle of Philanthropy is a main source for those needing tips, tools and daily information on the nonprofit world.

What is fundraising?

Simply put, fundraising is defined as raising money. Nonprofits use fundraising to gather money for a specific cause or group of people. They use this tool in order to function as a company because they do not make money. Nonprofits have a purpose and a target they aim to help, without raising money they are not able to serve that target market. Funds ensure they can support events and promotions for their mission statement. Additionally, fundraising spreads awareness for a cause. In the case of Special Olympics, fundraising helps the community gain a better understanding of empowerment and inclusion for those with intellectual disabilities.

How to fundraise

Brainstorm & Develop Action Plan:

First, it is crucial to have an action plan. In order to be successful, one must start with a 'why' and follow up with a goal. Questions to ask might include: Why are you raising money? Who are you aiming to help? What is our monetary goal? Write the monetary goal down and ensure all involved in the campaign are aware of it. Once there is a goal, the idea for the fundraiser can be created. Tips for



brainstorming can range from team brainstorming to research. Pick an idea and create the action plan. The action plan should include how the fundraiser will be executed and who is in charge of each aspect from start to finish. Place all contact information and resources on this document.

Create a Calendar:

Second, create a calendar outlining all the events leading up to the fundraising day. Also include marketing release tools for everyone involved to see. Set multiple dates on the timeline for check-in meetings. Check-in meetings should discuss where each team member is with their part of the fundraiser. Additionally, it is necessary to make sure the company is reaching the goal set for that specific time in the project. The calendar should include team deadlines, opening & closing of fundraising portals and any other important dates. After the calendar is approved, a budget must be created.

Budget:

The budget should include a breakdown of the money that will be spent on the event. It should also dive deeper into each aspect of the campaign. For example, if part of the marketing campaign for the fundraiser is to have shirts made, you must add this to the budget. Food and beverage will also be included. However, as a nonprofit it is common for restaurants and other vendors to donate food and drink. Do not forget to include cost of the venue and transportation!

Plan & Execute the Event:

After the budget and calendar are completed, the next step is to plan and execute the event. This includes finding a venue, gathering the necessary resources and making potential donors or volunteers aware of the event. Members should use the calendar and action plan in order to stay on track with event planning. The day before the event, you should do a walk-through of the venue and make sure everything is in place. Patch up any loose ends and solidify all details.



Thank Donors:

Once the event is over and all the donations have been counted it is crucial to thank donors for their contribution to the cause. Keeping strong relationships with donors will make it more likely those donors will contribute again in the future. It is very important donors feel appreciated and that their donation played a role in the company or they may not feel inclined to be charitable in the future. Donor relationships are imperative to the fundraising successes of nonprofits.

Common Nonprofit Tools

Foundations & Grants:

Foundations and grants often come from the government or a foundation connected to a specific corporation. Often times, there is a stipulation surrounding that donation. For example, Special Olympics Tennessee received a grant to run the Unified Champion Schools program, if that grant money is used for something other than that program, the grant may be taken away. As a result, it is crucial to keep reports of each time the money is spent. For foundations, there are often stipulations as well. Foundations can be connected to an individual or a large company, such as the Predators Foundation of the Nashville Predators.

Corporate Partnerships:

Corporate Partnerships are an important part of giving. Companies will often use partnerships as a marketing tool. They can be a sponsor for an event and or simply make a donation. If the event they sponsored was successful they will likely donate the next year. Companies will have their signage and logos on shirts, cups, hats or other giveaways. Additionally, corporations often have company charitable giving campaigns. Employees can opt for a portion of their pay check to be donated to a partner nonprofit.



Special Events:

Special Events are one of the main ways nonprofits fundraise. Special events are often successful because they are appealing to the public due to their fun and interactive nature. Within events, nonprofits can have raffles or auctions to raise even more funds. To raise money for special events, the company will charge a registration or attendance fee. After people have registered they can create a fundraising page for the event and spread the word on their own. Special events are very successful, especially in today's climate, people want to be engaged and see direct results.

Individual Giving:

Individual giving is very self-explanatory. This type of fundraising simply comes from individuals donating money from personal accounts. This can also include donations from somebody who raises money on their own and then makes a large donation. Ways to reach this target market often include telemarketing and contacting donors via email or social media sites.

Memorials:

The last, and most uncommon way fundraising is done is through memorials. An example of this is when somebody puts in their will that they want to leave some of their money to a specific cause. One might also have a memorial set up so that any money given to their family once they pass is donated to an organization of their choosing.

Regulations:

As a nonprofit the main regulations companies must be aware of relates to raised funds. If you have raised money on behalf of an organization, those funds may NOT be used for anything other than that company. For example, if Special Olympics Tennessee has a fundraiser under the Special Olympics Tennessee brand name, that money may NOT be used for Feed the Children. Another stipulation that nonprofits face relates to 3rd parties. This regulation is similar to distribution of funds, but if anyone outside of the named organization raises money on behalf of that organization,



they may not decide to then donate it to another cause. Many think that since an outside source raised the money, they have a right to change their mind about where it goes; however, doing so is against the law. As a result of those actions a nonprofit could lose their tax exempt status.

That brings us to the next two regulations which influence fundraising and nonprofits. The first regulation is based on tax laws. Nonprofits are tax exempt meaning they do not have to pay sales or income tax. However, charitable donations are usually tax deductible. In order to claim a deduction you must have donated to a tax exempt organization. The second surrounds the gaming laws in various states. Gaming includes holding an auction or any sort of raffle. This article will specifically discuss the gaming laws in Tennessee. Charitable raffles for fundraising are governed by the gaming laws of Tennessee. According to the Tennessee Secretary of State, an organization must apply to hold Charitable Gaming raffles, and they may only hold one event in any specific time slot. With that, the Tennessee Secretary of State must have evidence of the nonprofit's tax exempt status. In order to have an event, there is an online application process, as well as a fee. Third parties are not permitted to be involved in the auction. However, there is an exception to this law. A nonprofit may hold an auction at an event they have already planned. For example, Special Olympics Tennessee often has a raffle at their Polar Plunges. This is fine because it is only at that one event, at the one time, to only the people who have registered for Polar Plunge. No application or registration is necessary. Overall, it is crucial that nonprofits understand the regulations behind fundraising in their respective state.

Fundraising: Special Olympics Tennessee

Events:

Special Olympics Tennessee has certain events they use to raise money. Some of the popular events they put on include: Polar Plunge, Bowl for the Gold, and the Music City Blitz. In addition to these events, they run an auction using donated items.



Polar Plunge is an event that takes place in the winter all throughout Tennessee. There are nine different locations to choose from. Participants will register themselves, and pay a fee. After they are registered they create their own fundraising pages and have friends and family donate. At the events, merchandise will be sold which also raises money for Special Olympics Tennessee. In order to raise awareness for this event, they use social media and word of mouth. Additionally, they reach out to past participants and provide incentives to join.

Bowl for the Gold is a fundraiser in which people register as an individual or team of six people. Each person and team will attend the event and bowl, but beforehand they will create a fundraising page. Members try to raise as much money as they can before the bowling event. There are special prizes and gifts for those who raise from \$100-\$300 or more. Special Olympics TN also gives out awards for winners and puts on a silent auction with donated items such as signed footballs and ticket packages to local sporting events.

The *Music City Blitz* is an adult 5v5 Flag Football Tournament where athletes get to play in Nissan Stadium, home of the Tennessee Titans. Money raised by registered teams goes to benefit Special Olympics Tennessee. The Titans are a longtime supporter of Special Olympics and have helped them raise money over the years. This is one of the many events they participate in. This not only benefits Special Olympics TN, but helps the Titans brand get their name out there. It serves multiple purposes and is very successful.

Tools:

Social Media is a large way Special Olympics Tennessee raises awareness of the company and their fundraising opportunities. The sites most consistently used are Instagram, Twitter and Facebook. Instagram is used to reach the younger crowd, which often times includes high school volunteers and Special Olympics athletes. Facebook is used to reach the older crowd and can be used to create and invite people to their events. Twitter is used for news and to



reach both markets, young and old. Special Olympics Tennessee has also seen success from using boosted ads.

Classy is a website that Special Olympics Tennessee recently adopted in order to raise money. The website allows Special Olympics to track donors, their donations and contact them. A Special Olympics member creates and opens a fundraising portal. Once the portal is open, the public can create their own fundraising pages. Donors can send out links and raise money for their teams. Classy has allowed an easy online way for people to donate and simple way to keep track of donors. This allows Special Olympics TN to easily see who the donated large amounts and make sure to provide incentives for continued charitable giving.

Special Olympics Tennessee has also found success when taking advantage of outsourced media. This means reaching out to their contacts at local news stations. The news stations will report or present the event news on their channel for the local community to see. Additionally, Special Olympics can gain awareness for their events and donations when the news stations bring a member of their staff to the event itself. They can then present footage from the actual event on their news. Both avenues are beneficial to Special Olympics Tennessee as they raise awareness and informs the community of ways to help.

Partnerships include pairing with local organizations to raise money. Special Olympics Tennessee partners with both the Tennessee Titans and the Nashville Predators. Although they do not typically partner with the Predators, this season they paired with the Predators Foundation so when certain players score, they receive money for each goal. The Titans partnership is very important to Special Olympics TN. Everyone from players to coaches are involved with the organization. Special Olympics Tennessee benefits from the Titans social media reach as they have many more followers. This helps raise awareness and allows them to reach more people who could be potential donors.



Extra Tools & Resources

Fundraising is a complicated but doable process. There are many ways to raise money, the key is to find the best way to fundraise for your cause.

For more tools and resources, visit the links below.

<http://www.specialolympicstn.org>

<https://www.specialolympics.org>



Article Resources

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