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# Fundraising and Local Match

Small Urban & Rural Transit Center

Upper Great Plains Transportation Institute

North Dakota State University

Fargo, ND

**Gary Hegland & Carol Wright**

Small Urban & Rural Transit Center

# Quote for the Day

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“The future belongs to those who believe in the beauty of their dreams.”

*Eleanor Roosevelt*

# Raising Money

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- ★ Fundraising is both an **art** and a **science**.
  - The art is in developing and nurturing relationships with people.
  - The science lies in using data, research, and tested fund-raising models to achieve your organization's revenue goals.

# Overview

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- Introduction
- The Smaller Federal Programs
- Coordination and Partnerships
- Long-term Financial Stability
- In-kind Match
- Special Events – Fundraising

# Financial Planning

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- ★ State and federal governments require it
- ★ Your business desires it
- ★ Become an information business (Collect data, issue reports, measure your performance, advertise your successes)
- ★ Plan for financial growth
- ★ Explore/investigate all your options
- ★ Be aggressive...slow to take “no” for an answer
- ★ Plan your time for “Financial Planning”

# Where do you get your funding?

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- ❖ **20 % of your sources provide you with 80% of your funding**
  - Government grants
  - State funding
  - City and county contributions through taxes
  - Accumulated cash (financial support fund)
  
- ❖ **80% of your sources provide you with 20% of your funding**
  - Fares
  - Raffles
  - Special events
  
- ❖ **Which sources are you going to spend 80% of your time on?**

# Fund Allocation

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- 5309 funding for buses and facilities
- 5310 funding for seniors and people with disabilities
- 5311 Nonurbanized rural areas
- 5316 JARC
- 5317 New Freedom
- State funding

Fully utilizing and appropriately allocating these funds is your starting point.

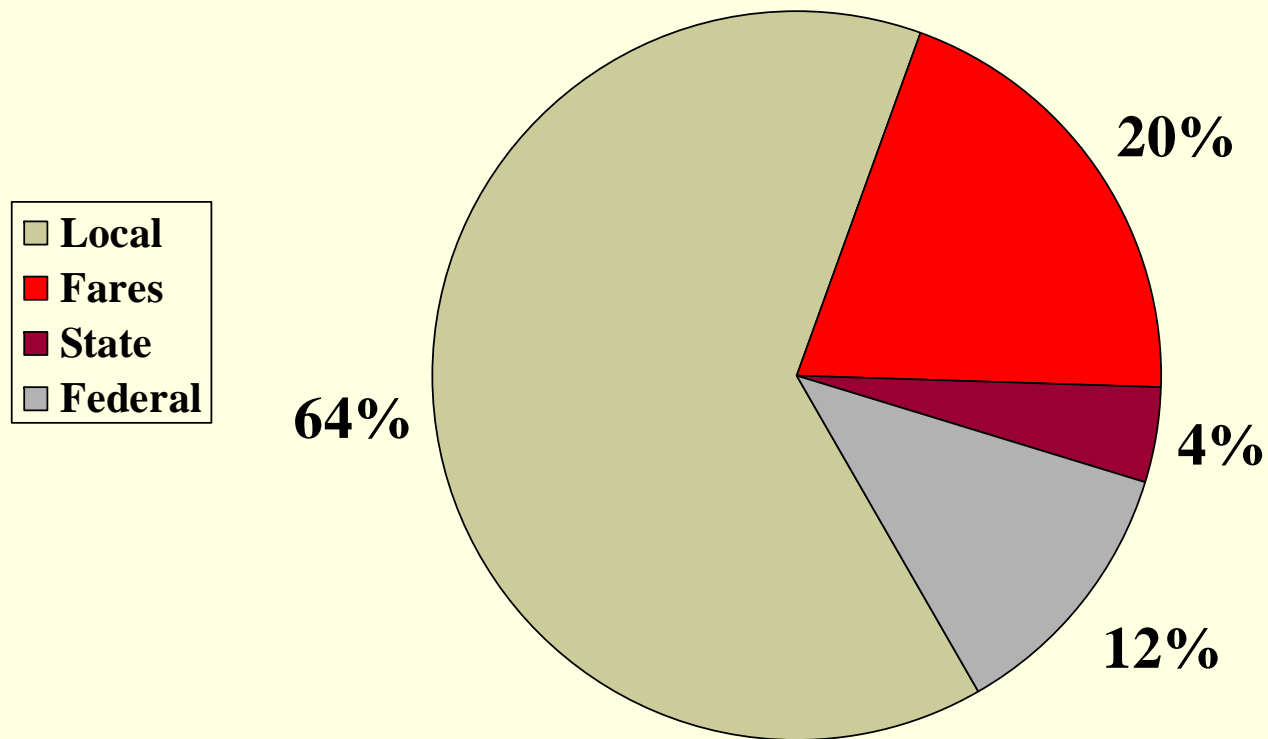
# Social Service Agencies

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- Minimize the number of subsidized rides provided to social service agencies:
  - Nursing Homes
  - Medicaid/Medicare
  - Developmental Disability Facilities
  - Vocational Rehabilitation
  - TANF Recipients and JARC (Some claim that JARC was designed to subsidized rides for TANF.)

# Sources Of Transit Funding in Colorado

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# Coordinated Plans

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## **Key Elements of a Coordinated Plan**

- An assessment of the transportation needs for individuals with disabilities, older adults, and people with limited income.
- An inventory of available services (agencies, vehicles & services)
  - ✓ Area of redundancy
  - ✓ Gaps in services

# Coordinated Plans

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- Strategies to address the service gaps
- The coordination that would be required to reduce the existing duplication
- Steps to increase the efficiency of the current resources
- Rank the desired implementation strategies
- Focus on implementation and measurement of coordinated plans

# Potential Partners for Coordination

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- Plan to coordinate with:
  - Agencies whose clients are users
  - Agencies who are financial supporters
  - Group purchasing from suppliers
    - Cooperate on bus purchases
    - Group purchasing of fuel and other supplies
    - Sharing bus facilities and maintenance resources

# Potential Partners for Coordination

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- ✓ Regional Human Service Center
- ✓ Local County Social Service agency
- ✓ Local Job Service agency
- ✓ Head Start and Schools
- ✓ Veteran's Administration
- ✓ Business Community
- ✓ Churches
- ✓ Local Tribal Entity or Reservation
- ✓ Casinos/Ski Resorts/Tourist Destinations
- ✓ Nursing Homes/Assisted Living Facilities/Senior Housing
- ✓ University/Vocational College

# Endowments and Foundations

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- If you are a 501(c) 3 corporation all you need to do is start a new checking account
- Name it “Long-Term Financial Stability Fund”
- Create a case or cause for the donation
  - ✓ Justification for the philanthropic support

# Endowments and Foundations

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- Relationship building is key
- Examine your many options
  - ✓ Special appeals
  - ✓ Special events
  - ✓ Planned giving
  - ✓ Adult children of clients
  - ✓ Identify potential donors

# Long Term Financial Stability Fund

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- Purpose of the fund raising must be clearly identified and conveyed to donors
- Identify people who could become donors, (i.e., get their names, address, phone #'s)
- Develop long-term, trusting relationships
- In 1998, individuals gave 77% of the total donated dollars in the U.S.

# Long Term Financial Stability Fund

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- Ann Carlsen Center in Jamestown, ND started with \$4M in the middle 1980's and has \$25M today in long-term financial stability account. Their annual operating budget is \$10 million.
- Elevate the need for public support for transit in your community. Tell your story!!
- If you never start a “long term financial stability” account you will never reach your desired goal.

# Long Term Financial Stability Fund

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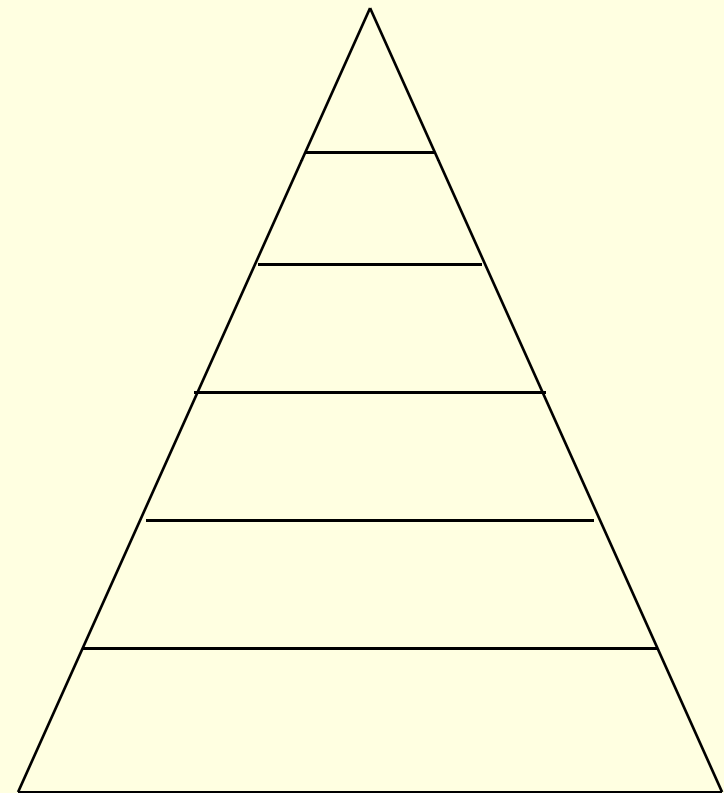
# Raising \$2 Million

**To raise \$2 million**

**Estimate number and size of contributions**

- ★ 1     \$250,000
- ★ 5     \$100,000
- ★ 10    \$ 50,000
- ★ 20    \$ 25,000
- ★ 25    \$ 5,000
- ★ 50    \$ 2,500

**The Pyramid**



# In-Kind Match

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- Refers to any service, asset or product which is provided free of charge.
- In-Kind Match is available to use for **operating** expenses. Under some circumstances, it can be used for some capital expenses such as Mobility Management activities and facility construction. (CDOT requires cash match for vehicles and most other capital equipment.)

# In-Kind Match

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- ❖ **Capital** (In-kind cannot be used for vehicles or most capital equipment)
  - ✓ Land
  - ✓ Buildings
  
- ❖ **Operating** – using volunteer labor for: (use established average wage rates)
  - ✓ Dispatching
  - ✓ Cleaning
  - ✓ Travel training
  - ✓ On-the-bus greeter

# In-Kind Match

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## ❖ Potential Partners

- ✓ Retired Senior Volunteer Program (RSVP)
- ✓ Experience Works
- ✓ Coordination Partners

# In-Kind Match

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- ❖ Services which can be used as in-kind match:
  - ✓ Work done by city/county crews such as snow removal; mowing; parking lot maintenance, etc.
  - ✓ Wages, insurance, fuel, supplies, etc. paid for by other agencies related to your provision of services
  - ✓ Advertising provided by other businesses or agencies

# Special Events - Fundraising

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- ❖ Direct Mail Campaign
- ❖ Radio-a-thon – Telethon on Local Access Channel
- ❖ Yearly Festival/Annual Event (i.e. Golf Tournament)
- ❖ Operation “Round Up” or “Keep the Change”
- ❖ Special Theme Event for a Designated Purpose (i.e. “Chair-ity)
- ❖ Advertising Sales (inside the bus as well as outside)

# Fundraising

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- ❖ Operating a separate business whose proceeds benefit your transit operation:
  - ✓ Maintenance/Repair Shop
  - ✓ Car Wash
  - ✓ Gaming
  - ✓ Drive-through Coffee Shop
  - ✓ Catering
  - ✓ Dinner Theatre

# Fundraising

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- ❖ United Way
- ❖ WalMart or similar business
- ❖ **Bartering for Advertising** (Exchange advertising on the bus for paid advertising on the radio/tv)
- ❖ Grant Writing

# Idea Exchange - Questions

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# What are your dreams?

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★ The only way to fail

is to never start!



# Gary Hegland & Carol Wright

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