

Fundraising Ideas

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GENERAL

As the TelecomPioneers become more involved in our communities, so too grows the need for our clubs, councils and chapters to raise more funds to address those needs. Everyone is looking for new ways to raise money, or at least to “put a new wrinkle on an old idea, to help rekindle participation in the fund raising aspect of Pioneers.

NOTE: REVIEW OF THE “PROCEDURES FOR FUND RAISING” AND THE “INSURANCE” PRACTICES IN THE FINANCE SECTION SHOULD BE COMPLETED PRIOR TO UNDERTAKING ANY PROJECT

The Importance of Fund Raising

Fund Raising is a vital function for supporting the activities and community service projects of the Pioneers. The objective of fund raising activities is to raise revenue over and above Pioneer membership dues and allocations. These additional funds are used to support community service projects and volunteer activities.

There are unlimited ways to raise money for your community service projects. In deciding how your unit will raise funds, be sure that the methods you choose are worth the time and effort expended and will yield a reasonable return.

On the following pages are summaries of Pioneer fund raising projects from across the United States and Canada. Some of the ideas may not be allowed in your location (i.e., raffles, etc), however; these summaries may give you ideas of your own that are more appropriate.

These ideas are meant to act as a supplement to the Finance Sections, Procedures for Handling Funds and Procedures for Fund Raising which provide:

- The responsibilities of the fund raising committee.
- How to work within the financial guidelines to meet IRS requirements in the U.S.

Process for Planning and Managing Fund Raising Activities

Following are some steps to consider when planning and managing fund raising activities:

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| Step 1: | Establish fund raising objectives and targets |
| Step 2: | Evaluate previous fund raising events |
| Step 3: | Work with the sponsoring company to develop support |
| Step 4: | Select the most appropriate fund raising event |
| Step 5: | Submit to Executive Committee for approval |
| Step 6: | Create a plan – identify and assign resources |
| Step 7: | Coordinate with others to ensure no duplication of efforts |
| Step 8: | Obtain appropriate licenses and registrations |
| Step 9: | Determine a tracking and reporting method |

- Step 10: Manage and coordinate the event
Step 11: Evaluate the results

By utilizing some of the following ideas, you should be able to increase the funds you raise to support your communities.

INDEX OF FUND RAISING IDEAS

Fund raising ideas are divided into categories for ease of reference, Sale of Goods/Services, Events/Other, a Pioneer Store and Raffles.

Sale of Goods/Services

Selling items or services is one of the most common and successful fund raising methods available to Pioneers. Following are some ideas for selling, as well as some guidelines you should consider.

- 1- Coupons – many sponsor companies offer discount tickets for the theater, amusement parks, etc. Pioneers solicit theaters for coupons and then plan trips to these shows as part of a fellowship program or a fund raising trip.
- 2- Vendor Sales – Pioneers use a wide variety of vendors at their different work locations (as well as the Pioneer stores). Items sold include jewelry, pictures, gift-wrap, leather goods, candy and nuts, etc. The Chapters receive a percentage of all sales based on negotiated arrangements with the vendors. Contracting with a vendor to bring their items onto company premises to be sold often successfully raises funds. Pioneers typically receive a percentage of the total sales under this method. There are some specific guidelines that should be followed when conducting this kind of sale. Ensure you first gain permission from the company to use their premises. Typically you should contact the facilities or building manager. If vendors are present, they may provide qualitative descriptions.
- 3- Book Fairs – these projects center around providing premium quality hard cover books to employees at discounts ranging from 50-75% off regular retail prices. The books are usually recent publications and include educational, general interest, sports, hobby, nature, reference, cooking, gardening and children’s books. There are several companies willing to come to your location with all items and simply give you the agreed upon percentage.
- 4- “Entertainment Book Sales” – these books have discount coupons for merchants in your city and Pioneers sell the books and receive a specific dollar amount for each book.
- 5- Sale of Items through Vending Machines - vending machines can also be a good source of funds for the Pioneers. Because of our legal definition as a nonprofit organization, funds for our organization cannot be obtained by means that are conducted on a consistent basis. However, income through vending machines is allowed because the machines are "member or employee conveniences" and are related to our legal organizational purpose of enhancing membership.. You should also consider that Pioneers may be responsible for maintenance of machines they rent, so ensure that you have the skills and resources to properly maintain them. In deciding to implement this method, you should first determine the company policy

regarding vending machines, and gain permission. This can usually be done through the building manager. A contract with a vendor who pays a commission to the Pioneers for use of the premises may also be established with permission of the company.

- 6- Sale of Services - Pioneers have often successfully sold services such as film processing, dry cleaning, and auto servicing. One of the pitfalls of this kind of fundraiser is when a vendor fails to provide the quality or response you need. Take care and do your homework when selecting a vendor to ensure the services will actually be provided in a quality and timely fashion. There are some specific guidelines that should be followed when conducting this kind of sale. These kinds of services may be offered through the company, but will require approval. Work through the building manager. Also, ensure you discuss insurance and company guidelines with the building manager when deciding to perform this kind of fundraiser.

Events/Other

1. “Monte Carlo/Los Vegas/Casino” Night – a great evening of fun and fellowship. Tickets are sold to Pioneers, employees and friends for a specific dollar amount. This could include a start up of dollars for “play money” and tickets for door prizes and prizes to be given out based on a person’s end of evening money. Merchants in the community may even donate the prizes knowing that the proceeds will go to community service.
2. “Crazy” Bowling/Darts/Pool Tournaments – a new twist to ordinary games – combine fellowship and fund raising and put the FUN back into FUNdraising. People have to bowl with brooms or buckets, bowl backwards or while sitting on a chair, etc. Several games are bowled with trophies awarded afterwards. The capacity of the bowling lanes should be used so as not to disturb other bowlers (or invite them to join your worthy cause for an admission fee). The same applies for darts or pool as people have to throw and shoot from crazy positions (i.e., backwards or on their knees, etc.).
3. Holiday Fund Raisers/Events – this is the perfect time to catch people in a “giving” mood and planning activities around holidays is a natural fit. Some ideas include “Pick an Angel” where employees/Pioneers select a child’s name with a “wish” list and bring that gift in to be delivered to the needy families. Food drives for baskets for the needy are another way to give back to the community.
4. Trips – setting up and selling tickets to Pioneers and employees and their families is another way to earn money for your chapters. This can be a trip to sporting events, amusement parks, shopping outlets, etc.
5. Golf and Tennis Tournaments – Pioneers can work with local organizations in a profit-sharing proposition at golf and tennis events or take on the task of managing an entire portion such as souvenirs or food booths.

Raffles

These are very popular events with many Pioneer entities. If you choose to run one of these events, please note there are some legal regulations that must be followed. All of these events normally require licenses, and you must be aware of and follow all

state, provincial and/or local laws. Contact your local gambling or gaming authority to learn of the requirements in your area. In some Canadian provinces it is necessary to report the percentage allocations of the funds raised that are given to specific causes.

These kinds of events can only be held on an occasional basis so that the government doesn't perceive them as regular and, therefore, the income as taxable. This is a legal requirement under the TelecomPioneers nonprofit designation.

(NOTE: CHECK WITH YOUR CHAPTER LEADERS AND/OR LOCAL OFFICIALS BEFORE BEGINNING)

There are many types of raffles and a few are listed below:

- 1- Trips – selling tickets for chances on trips to various locations is an ideal way to supplement chapter funds. Having a 1st, 2nd and 3rd prize will stimulate interest from many sources. Examples are electronic items such as TV's, CD players, etc. Many of these items will be donated and your up-front costs are minimal.
- 2- 50/50 – with this type of raffle, 50% of the total receipts go to the winners with the remaining 50% going toward the project and any expense associated with the project. The amount each winner receives depends on the amount collected. You can establish weekly and monthly drawings to stimulate excitement for your ticket sales.
- 3- Calendar Sweepstakes – a certain number of calendars are printed and sold. Each calendar has a 3-digit number on them as a raffle number (000-999). Using an agreed upon process, daily prizes are given out. Printed on the calendar for every day is a dollar amount which the lucky number/Pioneer can win.

The Pioneer Store

One of the most common methods of selling items is through a Pioneer store. There are several steps you can take to ensure the success of the store

1- Define the Purpose

First, be sure you are clear in defining the purpose of the Pioneer store so that all of your decisions are made to serve that purpose. The purpose should be determined by considering where and how the funds will be used and the amount of funds necessary over an extended period

2- Develop a Business Case

Only set up a store if you are very certain there will be real demand for what is to be sold and a careful cost analysis indicates a high likelihood of profits. Don't base your decision on hope or speculation but rather on concrete facts that indicate potential results. Build a business case that determines:

- Who is your primary target market? What kind of inventory will be most appealing to them? What is the likelihood they will buy from you? What will the costs of your operation be? What will be the likely income? What are the contingencies to be considered?

3- Determine Store Location and Hours

The sponsor company may choose your store location for you. If you have input in the location decision, you should determine where is the best place to reach your target market. Your store will be more successful if it is accessible. Experience has shown that the area in and around a company cafeteria is one of the best location with lots of traffic.

Catalog sales have proven to be effective for many Pioneer locations and could also be an extension of your Pioneer store.

The hours of operation for the Pioneer store are very important in order to be accessible to your target market. In a company location, your prime hours will probably be before starting time, during breaks, lunch time, when shifts change, and at the end of the day. You want the store open when people are ready to buy. The store must be run for the convenience of the customer, not for the volunteers who sell the merchandise.

4. Determine and Manage Staffing

Identify and regularly schedule volunteer salespeople based on anticipated store traffic. Ensure the salespeople receive adequate training on:

- Procedures for handling cash.
- Effective sales and customer service skills.
- Adequate familiarity with store operations.
- Knowledge of inventory.
- Importance of working when scheduled.

Set up guidelines for reimbursement of volunteer expenses --lunch, parking, and other out-of-pocket expenses they may incur.

Develop a staffing schedule. This means having an organized way of having people work when you need them. Setting up a schedule for your volunteer sales help not only ensures the store will be open when it's supposed to be, but is also fair to your volunteers. They have a right to know in advance what is expected of them and when. If you have a firm schedule, your volunteers will recognize that you are depending on them, and there will be less likelihood of no-shows.

Be sure you have enough help behind the sales counter. If people are using their lunch or break period to shop, they are probably in a hurry.

Remind your volunteer salespeople of a few key points on **customer service**:

- Make your first impression a positive one because it may have long term effects.
- Acknowledge customers when they come into the store, and ask if you can help.
- Let people touch, hold or even use the product sample.
- Listen to what the customer is saying and adjust your sales message to meet his/her requirements
- Try to anticipate customer objections and have the answers ready before they are raised.

- Advise your customers when the proceeds are dedicated to community service charity or a specific chapter need.
- **Ask for the sale!**

5. Determine and Manage Merchandise

You should choose merchandise that will have high appeal to the types of customers that are likely to frequent the store. Examples of merchandise that sells well in company locations include candy bars, pantyhose, and greeting cards.

Many people buy on impulse. Place items in highly visible displays in order to attract attention. Make them attractive and appealing. Display as many colors, styles and types of merchandise as possible, but avoid cluttering your store. If you wish to move an item more quickly, the more apparent and prominent the display, the faster it will move.

Certain items are manufactured specifically for sale at TelecomPioneers stores. They usually have a telephone industry or Pioneer logo affixed somewhere on the item. The TelecomPioneers endorses some vendors of these items (Surrey, for example) and periodically catalogs are issued with prices and illustrations of merchandise available. You may choose to stock some of these items; they are usually popular. Also, please remember: if you buy your own logo merchandise, it must conform to corporate and TelecomPioneers regulations and appropriate approval must be obtained. (See the TelecomPioneers Logo Guidelines.)

You must balance the inventory to meet demand without it becoming an undesirable financial risk. There are some steps you can take to manage your merchandise and the ordering process:

- Consider initially buying in small quantities or requesting samples from the manufacturer to see how the product will sell. Monitor what is selling in retail stores to determine demand.
- Order far enough in advance to ensure you do not run out of items that are in high demand.
- Plan ahead to restock items that are used regularly.
- Order in bulk to negotiate discounts, but be careful you don't overbuy for your location. Consider combining purchases with other Pioneer stores to improve pricing without increasing inventory risk.
- You can also try buying the minimum order quantity that will apply toward a large volume discount in order to minimize your risk. Many vendors will do this if you ask.
- Consider buying products on consignment. After a defined period of time, the vendor will take the product back if it is not selling. If you do this, be sure to document the arrangement to avoid misunderstandings.
- Research various suppliers for best price and availability.
- Ensure sufficient and secure space for inventory.
- Store inventory in a location that is convenient to the store and under lock and key. Be aware that temperature can affect the life of inventory for some items. Try to get enough shelving to avoid having to go through a lot of boxes every time you need

something.

- Do not hold inventory too long or it becomes an expense item that will not be recovered.
- Track turnover of inventory regularly to determine future order requirements and establish replacement times.
- Get rid of inventory that does not move by reduction of price, special sales, or other methods. Prices should be lowered based on "time in inventory." Track the age of inventory and mark items down at predetermined intervals. The longer you carry inventory, the greater the probability of obsolescence, pilferage and damage. If it cannot be sold, consider moving it to the restricted account and donating it to a charity.
- Consider shelf life both in terms of quality of the items and the potential interest of customers.
- Consider creative marketing approaches to stimulate customer interest, such as holding sales of selected items at various times to increase sales.

6. Determine Business Operation and Accounting Methods

Another very effective way to track inventory is through a mechanized barcode system. This method tends to improve accuracy, but can be costly and should be evaluated carefully.

At a minimum, store accounting procedures should address:

- Individual sales transaction records and receipts.
- General ledger to record all cash flows.
- Records required by local taxing authorities.
- Bank checking records.
- Inventory control records, which include accurate records of quantities and dates.

7. Determine Appropriate Pricing

When selling anything, consider the real profit in the product before proceeding. Anytime you sell something, there are some important points to keep in mind to ensure that your efforts will actually produce a profit that raises sufficient funds to be worth the effort.

The most common pricing method among retailers is called "markup pricing," through which a product's price is determined by adding a percentage of the cost, called 'markup,' to the cost of the product. Using a fixed percentage markup for a specific product category simplifies pricing and makes it a routine task that can be performed quickly. The price of an item should be arrived at through the following formula:

Cost of the item X (1 + Markup %) = Selling Price

It is important to price items with enough markup to make the effort worthwhile. This means you must price the item so that it includes the cost of the item, a % of the operational costs, and a profit %. A typical markup in a retail store is 100% (calculated as 1.00) over the wholesale cost of the item.

You will need to balance your attempts to provide good deals to members with the need

to make a profit and make selling the items worth your time. For example, you may choose to provide 10% off of competitive retail prices to Pioneer members. This provides a good profit but also ensures a good deal to Pioneers. This means you must know what a competitive price is - regular comparison shopping at other retail outlets will provide you this information.

8. Use Appropriate Advertising.

It may be effective to advertise your Pioneer store. Consider sampling various methods in order to research which options work best. Examples of low-cost advertising vehicles are company bulletin boards, shoppers' guides, and posted notices.

Special sales and events should be publicized as widely as possible. Use your company publications, desk-to-desk flyers, posters and displays. Displays at other locations within your company can be appropriate for showing your merchandise on a permanent basis.

No matter what you sell or how you choose to sell it, if you will pay attention to these guidelines, it will greatly increase your odds of success. Please refer to the Finance Section for specific legal and reporting guidelines in the U.S. and Canada.

There are many other possibilities for raffles as well as other fundraisers and your Pioneers are very creative. You may want to consider using the "piggyback" method and do multiple events along with your fund raising activities.

These events are a fun and effective way to raise funds. Use these guidelines as a tool to help you with fundraising.