

Funding and Sponsorship for Sports Organisations





Funding & Sponsorship Workshop Objectives



1. To develop a clear understanding of funding, sponsorship and fundraising.
2. To provide an opportunity to develop a financial needs analysis for your sports organisation.
3. To provide an opportunity to complete a club profile for a potential funder or sponsor.
4. To raise awareness of good practice and protocol in relation to the funding application process.
5. To provide an opportunity to develop an outline of a sponsorship proposal for a prospective sponsor.
6. To develop an understanding of the role of a position description for a sponsorship, fundraising and grants co-ordinator.



The Future of Fundraising



- The need to find new sources of funding
- A more planned and professional approach as competition for funds increase
- Adopt a portfolio approach, working on individual, institutional or corporate at any given time

Overall

You will need to plan and manage your fundraising



Establishing Definitions

- **Funding** –“financial resources that are provided to make a project possible”
- **Sponsorship**-businesses and companies provide funds, resources, or services to a club, in return for rights and/or associations with the club. This arrangement is mutually beneficial to both parties.
- **Fundraising**-the process that your club undertakes to secure additional funds. It will encompass both funding and sponsorship.



Financial Needs



- What long-term goals your committee has?
- What resources you need to achieve them?
- What do you already have that shows you are a viable organisation?
- What do you have already have that shows you are a viable organisation?
- What would you do if you achieved less or more than you asked for?



Financial Needs Analysis



Purpose for use of Money	Amount	When required
Outdoor play area	\$2,300	November 2011
New safety equipment	\$1,500	March 2012

Club Profile

Doing your Homework!!

- There are several key areas of information you need to compile and maintain about your organisation;

History

Vision & Mission

Legal Status

Financial Information

Support/Partnerships

Background Information

Management

Refer to the next 2 slides for details



Club Profile (*1)

Profile Area	Examples
History	Where & why did your club start? Founding members Key achievements Significant changes
Club Vision & Mission	Vision-why the group exists Mission-current sense of purpose
Management	Structure Executive members National affiliations Decision and reporting processes
Legal Status	Certificate of Incorporation/Trust Deed/or affiliation status IRD letter confirming charitable status Constitution/rules of society Reporting processes



Club Profile (*2)

Profile Area	Examples
Financial	Auditors/solicitors Annual accounts Annual report Fundraising plan Annual budget Bank account details Deposit slips List of grants received in the past 12 months, including details
Support/Partnerships	Community groups you network with Letters of support
Miscellaneous	Membership numbers Job descriptions for salaried staff Volunteer position descriptions How is your group unique

Researching Sources of Funds

Two main categories:

Private Funds

- Corporates
- Foundations
- Community Trusts
- Individuals
- Gaming Trusts



Public Funds

- Lottery Grants Board
- Councils
- Government Initiatives-
KiwiSport



Potential Funders (*1)

Trusts , Lottery Grants
Board and Gaming Trusts



Not a
Gaming
Trust



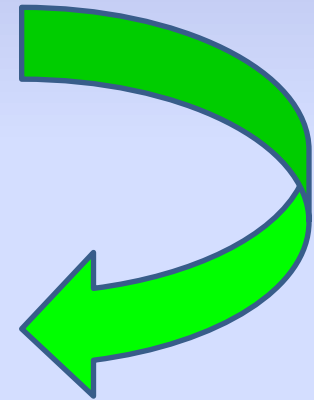
Potential Funders (*2)

Public Sector Funders



- www.marlborough.govt.nz/Our-Community/Grants-and-Awards
- www.tasman.govt.nz/council/grants-funding
- www.nelsoncitycouncil.co.nz/council-funding

- **Holiday Programme Assistance Scheme**
- **SPARC Rural Travel Fund**
- **Community Development Fund**
- **Council Community Grants**
- **Community Assistance Fund**



FUNDVIEW

- Is an easy to use computer database produced by the Funding Information Service, detailing funding available to community groups.

www.fis.org.nz





Funder Profiles



- **Contact**
- **Aims and objectives**
- **Management**
- **Financial**
- **Links**
- **Funding criteria**
- **History**
- **Process**
- **Accountability**

Refer to next slide for details

<h2>Contact</h2> <p> Organisation Name Address for contact/applications Phone no/person for inquiries Closing dates for applications </p>	<h2>Aims/Objectives</h2> <p> What are the groups aims What are the current objectives What is their mission statement </p>	<h2>Management</h2> <p> What is the management structure Who are the trustee's/board How are decisions made </p>
<h2>Financial</h2> <p> Financial year Turnover Pre-tax profit </p>	<h2>Links</h2> <p> Do you know anyone in the Company What links do they have Do you know someone who knows someone in the company </p>	<h2>Funding criteria</h2> <p> What is their Application Criteria Projects they do & don't fund What is their funding limit Do they take national/local applications </p>
<h2>History</h2> <p> What projects/groups have they given to in the past How much do they give What are their patterns of giving </p>	<h2>Process</h2> <p> Online or paper forms Number of copies Supporting information required Who is it marked "attention to" </p>	<h2>Accountability</h2> <p> Requirements in return for grant Acknowledgement/publicity requirements Process to monitor this being met in a timely fashion </p>

Funder Profile Information-It pays to do your homework!!



Funder Research Tools



It's worth investing a bit of time into research to ensure that you get the best possible returns for your organisation

- **Councils**
- **National business review**
- **Rich list**
- **“FundView”**
- **Internet**
- **Companies office**
- **Public library**
- **Newspapers**
- **NZ or Aotearoa “Who’s who”**
- **NZ Business “Who’s who”**





Funding Applications (*1)



- ✓ Ensure you start early and do your homework
- ✓ Be transparent
- ✓ Be specific, concise and honest
- ✓ Write clearly and legibly
- ✓ Answer all questions or N/A if appropriate
- ✓ Don't exaggerate your benefits to the community
- ✓ Ensure you have completed any accountability requirements from previous grants



Funding Applications (*2)

- ✓ Always prepare a draft copy
- ✓ Have the correct number of copies
- ✓ Ensure all requested documentation is enclosed
- ✓ Provide a covering letter
- ✓ Lodge your application in plenty of time
- ✓ Allow plenty of time to obtain letters of support, quotes or invoices if you require them
- ✓ **Keep a copy for your files**



Funding Applications (*3) Supporting Documentation



- ✓ Your business plan and budget is one of the best ways of showing the funding provider that you have accurately assessed your needs
- ✓ **Your fundraising plan demonstrates your level of self-sufficiency and ability to contribute to your funding**
- ✓ **The professional presentation of this material adds to your credibility**

When you receive funding.

- ✓ **ALWAYS** send a letter of thanks
- ✓ Send a receipt if required
- ✓ Ensure accountability requirements are met
- ✓ Acknowledge the funder in your annual accounts
- ✓ Acknowledge the funder in other ways
- ✓ Update your donor profile

*Thank
you*

Funder Profile Updates

- **Date of application**
- **Amount requested**
- **Purpose requested and breakdown**
- **Amount granted**
- **Purpose grant approved for**
- **Date letter of thanks sent**
- **Accountability requirements**



Sponsorship

- **Is a business relationship between a company and an organisation that involves an exchange that will benefit BOTH parties**
- **Sponsorship can be payment in kind or financial support / donations**



Key Focus of Research

is to determine prospective donors

It is essential that you do your homework before you approach a potential sponsor

- Propensity to give, they will, they can
- Track record, who, how much, why
- Process, what to do, by when
- Are they an ethical sponsor and appropriate for your cause?

This information should be compiled and regularly updated into DONOR PROFILES. These profiles are helpful when a new fundraising coordinator comes on board and they provide an overview of your groups involvement with **Sponsors or Donors**

Process

- Identify suitable companies
- Identify decision makers/influencers
- Research Links
- Identify benefits to sponsor
- Tailor proposal to demonstrate benefits
- Present proposal
- Negotiate proposal





SPONSOR'S BENEFITS



“No such thing as a free lunch”

- Enhances brand values
- Increases awareness
- Builds business
- Customer involvement
- Customer loyalty
- Increases sales
- Improves employee relationships
- Differentiation from competition

- Highly targeted Marketing
- Increases social responsibility
- Develops new customers
- Enhances corporate image
- Positive media coverage
- Targets specific customers
- PR opportunities



Sport Tasman

How an Organisation Benefits from Sponsorship

- “Freebies” (equipment, gear etc)
- Financial support and stability
- Greater profile by association with sponsor
- Sustainability and survival
- Growth & development
- Increased chance of success

Tailor the proposal to demonstrate benefits to prospective sponsor

Sponsors Logo on:

- Stationary,
- Clothing,
- Club Banner,
- Newsletter,
- Brochures

- Display requesting members to support sponsors
- Sponsors given opportunity to market products
- Distribute sponsors advertising material



THE SPONSORSHIP PROPOSAL.

CONSIDER:

- **How will they see your group in comparison to others in the market place?**
- **What do you want to achieve through your activities or events?**
- **Do your activities or events achieve the sponsors marketing objectives?**
- **Does your group image fit with the organisations image?**
- **What profile does it give their business?**
- **How does the sponsorship help their business?**
- **Does sponsorship help sell their products?**
- **How reliable is your group?**



Proposal Guidelines (*1)

One or Two paragraphs for each:

- Why you are approaching them, what is it about their products brands etc: remember to say they are fantastic, your not just writing to them because you need something.
- What is the reason you need sponsorship- you will need to sell it with certainty that you will achieve this goal.
- Brief summary of what you cause involves.
- What are some of the key attributes of the cause
- Brief outline of your group if it needs to be explained a little.
- The synergies between their brand/ organisation and your project.

Proposal Guidelines (*2)

One or two paragraphs for each.

- What specifically you can offer- try and be a little creative.
- What specifically you are asking from them, ie: dollar value and what it would go towards. Include a budget and timeline. You also need to consider duration of the sponsorship- is this a one off. A longer term may indicate you are committed to investing time and effort into building a relationship with the sponsor.
- Summary, ask for assistance but never beg for help. Sell the idea that with their help you WILL reach your goals for your cause and they can help make a difference.





Present Proposal



- Make verbal contact with the decision maker and get them enthusiastic.
- Only send in material once you have spoken with them and discussed the broad business concept- do not go into details over the phone.
- If they ask for something send in a 1 or 2 page intro proposal.
- Follow up.
- Get a meeting if they are genuinely interested.
- Present the full proposal in a personal meeting.
- You have a short time to sell your proposal.
- Be BRIEF, VISUAL, CREATIVE, and SPECIFIC.



Finally!



Everything is always negotiable in a sponsorship contract, but if you make it as far as the foot in the door and even have a discussion about dollars/product the sponsor has probably already decided to sponsor you, so don't give away too much too soon.



SUPPORT FROM SPORT TASMAN



You should never hesitate to ask for assistance
We are here to help you.



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