

POWER ^{UP} YOUR PANTRY

FUNDRAISING OPTIONS



Float Your Boat for the Food Bank-2017

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*Fundraising Options is part one in a series of three guide sheets that discuss options for raising funds for your food pantry. The others include **Raising Money from Individuals** and **Grant Writing**.*



POWER UP YOUR PANTRY

This series is intended for food pantries and other hunger relief groups looking for ways to enhance their current operations and better meet the needs of people who use their services.

The information provided is based on survey and other research conducted by the Interdisciplinary Center for Food Security at the University of Missouri.

Like other non-profits, most food pantries need to raise money on an ongoing basis to pay for things like utilities, rent, insurance, supplies, equipment, repairs, staffing, programming, and sometimes food. The amount needed to run a food pantry will vary but most have some expenses they are responsible for.

When thinking about how to raise money, people sometimes immediately jump to the idea of writing a grant. Grants can be a good option for groups who have staff or volunteers with the time and skills to write and manage them. However, grants are just one source of funds and may not be the best choice for all groups. They are competitive, meaning that only a select number of applicants will be awarded any given grant. All of the time and effort may result in very little return for your organization. For more information about grant writing, see our **Power Your Pantry: Grant Writing guide** foodsecurity.missouri.edu/power-up/.

Before exploring different options for raising money, consider taking a careful look at your organization's budget to determine where you spend money and how much money you need to raise. Accounting software can help, as well as a simple spreadsheet or handwritten ledger. The point is to get your own accounts in order before going out to ask others for money.

What are your fundraising options?

Earned income. This is money raised by offering a service or product for a fee. Operating a thrift store is a common source of earned income for some food pantries. Earned income can also be generated through garage sales, bake sales, or other activities. The benefit is that money can often be raised from donated (i.e. free) items such as clothing, housewares, and books. The downside is that labor is needed to sort, organize, and manage the enterprise. There may be tax implications for your non-profit. Check with an accountant or the IRS for details.

Restaurant fundraiser. Increasingly, both local and chain restaurants are getting into the fundraising arena by hosting “give-back” or “percent of profits” events. Generally, a portion of a business’s sales for a given period of time are donated to a particular non-profit organization. There are different variations on this basic theme and most involve the restaurant and non-profit promoting the event together.

Despite a company’s genuine, good intentions, these partnerships are also marketing opportunities intended to attract paying customers to the restaurant. On the other hand, it is also a marketing opportunity for the non-profit. These partnerships are relatively easy for non-profits to participate in. They hinge on a group’s ability to turn-out their members. They may also require the organization’s staff, board, or volunteers to run an informational table during the event. Non-profits need to be sure that the restaurant’s products or services are generally agreeable with their mission.

It is always good practice to review any written terms or expectations of the partnering restaurant. Keep in touch with the restaurant manager or primary contact during the planning process and right before the event. Be sure to follow up with a thank you letter to the restaurant and mention the outcome of the event via your organization’s newsletter or Facebook page.

Raising money from individuals. In most cases, building an individual donor base pays off. It can provide a more stable source of funding for your organization compared to grants, which normally run out after a couple years. It also provides access to unrestricted funds that can be used for any purpose, including general support, for your organization. The downside is that building a donor base takes time and requires your board and staff to develop and follow a fundraising plan and ask people for money (not everyone’s favorite thing). Because this topic is so important, we have devoted an entire guide sheet to it. See **Raising Money from Individuals** at foodsecurity.missouri.edu/power-up/ for more ideas.



Resale shop at Cargill Cares Food Pantry in California, MO

Grants. As noted earlier, when the topic of fundraising arises, people often start talking about grants. This is not a bad thing, but is important to be aware of the tradeoffs. On the plus side, grants can be relatively large and last for up to three years or more, depending on the funder. Corporate grants can sometimes be renewed for many years in a row if you have a good relationship with the company. On the downside, grants require written proposals that may be more or less complicated, an accounting system to track and report expenditures, and a process to evaluate the progress of your program. In addition, it can sometimes take months to hear back from a funder about your proposal. Another downside...Grant makers may only be interested in funding special projects as opposed to general operations.

Just like the topic of **Raising Money from Individuals** above, we have devoted an entire guide sheet to the topic of grants. See **Grant Writing** at foodsecurity.missouri.edu/power-up/ for more ideas.

Additional Resources

Earned income: <http://bit.ly/earnedincomefornonprofits>

Restaurant fundraiser: <http://bit.ly/restaurantfundraiser>

Parts of this guide were adapted from Soup Kitchen and Food Pantry Best Practices Guide, New York City Coalition Against Hunger, 2010



SPOTLIGHT: BROAD STREET FOOD PANTRY COLUMBUS, OH

When asked about taking part in any formal fundraising training, Kathy Kelly-Long, director of the Broad Street Food Pantry in Columbus, Ohio, first responded with a chuckle. Then, she said, "I've mostly learned through trial and error."



Kathy-Kelly Long

Her experience, like most who direct food pantries, is common. However, Kelly-Long has picked up a few tips over the years.

"First, when you go to ask a donor," she says, "tell your story and be able to back it up with facts." Be prepared to share both data and stories in order to appeal to people in different ways. Demonstrate the value of a donation in real terms including "this is what your donation actually buys" and also through personal stories about how families have been helped by the food pantry. The goal is to get buy-in from donors and connect people to the food pantry's mission.

Doing some homework about potential donors is also important. Messages, or "the ask," can be tailored to include points that will be most relevant to a donor. Kelly-Long shared a story about a corporate donor who was concerned about children's issues. Knowing this, she was able to talk about the ways the food pantry reached out to and served families with children.

Planning is important. With one of the food pantry's primary fundraisers, the Summer Hunger Challenge, Kelly-Long developed a detailed timeline with action items and space to indicate who is responsible for each task. This helps her stay on track and provides a useful way to evaluate the success of the campaign at its conclusion.

Kelly-Long stresses the role that follow-up plays in all of her fundraising activities. Whether through thank you cards, emails, or personal phone calls, it is vital that people are recognized for their contributions. In addition to being the right thing to do, this also helps her cultivate ongoing donations from current donors. Follow-up also includes keeping people informed throughout the year through newsletters and social media.

When asked about fundraising events, Kelly-Long mentioned that while these are tempting, if you value your time, they don't always pay off. Among others, the pantry has hosted an *Empty Bowls* fundraiser, which featured hand-crafted bowls and a simple meal. She admits that events can raise awareness about your organization and the issue of hunger and help you make friends with people who may donate in the future. Likewise, grants have been a bit challenging given that most don't pay for ongoing operating expenses.



Collection of bowls at Empty Bowls fundraiser

Looking to the future, Kelly-Long says she wants to diversify the pantry's funding sources. This might include looking into Kickstarter or similar crowd-funding options. Grants are still a possibility along with new and innovative tactics like a "cash auction" which involves getting pledges in real-time from an assembled group. To learn more about the Broad Street Food Pantry, go to bit.ly/broadstfoodpantry.



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For more information:
foodsecurity.missouri.edu