

Chapter Four

Fundraising for Training

The previous chapter was designed to provide training officers with the basic principles required to develop effective and long lasting training activities for improved performance in the workplace. This chapter will focus on support for training through funding. Most training activities, no matter how well designed, require some form of financial backing, either from within the organisation or from donors. The extent to which this chapter will be useful to you depends on the nature of your organisation and whether your responsibilities include fundraising.

This chapter is designed to assist training officers and others with fundraising responsibilities. It begins with an emphasis on learning about donors as the initial step in the fundraising process, followed by information on proposal writing, with a particular emphasis on budget preparation.

The Funding Cycle

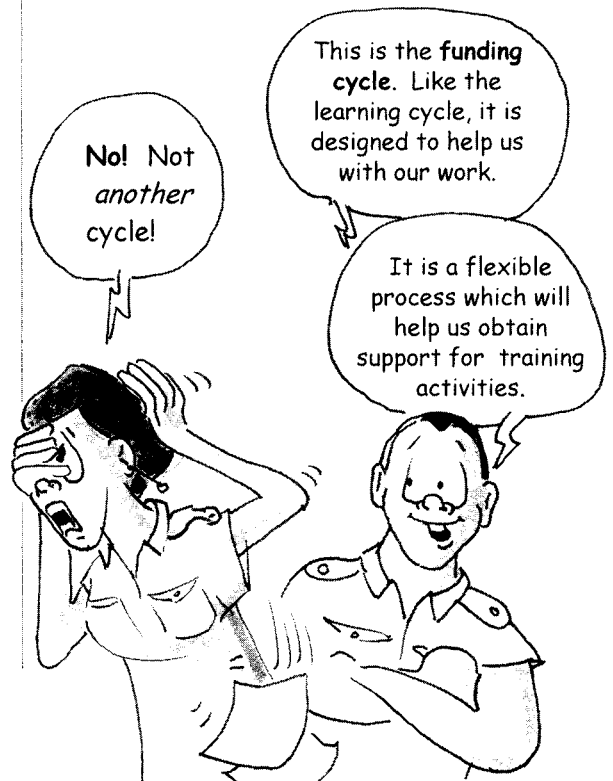
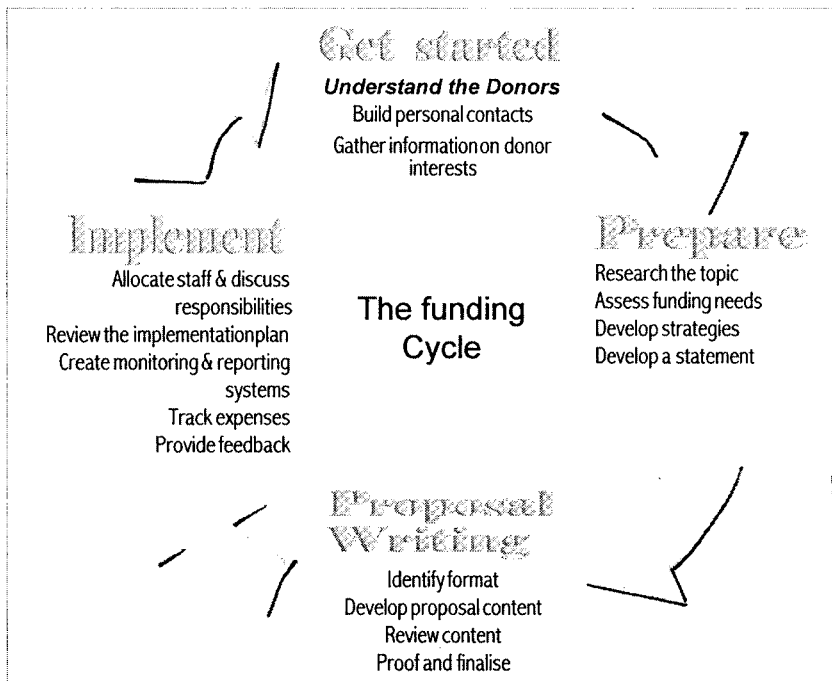
Securing funds for training activities can be thought of as a circular process of related steps. Keep in mind that the steps may not always occur in the order presented below. Be flexible with your approach, modify the steps for your unique situation and don't be discouraged if steps have to be repeated.

OBJECTIVES

THIS CHAPTER WILL ASSIST YOU TO

Follow a cyclical process of fundraising with donor agencies.

Submit a training project proposal that includes a description of the training needs, the training design and the financial resources required.



Getting Started

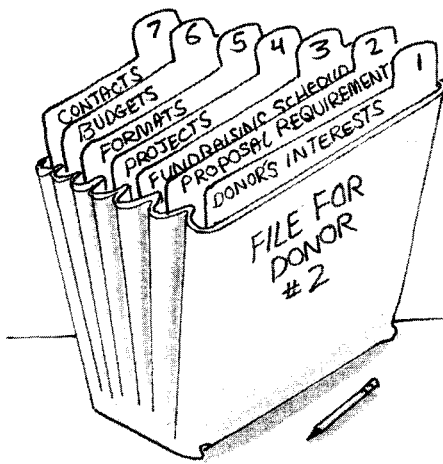
Each donor is different and some will be more interested in your activities than others. It is necessary to research the interests of each donor before approaching them formally.

The steps involved in the cycle are relevant for securing both internal and external funding. Keep this in mind as you read the chapter.



Fundraisers should not be expected to perform miracles - like training officers, they need support from across the organisation.

Money makes money: The organisation needs to commit to fundraising by allocating funds for staff to develop proposals and market training programmes.



Your organisation should consider collecting and maintaining the information relating to donor agencies (including articles, annual reports, requests for proposals). Make donor profiles.

Understand the Donors. There are several different types of donors, each with their own interests, goals and methods of operation. Your first step should be to identify what types of donors are most likely to fund your work. Fundraising activities usually focus on the following types of donors:

- Bilateral donors (single government organisations such as Embassies, United States Agency for International Development, the German Technical Agency for International Development (GTZ), French Cooperation or the European Union).
- Multilateral donors (multiple government organisations, such as United Nations Environmental Programme, United Nations Development Programme, Food and Agriculture Organisation).
- Corporations and businesses (international, national and local).
- Individuals (members, philanthropists, community leaders, etc.).
- NGOs and Foundations (organisations which support projects with funds from grants or their own income).

It is wise to focus your fundraising efforts on donors which have interests and goals similar to your own. Avoid applying to donors who are unlikely to have an interest in your project as such approaches can be time consuming and you may be forced to compromise your objectives.

Be Prepared

Good information should be an essential part of your fundraising approach. Research carefully before writing your proposal. Send a letter of inquiry describing the concept of the project to the donor. If necessary, get support from senior management to reach priority donors. Visit donor representatives or invite them to visit you and observe ongoing activities and projects.

You should also consider that donors will be curious about your organisation and its structure. They will need a good picture of your organisation before they can consider funding your project. They will be interested in your operations and they will need to know how funding is managed within your organisation. In particular, they will ask:

- ❶ Is your organisation a government department or a parastatal?
- ❷ Can a donor organisation provide funds directly to a particular project within the organisation?
- ❸ What method of financial tracking does the organisation use? Do mechanisms exist to ensure that funding supports intended projects?

It may be wise to prepare a clear statement which presents a case for your organisation's credibility (i.e. Why is your organisation important and effective in the area in which it works? What is the broad context in which the organisation plays a role? What difference does the organisation make and to whom?).

Use a personal touch in your fundraising efforts. Personal contacts, especially at higher levels, may be effective in facilitating, networking and marketing your activities to sponsoring agencies. Make a list of your own personal contacts within donor agencies and ask your contacts to help you expand your network.

Proposal Development.

You can never over-plan: your proposal should contain clearly stated goals, measurable objectives and complete details regarding project activities. A good deal of time is required to plan your approach and gain approval within the organisation before your proposal can be submitted. Fundraising should not be rushed. Make sure you start the proposal process early enough to allow ample time for preparation and to allow the donor enough time to review your project.

Project Proposal Components. Project proposal formats vary from one organisation to another. Keep up to date with proposal formats and fundraising procedures used by donors and your organisation. Most well prepared proposals contain the following components:

Cover Letter. The cover letter acts as a brief introduction to the project and your organisation. It should be in the form of personal correspondence between a senior representative of your organisation and the donor. The cover letter should be no longer than one page.

Title Page. The title page presents the project title, budget amount, organisation's name, donor's name, addresses, contact information and the date submitted.

Executive Summary. The executive summary is an overview of the project design, including a description of your organisation, the project concept, the goal(s), and the amount of funds requested.

Justification (statement of the problem/need). The justification is a well researched description of the current situation which the project intends to address. It should demonstrate a clear need for the project and indicate the consequences if the project does not occur. Provide adequate justification for the project - convince the donor of the project's relevance. Do not assume that the donor understands the issue thoroughly - you are the ones with the expertise.

Goals and Objectives. The goals and objectives indicate the intended results of the project stated in clear, realistic and measurable terms.

Activities and Implementation Plan. The activities and implementation plan provide a detailed description of the project's strategy, including when activities will be carried out and by whom.

Monitoring and Evaluation System. The proposal should include a plan for collecting information on the progress of the project, indicating who will collect information and how they will collect it.

There is no magic formula to proposal writing—it takes patience and practice!



Familiarise yourself with the donors' guidelines and specific interests so that you can tailor your proposal to their requirements.

Present your organisation's mission so that the donor can see that the project is grounded in the mission.



Present your organisation as having a unique capability to implement the project. Show that you have a particular opportunity to make a strong impact.

Budgeting is often an overlooked part of proposal writing and project design although it is one of the most important. Be sure to commit ample time and energy to producing complete and practical budgets. Be sure to show how training will continue to be supported once the funding ends. Indicate how your organisation and others will contribute to keep training active.

Sustainability Considerations. The proposal should include a description of how your organisation will be able to continue with project activities and provide services once the requested funding comes to an end. If possible, indicate other sources of support you may have.

Organisational Background. The proposal should include a description of your organisation's history and its current activities. Include biographical information on key project personnel and a description of the organisation's management structure to demonstrate how the project intends to manage finances. Remember to include information on the mission of the organisation and how it relates to the proposed project.

Budget. The proposal should include a detailed plan for project expenditures.

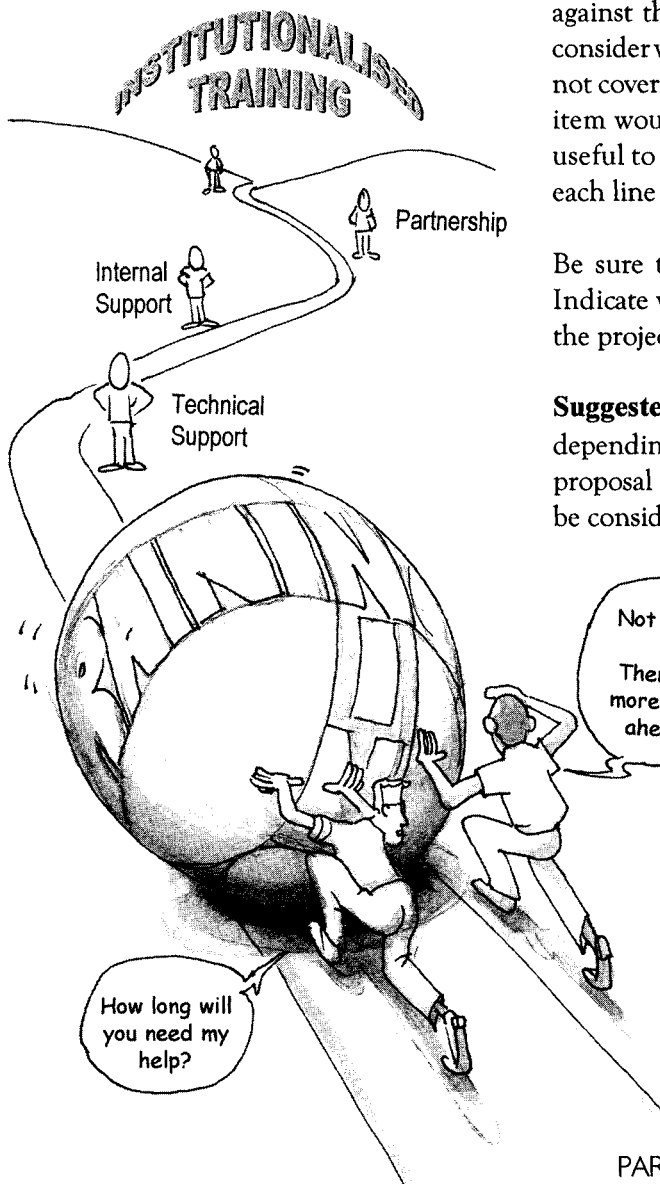
Developing Budgets

Good project proposals require sound and detailed budgets. Keep in mind that the budget will be heavily scrutinised by the donor and compared against the project objectives. When drafting budgets, it is important to consider what donors will and will not fund. For example, many donors will not cover salary costs for government employees. In such cases that budget item would need to be indicated as the organisation's contribution. It is useful to include 'budget notes' along with the budget, in order to explain each line item and how it has been calculated.

Be sure to show how the activity will be funded after the project ends. Indicate what your organisation (or other organisations) will contribute to the project and show this as a separate column in the budget.

Suggested Budget Categories- Although your budget format may differ depending on procedures within your organisation, the nature of your proposal and donor requirements, the following budget categories should be considered:

- ✓ Personnel
- ✓ Fringe benefits
- ✓ Consultants
- ✓ Travel
- ✓ Per Diem
- ✓ Direct Costs



❶ **Personnel (Salaries and Wages).** Personnel includes anyone on your organisation's payroll who will work on the project. In many organisations, staff time must be accounted for and charged to specific projects. Project budgets should account for the estimated time to be spent by each individual involved and costs based on their salaries. The daily rate for staff members may be determined by their annual salary divided by the number of regularly paid working days in the year.

❷ **Fringe Benefits.** This item covers the costs of employee benefits such as health insurance, sick leave, vacation and holiday leave. Each organisation has its own set of benefits and its own method of calculating the cost of benefits. In any case, they are organisational expenses and should be included in the budget.

❸ **Consultants.** Consultants include professionals who will be working on the project but are not on your organisation's payroll. They work for the organisation under a contract for a specific task. Costs for their services should be based on a daily rate and an estimate of the number of days which will be required of them. Daily rates may be based on the salary history of each consultant and they should be negotiated at the time the contract is drawn.

❹ **Travel.** Travel covers all transport expenses relating to the training event. Remember to include all travel necessary before, during and after the training. Consider the costs of getting your participants to the venue as well as costs for transporting participants to and from field activities. Budgets for taxis, buses, vehicle rentals, use of the organisation's vehicle(s), or any other anticipated requirements for transportation should be based on estimates of kilometres traveled and relative costs at the time of the training event.

❺ **Per Diem.** Although *per diem* means different things to different people, it is a Latin phrase meaning 'by day.' As a budget item, *per diem* should reflect the daily cost of providing hotel, meals and incidental expenses (such as laundry and phone calls) for each individual. Most organisations have a policy for determining *per diem* rates, and you should always follow that policy to avoid confusion about how much money a participant or staff member might receive. Often, the organisation uses some or most of the *per diem* line item to pay hotels and restaurants directly, based on actual costs rather than giving the money to participants.

❻ **Direct Costs.** This line item includes direct costs not already covered elsewhere in the budget. Direct costs often reflect payments to individuals or organisations for services or products, which are not contracted for separately. The following might be included in this line item:

- training room rental
- training supplies
- equipment
- photocopying
- telephone/fax
- postage



Be careful not to underestimate personnel costs and time, and keep in mind that many donors have upper limits for consultancy fees.

As an alternative to requesting funding for certain line items, the organisation should consider other creative options. This might include special arrangements with hotels for lodging, free speakers, collaborative relationships with businesses or other exchanges of goods and services.



E Sample Budget

Management Training Workshop

All costs in US Dollars

BUDGET CATEGORY		UNIT COSTS	NUMBER OF UNITS	AMOUNT REQUESTED	INTERNAL CONTRIBUTION
I	Personnel				
	Training officer	50/day	5 days	0	250
	Trainer	40/day	15 days	0	600
	Administrative Assistant	5/day	10 days	0	50
	Driver	5/day	10 days	0	50
	Sub-Total				950
11	FRINGE BENEFITS (15% OF SUB-TOTAL)				143
III	CONSULTANTS Management Specialists	100 per day	10	1,000	
IV	TRAVEL				
	International airfare	1,500/ticket	1	1,500	
	In-country airfare	200/ticket	4	800	
	Ground transport	75/ticket	6	450	
	Sub-Total			2,750	
V	PER DIEM				
	Hotel 25 people/ 10 nights	30/night	250	7,500	
	Group lunches	7/person	250	1,750	
	Morning tea and coffee	2/person	250	500	
	Allowance: dinner and incidentals	10	250	2,500	
	Sub-total			12,250	
VI	OTHER DIRECT COSTS				
	Training room rental				500
	Training supplies			500	
	Equipment			150	
	Transport for field segments			200	
	Photocopying			50	
	Telephone/fax			200	
	Postage			50	
	Sub Total			1,150	
Total Budget				17,150	1,593

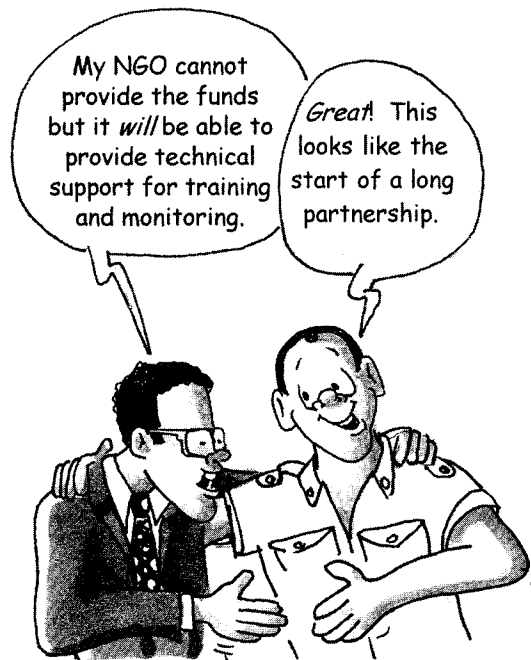


If the proposed project is intended to extend more than one year, the budget should be broken down into columns for each year, with the last column showing the combined totals for all expenses.

Conventional donors may not be the only potential source of support for your training activities. Training institutions, universities and international NGOs represent alternative sources of project support and partnership. Many of these organisations receive donor funds in order to support training activities. These prospective partners may consider proposals from national organisations such as your own or they may offer direct funding for short-term courses overseas. In some instances, they have funds available to conduct in-service training courses. Support may also be offered in the form of technical expertise. Partnerships with organisations such as these may result in supplemental support for training activities over the long- or short-term.

Your relationship with donors does not cease to be important once your project is funded. Your relationship with the donor requires continued attention once the funding has been received and the project is underway. By providing funds, donors demonstrate that they are interested in your work and your objectives. Work closely with the donor to report on progress, identify lessons learned and solve problems which arise. Good relationships with donors and good reporting may result in beneficial long term partnerships and additional funding.

Think about unconventional options for project support and take a long-term approach



Project Support Checklist

Planning

- Did you assess needs for funding and develop several alternative strategies?
- Did you research donors and other sources of support?
- Have you built strong contacts with potential supporters?

Linking up

- Have you discussed your ideas with donors and your supervisors?
- Did you develop and submit a concept paper?

Proposal writing

- Did you identify a good format and develop the proposal content?
- Was the content reviewed, proofed and finalised?

Implementation

- Have you allocated staff and discussed responsibilities?
- Was the implementation plan reviewed?
- Have monitoring and reporting systems been developed?
- Is there a system to track expenses?



REFLECTION QUESTIONS

What are the organisation's current sources of funding?

Where can you go to learn about other potential funding sources?

How do the organisation's past proposals compare to the kind of proposal recommended in this chapter?

Who in the organisation can provide you with assistance in preparing a budget?

Summary

In times of scarce resources, training officers must be strategic in seeking funds for their training activities. It is not enough to send simple proposals to donors assuming that they will be sympathetic to your needs and good intentions. Strong, long-term partnerships with donors should be your goal. Be prepared with good documentation on how effective your training has been and can be in improving the performance of your organisation. Demonstrate how training results in better work in protected areas and with communities. Build on personal contacts and networking in your fundraising activities.

A well planned proposal is a sign to the donor agency that your organisation is serious about its work. The quality of the proposal is an indication of the quality of the project - the best proposals are more likely to have the greatest impact. Every donor has requirements regarding the format of a proposal, but there are basic components that every proposal should include. Stress solid justifications and clear goals and objectives. Budgets require particular attention, and they should indicate efficient use of resources and a consideration of sustainability beyond donor involvement.

By the end of this chapter, you should be familiar with the principles of good training design and you should be able to plot good approaches for financing your projects. Now you are ready for the last chapter of this section which focuses on preparation of training activities.

Marvellous!

Tremendous!

*Wow! This is a great proposal!
Just what I wanted!*

Super!

Great! Thanks!

I'm off to Chapter 5 to prepare training activities. I will take a copy of my budget to use as a guide for planning. I will keep you informed.

