

What to Know About Fundraising at ELC



Two Types of Funds Needed:

1. Sponsorships for operating cost items that our Government funders won't pay for:

- Meeting Food for Provider Trainings
- Promotional Items to Give Away at Outreach and Training Events
- Small Leasehold Improvements (Front Lobby Configuration, Server Room AC)
- Breakroom Appliances & Supplies
- Fundraising Activities
- Employee Picnics/Board Social Events
- Gift Cards
- Donations or Give-Aways
- Volunteer or Employee Recognition Over \$100
- Branding/Self Promotion Public Relations
- Non-US Vendors
- Entertainment
- Food or anything Food Related
- Community Based Leadership Training for Executives
- T-Shirts
- Clocks, Fans, Certain Chairs & Furniture, Anything For Convenience
- Outside of Funder Scope of Work
- And More!



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2. Unrestricted donations to build up ELC's reserve balance

- Low reserve balance = no room for error
- Low reserves = No working capital



Sponsorships

- Targeted requests to fund specific expenses that DEL will not pay for
- Often Small, time limited requests
- Relatively easy to raise
- Need to expand the pool of contributors to avoid exhausting the ones we have now.
- Generates Restricted Funding; Donor Intent must be Documented
- For FY23, \$14.5K Raised for Meeting Food, \$1K Raised for ELC Picnic



What about Making Money by Collecting Fees?

Also Known as:

Program Income (2 CFR 200.307)



- Program Income includes but is not limited to:
 - Income from fees for services performed
 - The use or rental of real or personal property acquired under Federal awards
 - The sale of commodities or items fabricated under a Federal award
- Program income must be used for:
 - Current costs
 - Reducing the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project
 - The same purposes and under the conditions of the Federal award
- **Cannot be used as unrestricted income or held in reserve**

Unrestricted Reserve Funds

- Much more difficult to raise
- The Goal is to NOT spend them (except in extreme circumstances)
- Donor's Intent must be documented
- Need \$5-20K in unrestricted contributions each fiscal year to gradually build reserves.
- Current reserves at \$350K (less than one payroll)
- Target reserve balance is \$1.5 million (one month operating)
- Can be used as Working Capital when balance grows large enough



Our Unrestricted Fundraising Paradox

We need unrestricted reserves to be financially healthy & have minimum working capital



Our funders prohibit us from using their funds or programs to raise unrestricted funding

But We Still Have a Few Options...

How Can the Committee Help?

- Help develop a larger pool of funders to pay for unallowable items
- “Friend Raising” through Community Outreach or Recognition Events to build a potential donor base
- Other ideas?







Purchases Subject to Limits/Restrictions

Clothing

Volunteer or Employee Recognition Items

Equipment, Machines, Electronic Devices

Office Fixtures, Installed or Built-In Items, Construction or Repair

Printed, Externally Facing Brochures, Publications, Folders or Signage

Memberships & Subscriptions

Sponsorships

Staff and Board Travel & Training