



---

# Fundraising Planning Guide

---

## Optimist International Fundraising Policies

The following fundraising policies have been set forth by the Optimist International Board of Directors. They are intended to protect the integrity of your Club and Optimist International as well as to prevent undue liability. If you have any questions regarding these policies, please contact the Programs Department at the International Office.

### 1. Club Fundraising Policy

International Board Policy states that your Club shall refrain from conducting, or lending its name to any fundraising campaign, project or activity that is detrimental to the best interests of the public image of Optimist International and its member Clubs.

Some examples are professional fundraising schemes, deceiving or misleading telephone solicitations and other similar unethical practices. No Club shall permit any telephone solicitation campaign for fundraising purposes which is not planned, managed, supervised and conducted by regular, active members of the Optimist Club engaged in the fund raising effort.

It is essential that members of your Club not receive any personal profit from a fundraising activity, as this may cause revocation of your Club's income tax exemption and non-profit status. Under no circumstances should any of the profits of a fundraising program be placed in the general account of a Club and used for general business expenses! Income from fundraising projects is restricted to the support of your Club's community service programs.

### 2. Soliciting Other Optimist Clubs

Your Optimist Club's time and money is best spent on your own community and youth projects. However, member Clubs should adhere to District Policies as to whether or not to solicit other Clubs for funds to be used in their activities.

### 3. Convention Fundraising

Individuals and Clubs shall not offer any merchandise for sale, conduct raffles or engage in any fundraising activity at any Zone or District meeting without receiving prior approval from the District Board of Directors. Districts shall not offer any merchandise for sale, conduct raffles or engage in any fundraising activity at any Zone or District meeting without receiving prior approval from the Optimist International Board of Directors. Individuals, Clubs and Districts shall not offer merchandise for sale, conduct raffles or engage in any fundraising activity at the International Convention.

### 4. Incorporation

By becoming involved in major fundraising efforts, Clubs often expose themselves to increased levels of liability. For the personal protection of your individual members, Clubs must incorporate. Incorporation is strongly recommended for affiliation and should be completed immediately after organization. All affiliated Clubs shall be strongly encouraged to incorporate and

maintain an active corporate status.

### 5. Use of the Optimist International Logo

The title "Optimist International," the Optimist "Bringing Out the Best In Kids" International logo, the slogan "Friend of Youth," and the names and logos of Optimist International programs are all registered trademarks of Optimist International. Article I of the Optimist International Constitution requires authorization by the Optimist International Board of Directors for use of the Optimist International name, logo, and other registered trademarks.

Therefore, Clubs are not authorized to use Optimist International's name, logos, or slogans on fundraising products. If you have specific questions about the use of the logo, please contact the Finance & Administration Department at Optimist International.

### 6. Directory

The Optimist International Directory and mailing lists of Optimist International Club members are records that should be held in trust. Their use for commercial or solicitation purposes shall be denied to all. Exceptions may be granted by the International Board of Directors. Requests for mailing lists must be submitted in writing by the District Governor.

### 7. Liability

Optimist International maintains a liability insurance plan that provides liability coverage for Club meetings and events. Designed to provide comprehensive liability protection, the plan has successfully helped to protect hundreds of Optimist Clubs from costly liability lawsuits. Depending on the scope and activities involved with your Club's fundraising project, you may wish to purchase additional liability or event insurance.

It is important to "think safety" when planning any Club project. It is advisable to consider the following in the event planning process:

- a. Facility maintenance, including safety, exits, plumbing and parking
- b. Volunteer training and emergency procedures
- c. Effects of bad weather and a back-up plan
- d. Equipment condition
- e. Insurance coverage of vendors and/or contractors

For more information concerning Optimist International liability insurance, please contact the Finance and Administration Department at the International Office.

### 8. Project Legality

Most raffles and lotteries are subject to state and local gambling regulation. Regardless of whether your state, province or city permits lotteries, federal law may be violated if promotions of the lottery are sent through the mail. Even mention of a door-prize drawing in service Club bulletins has been challenged by national postal authorities! The sale of other items, such as fireworks, is prohibited in many states, provinces and cities. Always check with local laws and ordinances before embarking on a fundraising project!



---

## Using promoters or professional fundraising organizations

Your Club's credibility and visibility in the community are priceless assets. Before endorsing or partnering with a professional promoter or fundraising organization, check them out! Beware of commercial organizations that:

- Rush to sign contracts
- Will not wait for references to be checked
- Are reluctant to permit a background investigation by the chief of police, Better Business Bureau, or local Chamber of Commerce
- Do not carry liability insurance
- Use a telephone committee to solicit ticket sales
- Will not permit an Optimist member to handle cash with one of their employees or bond the individual handling money
- Do not allow examination of their financial or customer records
- Will not agree to a special bank account with double signatures on checks
- Promise a great deal of money for minimal effort Before entering into an agreement with a promoter or professional fundraising organization, review the following checklist:

### 1. Is the contractor honest?

Check with the Better Business Bureau, State/Province Attorney General's Office, Chamber of Commerce and the police chief in the community where the company last operated. Always inspect the quality of the show, merchandise or service before making an agreement. Ask for a reference list of recent clients and survey these individuals for their opinions of the promoter or organization. Remember that your Club, not the fundraising contractor, will receive angry letters and bad publicity if the product is of poor quality.

### 2. Is the project legal?

Always check with local laws and ordinances before embarking on any activity with a professional promoter or fundraising organization.

### 3. Is the project ethical?

Money-making schemes, such as sending unsolicited merchandise through the mail in hope of payment, have been declared unethical by the Better Business Bureau. Telephone solicitations and the hiring of professional fundraisers on a commission basis are also discouraged. The Better Business Bureau warns against advertising in unknown directories and offering prizes that require an expenditure of money to make use of the prize.

### 4. Let Optimists market Optimism!

Optimist members are your best salespersons! Under no circumstances should a sales professional be allowed to campaign or collect in the name of an Optimist Club on a commission basis. The Better Business Bureau considers this practice unethical.

### 5. Contracts and profits

Before signing any contract, always have it reviewed by an

attorney. Ask that objectionable clauses, including telephone solicitations, be removed. Do not be pressured into signing a contract before seeking professional, legal advice.

Secure an exact figure of the profit that will be made by your Club. Always clarify cloudy statements such as "half of the net profit." Insist on seeing an itemized list of expenses and request profit/loss statements from previous operations. Be aware that "padded" expense statements can consume profits and are one of the oldest forms of fundraising fraud.

### 6. Beware of "boiler room" operations

Newspapers and magazines have been exposing the boiler room operation technique for years, but it is still thriving, often under the auspices of well-meaning local organizations. A boiler room operation is a room full of desks, phones, directories and shady salespeople who often impersonate a well-known local figure. With enough phones, a boiler room can "work" the average city in just a few days.

At best, the boiler room sales techniques are high-pressure and disturbing to your community. At worst, they are rude, threatening and always expensive, leaving little profit left for the innocent benefactor. Boiler room operations can be avoided by carefully researching professional promoters and fundraising firms.

## The ABC's of Fundraising

All fundraising activities require a great deal of planning, follow-up and member coordination. Before your Club begins the process, review the following ABC's of fundraising:

### Activity Selection

- Plan an event that will appeal to your community and socio-economic conditions.
- Consider the size of your town or city. Do you have sufficient citizen participation to match the size of your fundraiser?
- Keep in mind the type of activities to which your community positively responds. An event that profits in a metropolitan area, for example, may prove to be unsuccessful in a rural community.
- Evaluate your Club's fundraising events from previous years. Determine whether the financial outcome from last year's Pancake Breakfast was worth all of the planning and labor involved in producing the event.
- Is the project legal in your area? Before choosing an activity, consult the Optimist Fundraising Policies in this guide. Find out if the proposed fundraiser conflicts with local gaming or commerce legislation.

### Be There At The Right Time

- Avoid dates close to major holidays unless the event directly relates to the season.
- Contact other community organizations for their schedules to ensure that your Club's activity does not conflict with one of their established events.
- In order to keep the number of your Club's annual fundraising activities at a reasonable level, plan events that raise large



amounts of money.

## Come Up With A Plan

- Establish the date and event, then start planning! Create a work calendar for the planning committee.
- Draft a budget, taking into consideration the expenses and income needed for a successful event. Keep your overhead as low as possible in order to maximize profits.
- Locate and reserve an event site that can accommodate the needs of your group.
- Set up committees for publicity, volunteers and cleanup. Appoint one committee member to be in charge of purchasing and record-keeping.
- On-site volunteers are the key to a successful event! Prepare a schedule in advance that includes break times and cleanup staff. Several days before the event, follow up with your volunteers to verify their attendance and work times.
- Secure as many donated services and items as possible. Remember to properly recognize all sponsoring organizations and businesses in your pre- and post-event publicity.

## Drum Up Support

- Throughout the year, keep the public informed of the services that your Optimist Club provides to local residents. It will be easier to draw a crowd to the event if the community is aware of your Club's goals and activities.
- Consider obtaining an honorary chairperson of local or regional fame who can assist with publicity and recognition.
- Aim your fundraising activity at a target market of individuals. Naturally, you will gear Super Bowl Party fliers toward sports fans while promoting your Club's annual Flea Market to local bargain hunters!
- Sell advance tickets whenever possible.

## Event Management

- Set up a table at the event with Optimist materials, including membership brochures. Offer individuals the opportunity to sign up for Club membership by staffing the table with an enthusiastic Club member.
- If you are selling small items, have an adequate supply of change and small bills on hand.
- Keep a notebook handy to write down requests and suggestions from volunteers and the general public. These thoughts will assist your Club in the evaluation process.

## Follow Up!

- Cleanup the premises. Make a good impression on everyone by leaving the location looking better than how you found it.
- Send thank you notes to all volunteers, individuals and businesses who donated their time, services or products.
- Immediately following the fundraiser, evaluate your success. Draft a report to be placed in the Club's official records for future reference.
- Publicize profits to your Club members at the next meeting.
- Give everyone involved a pat on the back!

## Get Publicity!

- Publicize your Club's fundraiser event in several different media, including newspaper articles, radio announcements, cable television ads, posters, fliers, church bulletins and word-of-mouth.
- In all publicity, be sure to mention that your event is "Optimist-sponsored." Let everyone know what your Club does for the community!
- Immediately following the fundraiser, send out follow-up press releases, including action photos. While you should not report the amount of profit to the media, do emphasize how the funds will benefit individuals or groups.

## Soliciting Large Donations

Your Club may decide to approach a business for a large donation to underwrite the cost of a major community or youth service project. Before setting out to solicit funds, consider these guidelines:

1. Gather background information on the business being approached. Make sure the organization has a history of giving for this specific type of project, or determine if there is an interest within the company for donations.
2. Prepare a brief, concise proposal that includes the following elements:
  - The need for the project and how it will serve the community
  - Proposed cost of the entire activity
  - Amount and description of the requested funds
  - Date, location and anticipated attendance of the event
  - Names of other organizations (if any) that will also be contributing
  - Any special promotion or benefits that the donating organization will receive, including recognition on posters, T-shirts, program booklets, radio announcements, etc.
3. Present the proposal during a personal meeting with an appropriate representative of the company. This will enable you to answer questions regarding the project, your Club and Optimist International. Depending on the scope of the activity, a professionally-prepared brochure may be a great benefit to your presentation.
4. Provide the prospective donor with a detailed publicity plan. The company should be informed of the recognition that it will receive in news releases and other publicity.
5. Always follow up the meeting with a thank-you note, regardless of whether a donation is secured. Present a plaque or award to any donating organizations.

## Fundraising Project Ideas – Please refer to the Online Resource Library.

We are interested in your Club's fundraising activities. **Optimist International encourages your Club to submit a Community Projects Awards entry regarding your fundraising projects. As an entry, your Club's project will be include in the Online Resource Library on the Optimist website.**

(July 2013)