

24. Fundraising and Sponsorship

Money is important to operations of any Club. There are several pathways to getting money to cover your costs. Including:

- Arc Grants (See Clubs Handbook Section 18 (Funding & Grants) for more info!)
- Charging a membership fee (see Clubs Handbook Section 8 (Club Membership) for requirements).
- Fundraising
- Sponsorship

Fundraising and Sponsorship form an important component in many Clubs operations, however there are important elements to consider when entering into these agreements.

What is fundraising?

Fundraising is generating money for your Club that can then be used for Club activities or generating money to be donated to a charity. Fundraising is different from running a general Club activity as the fundraising activity itself may not be directly contributing to the aims and objectives of the Club, but instead its goal is to make a significant income for the Club (or charity). While other Club activities may make a profit, these activities relate more directly to the Club objectives and its goals are to provide direct benefits to members or students, and/or publicise the Club.

What are some fundraising ideas?

- Run a fundraising event. For example, a BBQ, bake sale, trivia night, raffle.
 - It's always best to sell things that are related to your Club in some way. For example, instead of just selling cookies, decorate them in a way that relates to your Club.
- Read Clubs Handbook Section 22 (Managing Club Events) for details on how to plan a Club event. Make sure that you budget to ensure that you make a profit from the event.
- If you're making a profit you can still get a Clubs Grant that will give you \$1 per Arc member at your event up to \$100 (see Clubs Handbook Section 18 (Funding & Grants) for more details).

What are some things to be aware of when fundraising?

- Some fundraising appeals require an authority or licence. If you are raising money from the general public, you need a license from the Office of Fair-Trading NSW.

Note: a licence is not required to collect Club membership fees.

- If you're not sure whether your activity requires a licence, get advice or go to:

<http://www.fairtrading.nsw.gov.au>

- If you are raising money on behalf of an existing charity, a member of the Executive should contact them directly. They may already be an authorised fundraiser and may be able to authorise fundraising activities for the Club under their own license. You will also need permission in writing to collect money on their behalf. The Club may also need to satisfy certain conditions: e.g. branding the charity, providing an income statement, etc. The Club may also be covered by the charity's public liability insurance.

What is Sponsorship?

Sponsorship is when a company provides an organisation with funding, goods or services in return for some recognition or involvement with the organisation that will benefit the company, for example the inclusion of their logo on the organisation's equipment, merchandise and/or publications, a presence at the organisation's events or mentions in the organisation's newsletter.

How do we get sponsors?

- You can seek out general sponsors for your Club, or specifically for an event that you run. This could be for cash, goods or services.
- When approaching companies make sure you have a professional approach.
- Make sure to outline what you can offer sponsors in terms of exposure, such as their logo on your merchandise or website, their banner at an event, a brief talk to your members and attendees (note: for events held on campus, the terms and conditions to hire indoor and outdoor spaces usually require that sponsors only have limited involvement in your event).
- Remember that you cannot disclose your members' details, but you can send your members information about your sponsor/s.
- Approach companies who are related to your Club in some way. For instance, if you're a Constituent Club, approach companies that employ graduates of your program or degree.
- Make sure you follow through on what you offer the company, otherwise they may ask you to repay the money.
- Keep your sponsors in the loop and make sure to keep relationships good for future years. Send them photos of instances where you are using your logo and of your event/s generally.
- Develop a sponsorship agreement and ensure that **before** you sign anything, that you should make an appointment with [Arc's free Legal Advisors](#).

Make sure you know the legalities regarding sponsorship!

As with any legal contract, it's important to know your rights and obligations before you sign (refer to Clubs Handbook Section 13 (Legal Help)). You may think that a sponsorship agreement will be a simple exchange of money (for the Club) for advertising/promotion (for the Sponsor) but there are some things you should pay attention to when entering a sponsorship agreement:

- Who are the parties?
- What is the sponsorship fee? When and how is it paid? Make sure these details are clear.
- Is this ongoing agreement or a one-off for a specific event? You need to know when the Club's obligations to the sponsor end.
- What benefits does the Sponsor get in return? Can the Club provide all those benefits?
- Are there any branding requirements to comply with?
- Do you need any other parties' permission? E.g. if the sponsor will come onto campus to set up a stall, you need to check with the Clubs Office (in general, a Club's sponsors cannot set up their own stall on campus, but a sponsor can have a *small* presence at a Club's event or stall).
- What does the agreement say about Intellectual Property (IP) ownership? Does each party have to grant the other a license to use their IP?
- Is there an exclusivity clause (i.e., are you limited to only have one sponsor)?
- How can the agreement be terminated? What are the responsibilities of each party if part of the agreement has already been performed?

You need to make sure that the Club can comply with all the terms of the agreement before signing. Be wary of agreements which require action from Arc or UNSW because a Club can't enter agreements on behalf of another party.

Know your risks!

Contracts (including sponsorship agreements) are legal documents with real consequences and liabilities attached. Executives (and other Club members who might help organise sponsorship need to be very careful about signing any commercial agreements in their own name for Club business. Refer to Section 13 (Legal Help) for more detailed legal help on contracts, sponsorship and fundraising.

FAQs

Can we apply for a Clubs Grant for a fundraising event?

There are two parts to the Clubs Grant calculation:

- Expenses & overall profit/loss
- Number of Arc members attending the event

For events that have made a profit (the goal of all fundraising events), there is no funding for the first part of the calculation. While your Club may be raising money for charity and might consider the donation to be an expense of the event, Arc funds events for the benefit of students rather than charities, so these payments are not included in the calculation.

The specific nature of the event will determine whether the second part of the calculation is applicable. For events such as a bake sale, students making purchases would not be considered to be “attending” an event – they are simply making a purchase and continuing on their way. On the other hand, for events such as a Trivia Night where individuals are at the event for an extended amount of time, your Club would receive funding for attendance.

See Clubs Handbook Section 18 (Funding & Grants) for further information on funding levels and grant calculations.

Where can I find out more information?

Sponsorship Guide for the Volunteer Sector

http://www.ofv.sa.gov.au/_data/assets/pdf_file/0018/8064/detailed-sponsorship-guide-for-community-groups.pdf

NSW Office of Sport – Sponsorship

<https://sport.nsw.gov.au/clubs/ryc/funding/sponsorship>

Not-For-Profit Law Information Hub – Guide to Fundraising (NSW)

https://www.nfplaw.org.au/sites/default/files/Guide_to_Fundraising_0_0_0.pdf

Related Documents

Clubs Handbook (arc.unsw.edu.au/clubshandbook)

Section 13 – Legal Help

Section 15 – Managing Risk

Section 22 – Managing Club Events

Section 23 – Location and Equipment Bookings

| Need Help? | | | |
|---|--|--|--|
| Call Us | Email Us | Visit us | Office Hours |
| 02 9065 0930 <i>(during office hours)</i> | clubs@arc.unsw.edu.au | Level 2, Basser College <i>(just off the Basser steps past the Quadrangle)</i> | During Term: 10am - 4pm Outside Term: By appointment only |
| Files and Forms: www.arc.unsw.edu.au/clubforms | | Clubs Handbook: www.arc.unsw.edu.au/clubs/clubshandbook | |