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WHERE TO LOOK FOR FINANCIAL SUPPORT

**SECURING THE FINANCIAL SUSTAINABILITY
OF YOUR PATIENT ORGANISATION BEYOND INDUSTRY GRANTS**

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THE USUAL REACTION WHEN TALKING ABOUT FINANCIAL MANAGEMENT



OVERVIEW

1. Fundraising for patient organisations: Basic principles
2. The fundraising cycle: Identification and solicitation of funding
3. Funding sources
4. Types of funding



BASIC PRINCIPLES OF FUNDRAISING

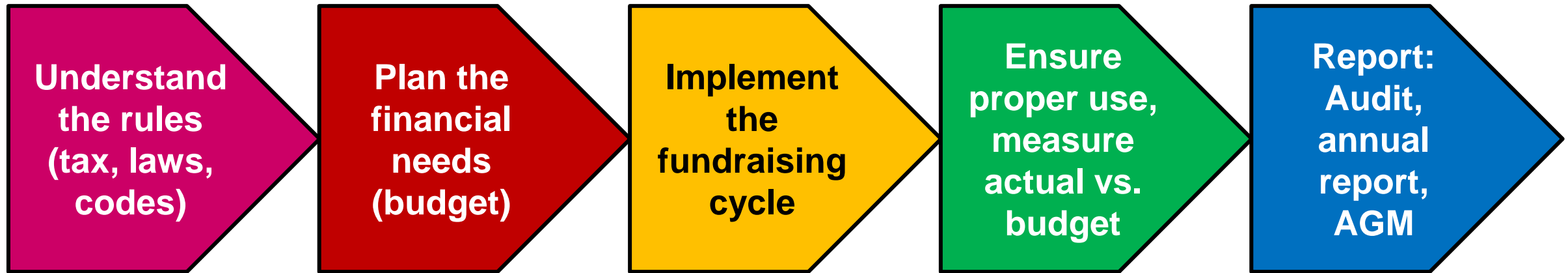


1. Think first **what you want to accomplish** for your community and in your mission, then look for a way to fund it, e.g.
 - Deliver patient support or information
 - Improve specific healthcare services
 - Change specific policy to patients' needs
 - Engage on specific research
2. Then build **relationships**
3. Then think about **asking for funding**

EVERY ORGANIZATION NEEDS SOLID FINANCIAL MANAGEMENT: NON-PROFITS DO TOO!

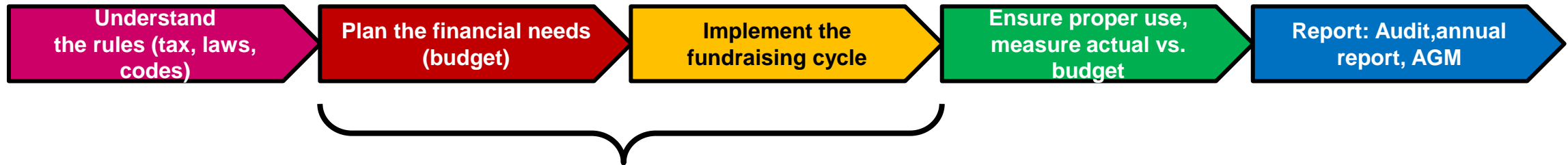
Every organisation needs solid financial conduct

- to carry out its operations
- to achieve its objectives



Planning and monitoring your finances = Having a plan!

CREATE YOUR OVERALL ANNUAL FUNDRAISING PLAN: PLANNING FUNDING AND SPONSORSHIP END TO END



An annual fundraising plan...

- **identifies priorities and needs** to be accomplished through fundraising
- **enables you to focus** on your organisation's mission and program
- **helps oversee how many funders and funds you need** for how many activities
- **streamlines your communication to funders** (online/offline)
 - Spread the word about your cause / this is our need / this is how you can help
 - Give them an overview how much total budget you need
- **creates accountability:** Correlates resources and outcomes
- **ensures reporting (reconciliation) and “thank you” to your supporters**
 - Annual report (your support has helped us to accomplish “x, y and z”)

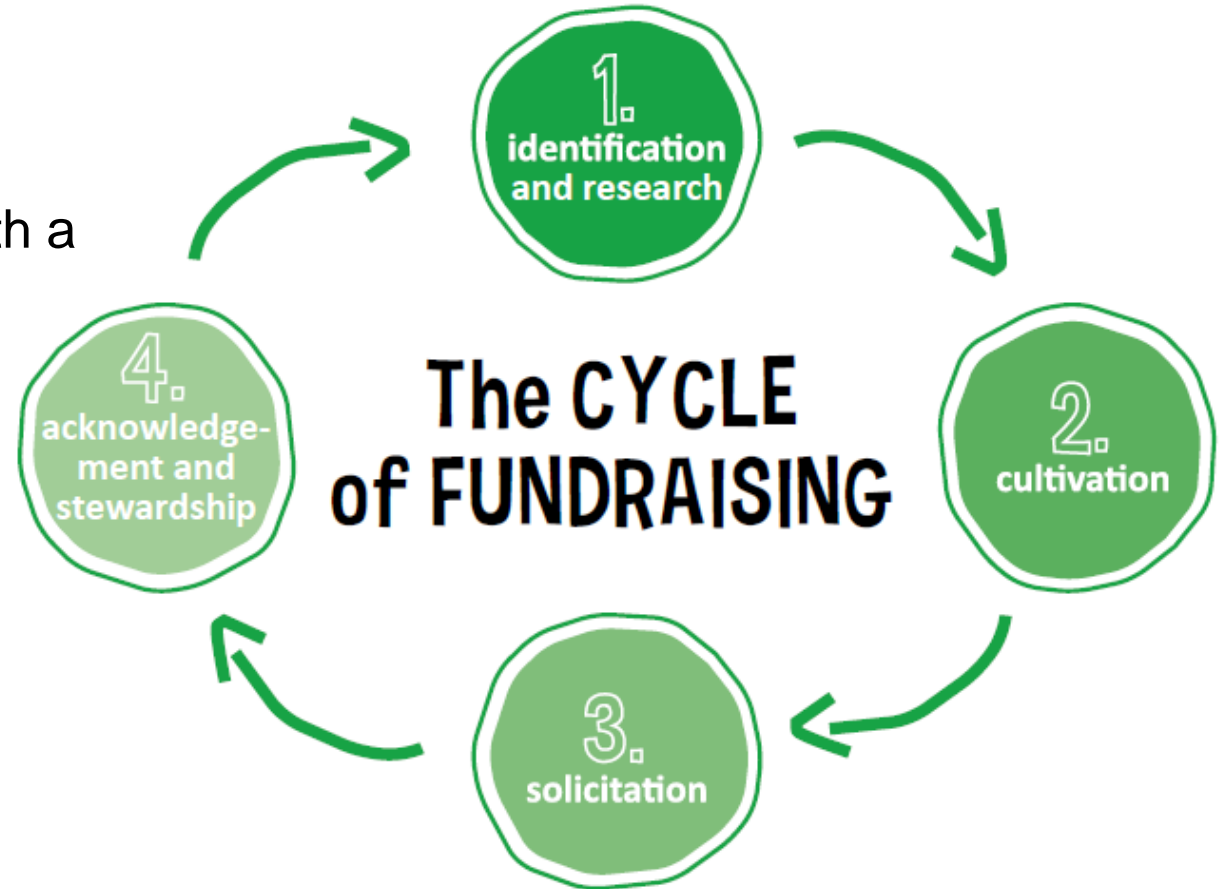


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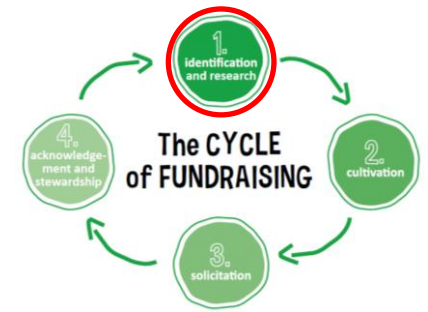
IDENTIFICATION AND SOLICITATION OF FUNDING

THE FUNDRAISING CYCLE

- **Identification** and research of potential funders (e.g. check connections/network of your board members and members or volunteers to potential donors, or people with a similar interest...)
- **Cultivation of the relationship** with the prospective funders or funding programmes
- **Solicitation** = asking for funding with a specific request
- **Acknowledgement** and administration



STEP 1: RESEARCH AND IDENTIFICATION OF POTENTIAL FUNDERS: TYPES OF FUNDERS / FUNDING SOURCES



Public funders

- EU institutions
- EU funding programmes (e.g. research, health)
- National government, state, ministries' funding for NGOs
- National funding programmes (e.g. research, health)
- Statutory health insurance funds / sickness funds

Philanthropic funders

- Research organisations
- Non-profit organisations, foundations and societies
- Private donations (including high-level donations from philanthropists, charitable trusts)
- Membership fees

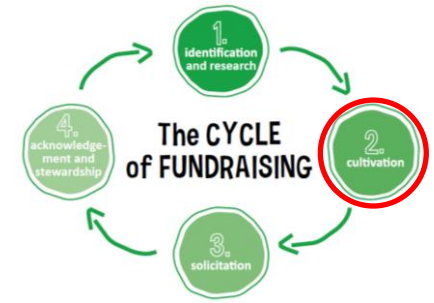
Fundraising events and programmes

- Fundraising events and activities (e.g. cycle for cancer, marathons, etc)
- Donation programmes (e.g. people give €2 a month)
- Community fundraising (bake sales, coffee mornings etc)

Private funders

- Research organisations
- Insurance companies, sickness funds
- Pharma funding
- Healthcare/wellness-related companies

STEP 2: CULTIVATION OF THE RELATIONSHIP: THINK ABOUT MOTIVATIONS WHY A FUNDER OR DONOR SHOULD SUPPORT YOUR CAUSE



Why should they fund YOU?

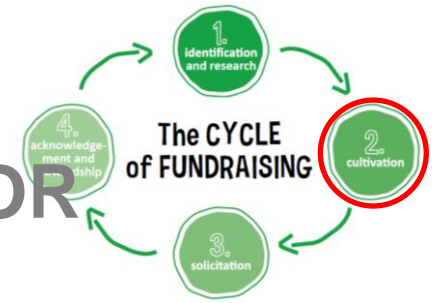
Questions to ask yourself:

- **Consider your legal status:** e.g. make sure you are registered either as a non-profit or charity. Most funders may only be able to support registered non-profit organisations. Some governments have tax relief for charitable donations which assist fundraising.
- **Shared purpose:** Think about your “Big 5” (Mission, Vision, Values, Goals, Strategies). Does the funder support your mission and share your goals? With limited budgets, why should they fund you and not another entity?
- **Shared target group:** Is the funder interested in the same target group? Same indication? Your region?
- **Related projects:** Has the funder funded projects similar to yours?



STEP 2: CULTIVATION OF THE RELATIONSHIP: BASIC PRINCIPLES OF WORKING WITH (ANY) SPONSOR

- THIS APPLIES TO INDUSTRY AS WELL AS TO NON-INDUSTRY FUNDING



Credibility, transparency and democracy are the most treasured assets of patients' organisations. Don't put them at risk.

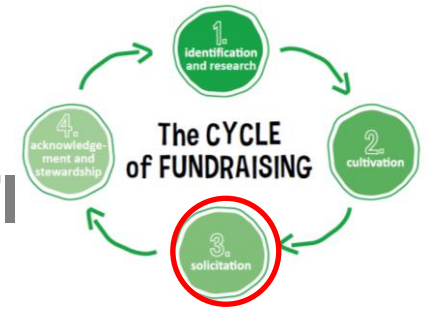
- **Safeguard your independence:** Diversify your funding sources, both public and private. Beware of services in return.
- Define and **communicate the boundaries.** Learn to say no, although it is difficult.
- Build **mutual trust** in an ongoing relationship. However, be partners but not friends.
- Agree on objectives and deliverables **in writing.** Memories and people will change!

**GOOD TIMING IS
ESSENTIAL:**

**DON'T MISS
FUNDING
DEADLINES!**



STEP 3: SOLICITATION – ASKING FOR FUNDING. GOOD TIMING IS EVERYTHING. PLAN WITH ENOUGH LEAD TIME



- **Be aware about funder’s funding cycles and timelines**
(e.g. application deadlines, grant review committee meetings, annual planning cycles)
- **Consider long time for processing and approval of funding request**
It can take months between multiple iterations of your funding request, funding decisions, contracting, and pay-out.
- **Retrospective funding is usually impossible!**
Don’t start the work before a grant is approved, or define a self-contained “phase II” which is then being funded.
- **Do annual budgeting and planning – your funders have annual budgets and funding cycles!** There is often no second opportunity for applying for additional projects in the same year, except when there are residual funds.
 - **In first half for the following year**
 - **Residual funds / leftover funding in November...**



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DEEP DIVE: TYPES OF FUNDING

TYPES OF INSTITUTIONAL FUNDING

- **Donations:** philanthropic **gifts** from individuals, corporations or NGOs, without any restrictions on their use, and no promotional value for the funder.
- **Grants:** **hands-off** funds provided to non-profit organisations **to support the costs of specific projects or programs.** Usually limited to the work described in the grant proposal and a given time period.
- **Sponsorships:** financial support that usually require some “service in return” that reflects well on the sponsor, e.g. through visibility of the sponsor on project material, or workshops with the patient organisation e.g. participation in your events



Consider a three-legged funding “stool”: Even the smallest non-profit organisation should plan on a fundraising strategy that includes grants, donations and sponsorships.
Usually every single sponsor may have a preference or policy to only do one of them.

TYPES OF FUNDING FOR PATIENTS' ORGANISATIONS

Type of funding	Description
Membership fees	Monthly or annual fees from members of the association
One-time donations	One-off charitable donations by individuals, sponsors or philanthropic funders, without any “service in return”.
Campaigns and events	Events with the specific purpose of fundraising for a good cause (e.g. fundraising galas, marathons, etc)
Legacies	Money or property left to a patient organisation in a will when someone passes away
Annual sponsorship (“core grants”)	Unrestricted annual grant that cover core activities which are crucial to the development and the day-to-day running of your organisation. It aims at covering costs such as equipment, staff, external support, as well as administrative costs, travel expenses, etc. -- NOT connected to projects
Grants or sponsorship for specific projects and activities	<p>The patient organisation retains editorial and operational control, provides regular updates on progress to sponsors, and acknowledges support publicly.</p> <ul style="list-style-type: none"> • Project sponsorship: Project implemented in collaboration with sponsors • Unrestricted project grant: sponsors have no involvement in the project May be for a project, campaign, training, conference, equipment, fellowships, survey, research work • Reimbursement of direct and indirect costs (e.g. EU projects) • Honoraria (fee for work, e.g. by hour)
Social entrepreneurship	Explore business opportunities with solutions that have a positive impact on the patient community, in society or the world, while it generates an income source for the non-profit organisation, e.g. revenue from evidence generation, licenses or patents



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Campaigns and events	<p>Membership fees:</p> <ul style="list-style-type: none"> • Is the "membership model" sustainable at the time of Google and Social Media? • What's the "return" for the member vs being a non-member? Any privileges?
Legacies	
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Annual sponsorship (“core grants”)	<p>Public campaigns and fundraising events: Think about resources you need to organize a campaign. Who will do the work? Who may be a partner for you to promote it?</p>
Grants or sponsorship for specific projects and activities	
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Grants or sponsorship for specific projects and activities	<p>Legacies: How do you encourage people to think about your organisation when writing their will?</p> <ul style="list-style-type: none"> • Unrestricted project grant: sponsors have no involvement in the project May be for a project, campaign, training, conference, equipment, fellowships, survey, research work • Reimbursement of direct and indirect costs (e.g. EU projects) • Honoraria (fee for work, e.g. by hour)
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Grants or sponsorship for specific projects and activities	The patient organisation has editorial and operational control, provides regular updates on progress
	<div style="border: 2px solid red; background-color: yellow; padding: 10px;"> <p>Annual sponsorships/core grants: Due to their policies, annual core grants are increasingly hard to get from commercial funders.</p> </div>
	<ul style="list-style-type: none"> • Honoraria (fee for work, e.g. by hour)
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Legacies	<p>Project grants and sponsorship: Main type of funding for most patient organisations. Multi-annual grants/sponsorships and sustainability are, however, often challenging. Think beyond the projects’ lifetime and “overheads”.</p>
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Grants or sponsorship for specific projects and activities	<p>support, as well as administrative costs, travel expenses, etc. -- NOT connected to projects</p> <p>The patient organisation retains editorial and operational control, provides regular updates on progress to sponsors, and acknowledges support publicly.</p> <ul style="list-style-type: none"> • Project sponsorship: Project implemented in collaboration with sponsors • Unrestricted project grant: sponsors have no involvement in the project May be for a project, campaign, training, conference, equipment, fellowships, survey, research work • Reimbursement of direct and indirect costs (e.g. EU projects) • Honoraria (fee for work, e.g. by hour)
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Grants or sponsorship for specific projects and activities	<p>Social entrepreneurship: Consider if your country's non-profit tax law allows to run a "social enterprise", e.g. generating incomes through books, data/research. Requires discussion and agreement from your board on this funding scheme!</p> <ul style="list-style-type: none"> • Reimbursement of direct costs (e.g. EU projects) • Honoraria (fee for service by hour)
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**FINANCIAL MANAGEMENT
IS NOT ROCKET SCIENCE -
BUT YOU SHOULD BE
SOBER WHEN DOING IT**

