In theory, there are many forms of recommendable fundraising. The practice is something different.

[Image: Two women holding piggy banks]

**Rich mama, poor mama**

**RICH MAMA, POOR MAMA**

A self-help aid through the funding maze in arts and culture

The ideas, tips, tricks and recommendations collected in RICH MAMA, POOR MAMA are the synthesis of 'The Placeholder', a survey into real-life funding practice carried out among more than 50 representatives of very different cultural organisations across Europe. More than a definitive guide to the DOs and DO NOTs of funding diversification, the project presents experiences and insights into the practices of colleagues around Europe.

The authors of the project are not experts in the field of cultural funding but rather the opposite - we both work in the field of culture and arts and struggle with finding the optimal funding for our projects, and so wanted to learn for ourselves about alternatives to grants and tenders, and collate these materials in a form that would help us to make good funding choices in the future. There are some topics that we do not cover here to great length, such as philanthropic giving which we speak very generally of, and only discuss grants to the extent that they came up in our questionnaire. We wanted to base our project on the word that came back from the field - from you.

The outcome of our research took the form of two tools: a web-based, downloadable workshop kit to help you to take stock of and revise your current financial strategy, and this set of printed cards that can be used as prompts, for discussion, or for leafing through the RICH MAMA POOR MAMA topics.

We hope you can use these resources as an aid to develop an overall financial strategy, outline what aspects of your financial health and practices you have considered and what you have left out, and aid you in acknowledging what you are already doing as a practice. You might also want to use it as a 'refresher' when budgeting for any particular project. We also hope that some of the specific examples, tips and experiences that our respondents shared with us in this deck will provide useful insights and suggestions for specific actions you might consider for balancing the books.

Shuffle the cards, order them, pick out the ones that suit you the best.
Fundraising can help to garner support and grow a community - but at times it doesn’t feel very good, as if we are asking for handouts.

**FUNDRAISERS AND TARGETED CAMPAIGNS**

**how to run short-term concerted funding drives**

**PROs**
- Fundraisers can be important as sources of income but also good for general visibility.
- Fundraising events and campaigns can provide a chance to find co-producers and partners for projects.
- It is a way to take matters into your own hands - you are in control.

**How to fundraise in a campaign?**
- Dedicate some members of your team to the fundraising campaign, and prepare a dossier that can be presented to potential funders and handed out in meetings with institutions (public or private).
- Organise membership evenings and public one-off events like parties, concerts and dinners.
- Consider producing a short promo video on the project or event that can be linked to or sent around in emails, and can form a basis for online video campaigns.
- Check the suitability - and compare! - online platforms if you want to develop the campaign as a crowdfunder (more on crowdfunding in card 4).
- Showcase your work. This is particularly effective in educational contexts; allowing potential funders to speak to beneficiaries (children, teachers and parents) is a powerful way of shining a light on the impact of your project.

**CONs:**
- **Visibility:** Are your audiences wide and active enough to justify the outlay of the resources for a successful outcome? Fundraising is possible only if you have a good network.
- **Capacity issues:** Do you have enough time or resources to run a separate campaign? Is the workload required to organise and manage an event commensurate for the final reward?
- Every form of fundraising requires a lot of logistics and a dedicated person, willing to undertake the overload of completing the fundraising run.
- **Ethics:** Do you feel fine asking for money from those you have identified as your target audience or potential donors? Is this in line with general ethos of your project? How does this make the public see your organization?
- **Outcomes:** Will the product of fundraising be tangible or not? Sometimes it is easier for people to understand the value that is generated when the outcome is in material form.
DONATIONS, ONE-OFF AND ONGOING CONTRIBUTIONS

how to collect money from patrons, supporters and audiences

“ Asking money from local business was difficult and exhausting - personal meetings, letters, calls, begging :) We did it many years ago and it was tiresome.”

SOME IDEAS …

... for one-off donations:

❖ Gather contributions for drinks and snacks at your events - talks, exhibition openings and concerts - with an option to donate more to support your work.
❖ Establish a box for voluntary contributions at your premises.
❖ Use collection buckets at events.
❖ List an account for one-off donations on your website.

Collect donations with tickets:

❖ Try the “backing ticket”: backers who want to support the organisation can buy backing tickets for a higher price, online and offline.
❖ Even if the event is free of charge, you can collect donations at registration via Eventbrite or similar platforms.

... for regular donations:

❖ Use a membership scheme with monthly or yearly fees.
❖ Develop a “friends of the organisation” donation scheme.

Problems with donations:

❖ Boxes for contributions might be ignored and left empty.
❖ Gathering funds from the audience/members of the target group is not an option when broad social inclusion is a goal. In many contexts asking for money without demonstrating your impact feels wrong.
❖ Physical collection of money is cumbersome.
❖ Membership and “friends” scheme fees might have to be high to cover the costs of any member’s activities such as exhibitions and events.

CASE OF GOOD POLICYMAKING

Some European states have institutionalised the income tax donation to nonprofit and humanitarian organisations. Instead of going into the state budget, the money is transferred directly to the chosen organisations. However, the organisations need to encourage people to donate part of the income tax to them and are therefore in open competition with each other for a piece of the pie.
The growing number and variety of crowdfunding platforms available. Research them well—they can be very different in their user base, what they allow or require you to do, and how much they end up costing you.

**Tested platforms:**
- Kiss Kiss Bank Bank
- Indiegogo
- Kickstarter
- GoFundMe (personal fundraising)
- Patreon
- Local platforms like Verkami (Spain) and Fundit.ie (Ireland)

**Have You Considered:**
- Using local crowdfunding platform as a test for future projects (audience/support).
- Using crowdfunding for specific products/services, not as a general fundraiser for the organisation.

**Crowdfunding risks**
Many warn against the risks of crowdfunding which are not always recognized:
- It is a hard way to fundraise, and is costly in itself (fees to the website, production of rewards, unfulfilled pledges, ...).
- Campaigns take too much time which is needed for basic work.
- The results of crowdfunding campaigns are not always as expected.
- The approach is underdeveloped in some countries. You might need to invest unproportionally high efforts to achieve any result.
- It is not suitable for beginners, small teams with limited human resources and communications operations. Crowdfunding is mostly about marketing well.
- Crowdfunding on a too regular basis can exhaust people's sense of generosity towards your organisation.

**Best advice:** "Lay the groundwork!"
Use web platforms, but also host crowdfunding events in physical space.

*"We have been laying the groundwork for this at one of our events. In the first year it was free to the community, in year two we had collection buckets at the event and we are now considering an online crowdfunding campaign."
COMMERCIAL ACTIVITIES

how to find your little niche

“We have found personalised and unusual merchandise to be a great way of raising a small amount of funds, as well as raising awareness and creating a more human perception of the organisation.”

There is a potential paradox present if we talk about ‘going commercial’ in the non-profit sector. However, many not-for-profit organisations have turned to commercial activities to cover the expenses of work they do for their target communities. Here is a brief insight into what others are doing.

Services & consultancy:
- Charging for your main activity - be it theatrical performances, architectural services for the private sector, concerts, events, 3D printing, design, IT services and applications ...
- Conducting studies and surveys commissioned by the public sector (heritage studies, management plans, etc.)
- Marketing your know-how - advising, mentoring or organising lectures, courses, workshops.

Selling:
- Coffee and drinks; obtaining a temporary bar licence for events and festivals.
- Merchandise (branded prints, bags, gifts, shirts, drinks etc.).
- Publications.
- Artwork (limited editions of prints alongside an exhibition; a percentage retained of the artwork’s selling price).
- Music albums, licensing fees from a music catalogue.

Space-based activities:
- Bookshop, bar or coffee shop.
- Gallery and/or studio rental.
- Co-working or desk sharing scheme.

Potential problems:
- "Commercialization always means loss of independence, even when it may not appear obvious at the beginning."
- Ethical issues: your organisational ethos might be in conflict with profit-generating activities.
- Charity character: the statutes of charity organisations may not allow you to run any commercial activities.
- Justifying the efforts: commercial activities might not represent a large amount of your overall funding. This brings up issues of capacity - in both setting up and managing commercial activities. For example, learning about a whole new set of tax laws and regulations takes a lot of time.
We decided not to apply for funds at the Ministry of Culture as long as we have this government. We failed all our applications in the last 2 years, while we put lots of energy and time in writing the applications.

**GRANTS & TENDERS**

**what to consider with traditional funding**

“It depends on persons, not really on institutions. When the person really understands the value of your project, the support is not only a transfer of funds or bureaucracy, but a strong experience in both senses. Unluckily, this happens only in the 20% of cases ...”

Many of us rely on grant money at least to some extent. In our survey, we wanted to know in what other ways people support their projects, but here are some of the tips and observations shared by others related specifically to grant funding:

**Ways forward:**

- Small grants from local investors are most easily obtained.
- Working within your local sphere is good - you are more likely to know (or get to know) the situation, challenges and relevant people.
- Try to develop partnership with local governments - they need you and can appreciate the work of your organisation.
- Grant calls can be helpful for focusing your strategy (with guidelines, funder priorities, specifics etc.).
- EU grants - if you get them - can provide larger monies and support you for a longer period, whilst calls like Advocate Europe or Tandem have a good balance of effort-you-do/money-you-get.

**Challenges and pitfalls:**

- “It’s important to be fully aware of the administrative workload involved with applying for grants, as the initial writing stage and final report can sometimes not be worth the money.”
- EU calls like Creative Europe funding are difficult to gain, unless you are a major organisation involved in big partnerships. Some EU funds can be very cumbersome to manage.
- Some international institutions make their selection process hard and non-transparent.
- Public administrations and government institutions do not tend to help with any upfront costs, presenting the potential for scheduling and cash flow challenges.
- For newly registered associations that do not have many staff and no office costs it is harder to substantiate in-kind contributions, important in matching the funders’ outlay, as these often consist of staff hours and space use.
ADDITIONAL AND IN-KIND VALUE GENERATION

how to map your own competencies

Many organizations develop competences alongside their main activity, and usually engage hands-on in a wide variety of additional value generation. This value is often hidden and under-recognised, but is becoming increasingly important, as the grant-awarding public and private institutions, sponsors and even the media will often demand an estimate of the “added value” that projects create.

Realistic mapping of all the things you do, the ways you help others, and the added value you provide in doing so, whilst not in itself an active funding tactic, will strengthen your business plan as well as all the calls for support you make.

There are many ways to move value around. Your organisation might help others with:

- **Administrative know-how**: offering networks, contacts or expertise regarding administration.
- **Methodology**: giving advice on how to approach stakeholders, such as institutions for permissions, authorisations and other support.
- **Management**: helping with target analysis, good activity plans and sustainable projects.
- **Organisational status**: helping artists / art collectives without a legal organisational background - for example by submitting grant applications through your association.
- **Volunteering opportunities**: employing volunteers in support of your projects - any voluntary task, small or large generates quantifiable value in terms of working hours.
- **International/touring opportunities**: offering your partner’s projects to international networks, creating touring opportunities.
- **Finding partners and collaborators**: finding co-producers for artists’ projects; acting as a partner for EU funding.
- **Grant management and reporting**: evaluating project proposals, and giving advice on implementation and reporting; providing letters of support.
- **Working with the community**: consulting with local and community organizations and initiatives.
- **Design**: helping others build their websites, advising with design.
- **Material help**: loaning technical equipment and other materials.
- **Programming, events know-how**: advising others on how to do their programming, project management and marketing.
- **Working with minority and vulnerable groups**
JOINT RESOURCES AND SHARING

**how to utilise existing resources between several users**

“We are forced to share almost everything, especially obviously our know how.”

What do actors in arts&culture sector share already?

**Staff**
- Volunteers.
- Working time / “shared employees”.
- Press office.
- Network.
- Distributors.

**Knowledge**
- Expertise.
- Information, advice, support and examples of previous applications for funding.
- Mentorship for staff, artists and other organisations, for projects unrelated to one’s own.
- Resources through resource-sharing platforms.

**Equipment**
- Joint use of internet.
- Technical equipment (such as lighting equipment, furniture etc.).

**Funding**
- Joint grant applications; know-how and contacts for funding, funding workshops.
- Support with small funds for programs and partners that fall in line with your priorities.

**Space**
- Share office, presentation and storage space.
- If you have space: waive rental fees for groups with whom you work.
- If you need space: partner with venues to put on productions in existing spaces (instead of paying for the space or associated costs at all (electricity, water, etc), split the ticket income with the venue).
In small ways we are probably bartering all the time without thinking about it and often not as an immediate exchange but as an exchange over time.

BARTERING

how to set up reciprocal in-kind support

Our strength is in networking. We do things together with people and organisations very different to ourselves, doing something for them and getting something done for us.

What to barter? Depends on what you can offer ...

 qualquer, books, free courses (for example, ask other arts organisations for tickets to events to be used in fundraising, as prizes etc. in return for their event being promoted at your events).

Technical support, or technical equipment for support, materials etc.

Knowledge and skills for material goods (for technical equipment, furniture, tools,...).

Projects, events and workshops (for extended networks and audiences).

Material artworks.

Use of space, for help in return when you need it.

Professional advice exchanged with other professionals, ‘paying’ each other with your work.

Communications amateurs:

Consider co-promotion (‘you tell your audience about us and we’ll tell ours about you’). Think of all the channels you use for communication.

Offer visibility to partners and sponsors in PR materials, on event venues, on social media, ...

Marketing experts:

Offer a PR campaign in exchange for the service, space or product you need.

Make bartering a central concept

Form networks that you can approach when you need help: all artists, groups or projects who work with you form a "chain of supporting hands".

Think of the resources you can use: "We may offer someone a studio space, if we cannot pay them an artist fee. We might offer to lend curatorial and technical support, in return for gallery or space rental. We may offer someone an exhibition in the gallery for free if they do some work for us (building maintenance or curating etc)."

The pitfalls

You are expected to barter in arts & culture sector all the time. However, the common practices of skillshare and exchange of resources are just a reaction to the general lack of resources.

"Beware of flaky partners!" Make exact agreements for the exchange. Work with partners who will stick to their part of the agreement.
TIPS WORTH INVESTIGATING WHEN...

... working on projects

- Contact cultural institutes of the different countries where your guests or invited artists come from. These can often provide accommodation, if they have a guest flat for visitors to their country. In some cases they will even cover the travel expenses for the guest.

- Partner with local volunteer organisations to engage volunteers and manage their work.

- Organise events, rehearsals etc. outside the traditional places of culture (from shopping malls to industrial buildings). The use of these can sometimes be negotiated for free - or can be bartered.

- Source free props from larger institutions (best example: a tonne of clay from the Art Academy’s Department of Sculpture).

- Secure endorsements for your projects - raise awareness of your project in a sustainable way (we have contacts to 3,000 associations in our region, in all fields).

... working with sponsors

- Look for associated support related to your locale: discounts for audiences in cafes over the course of an event, or free public transport for your audience.

- Look for targeted sponsorships related to your activity (“We got smartphones from Vodafone for a GPS-based urban game for the time of our festival”).

- Ask for support in supplementary materials from the sponsoring organisation - for example help with printing publications, waiving screening fees for not-for-profit film events, securing building materials for urban interventions, ...

- Set up a liaison with the press office of a sponsoring/patronage institution.

- "Never ask for anything that [the funders] cannot give you. Better they feel generous than embarrassed."
We have to ‘beg, borrow and steal’ all the time!

REAL LIFE EXPERIENCES: THE BEST AND THE UNUSUAL

“Find out where the money is - and then identify what problems they have that could use a creative solution.”

Some of the best funding tactics according to our respondents are:

- **Diversify**: develop a combination of membership / participation / service fees and national funding.
- **Sell**: sell merchandise, art, tickets, know-how.
- **Party**: organise events with donations / bar / dinners / parties.
- **Partner with private sector**: seek corporate sponsorship - when approached innovatively, it can have positive impacts for both the arts organisation and the business sponsor, with fewer hoops to jump through than public funding.
- **Showcase**: plan to showcase work - in some industries (like theatre) this always works. The proof is in the product.
- **Campaign**: engage in campaign driven fundraising, but don’t overdo it. Capital projects tend to be easier as people are more likely to give to something physical.
- **Extend**: strive for multi-year funding programs - funds offered for 2-3 year long projects are a good option.
- **Connect with the community**: engage in activism campaigns, skill and resource sharing and community development.
- **Regenerate**: work with locations to change their function and introduce them to a wider audience.

Instead of the worst, here are some of the most unusual funding experiences:

- “We have a sister company that designs and integrates hydrogen fuel cell systems. Whilst it’s a for profit company, it gifts its profits to our theatre.”
- “We asked door to door for a free meeting room in Boston.”
- “We tried to have a ‘Snow-Globe’ that people could have their picture taken in for a christmas market. It didn’t work out as someone in the UK has a monopoly on this and threatened litigation.”
- “We had benevolent individuals funding projects to the tune of 20k … appearing out of nowhere.”
- “I couchsurfed for 2 years - to secure a valuable relationship with a crucial business partner, generate more external contributions, and limit costs!”
THE WEB WORKSHOP

If the RICH MAMA POOR MAMA cards made you think, we achieved our goal. You might be thinking of all the things this tiny guide left out and of all the additional information you still need. You might be thinking about your local context and the specific position of your organisation. You might be thinking of what is working for you, and what is a no-go for you and your team.

We'd like you to think a bit more about funding. We have structured the materials as a quick, downloadable and easy-to-conduct ‘workshop’, that relates the information immediately to your own particular situation, and so hopefully supports your fundraising effort.

To download the materials, visit http://placeholderproject.tumblr.com/.

Good luck with your funding!

RICH MAMA POOR MAMA is a Creative Commons Attribution-NonCommercial 4.0 International Public License (CC BY-NC 4.0) protected output of THE PLACEHOLDER collaboration project by Mirja Koponen (Interview Room 11, The Forest, Edinburgh) and Zala Velkavrh (prostoRož, Ljubljana).
Library of THINGS is a special non-profit library, where members can borrow various useful items instead of books (tools, sports equipment, toys, home appliances, etc.). The library is situated in the local community centre: it provides new content to space and offers new services to the neighbourhood residents. Library of Things provides a space for coincidental run-ins and can be rented for free for various events. Its service enables individuals to use items they might otherwise not be able to own. The Library of Things saves money and space, has positive environmental effects, and fosters greater cohesion of the community.

Why does the Library of THINGS need help?

Library of THINGS functions at the intersection of sharing economy, community & youth work, and culture. It is an ongoing project. The members of Library of THINGS, as well as the local residents who participate in the programme in the library’s space, rely on the fact that it is open on a daily basis. Because of its novelty, interdisciplinarity and the fact that it is not a one-off project, it is difficult to find grants that could support Library of THINGS. The library cannot sustain itself with membership fees if it is to remain as open to the widest range of social groups as it is today. People can gain a year-long membership by paying 20 euro per year, donating a thing that is on the library’s wish list or donate 30 hours of volunteer work to the project. In two years since its opening in Savsko naselje neighbourhood, the Library of THINGS proved to be invaluable space for the local residents and a unique service on a national level.

What makes it a placeholder case?

The keep the Library of THINGS open we need approximately 1.000 euro per month. To ensure this amount, we need to find an alternative to grants. Instead of raising the membership fee, we want to:

- Start working with volunteers to maintain the number of days when the library is open.
- Test the option of a free coworking space. In return, the people working in the library will take on tasks of the librarians.
- Search for sponsorships: for things that are on the wish list but that nobody wants to donate.
- Institutionalise a flexible “membership+” scheme: same one-year membership in three different prices, new members can pay whichever they wish.
**Placeholder case: Interview Room 11, Edinburgh, Scotland**

IR 11 started four years ago as a gallery project of The Forest, a long-standing DIY arts space that for nearly fifteen years has provided an outlet for radical alternative arts in our city. We were housed in a large artist studio complex and quickly developed a committed team, a working aesthetic and a strong following. When the Forest lost the building to re-development, the gallery joined forces with the studio team and formed a new not-for profit organisation, Interview Room 11. Our vision is to secure spaces for independent not-for profit arts and support artist run projects.

**Why does Interview Room 11 need help?**

IR11 supports emergent art by providing a professional platform anchored in the activities of the gallery. We subscribe to peer-to-peer and DIY ethics, setting the course of our programming where there is most need for support - producing artist publications, presenting work internationally, providing space for events, workshops and projects. We have also teamed up with like-minded cultural organisations and share our resources and space to keep it open to the public. With a dedicated space to work in, we have been able to run 30 exhibitions and numerous events, and show the work of 227 artists, with at least one open call curated show annually. However, after losing our building, running the programme has become almost impossible. In our context - a wealthy city that has few affordable buildings - we cannot expect to find a straightforward rental property, but need to keep working with other creatives to develop new hybrid forms of space usage and occupation.

**What makes it a placeholder case?**

IR11 has found two premises that can support our work: a large derelict site in the outskirts of the city that can house studios and workshops, but not a gallery nor co-working spaces; and a city centre space that can work for exhibitions and some co-working, but needs supplementary income. We will be able to run them only jointly, and for this we will:

- Run a 'building party' event with volunteers and future studio members to prepare the derelict site for studio occupation, and invite potential future partners and sponsors.
- Offer the use of the site for other creative projects that need a large space, but can share equipment (woodworking, printing).
- Create a space-use ‘membership’ scheme for shared access to the gallery site, equipped with working desks.
- Exchange access time for staffing the gallery; work with other arts organisations.
- Enhance relationships with the city based on the delivered service for the user base.