



# How to finance my own volunteer project

**HANDBOOK & CURRICULUM**

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## HANDBOOK & CURRICULUM

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# INTRODUCTION

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## *About the project*

This handbook was developed in the framework of “ENTREPRENEUR: EXPLORING ENTREPRENEURSHIP BEYOND CONCEPTS”, an Erasmus+ cooperation project in the field of youth that aims to improve the capacity of youth workers to create the context for young people to develop their entrepreneurial competencies through non-formal education and deliver qualitative learning experiences through a set of innovative educational resources developed within the project. The project brings together partners from Germany (Gemeinsam leben und lernen in Europa e.V.), Italy (Associazione di promozione sociale Joint) and Spain (BACKSLASH), at the initiative of the Romanian organisation - Centrul de Voluntariat Cluj-Napoca. The project tries to respond to a need that the consortium has detected in its extensive experience in working with young people, for entrepreneurship education. Entrepreneurship is understood, not only as the start of one’s own business, but also the startup and management of any project, also within volunteering and associationism. To support this goal, this handbook was developed. It provides theoretical background and a practical training on financing a volunteer project.

## *About the handbook*

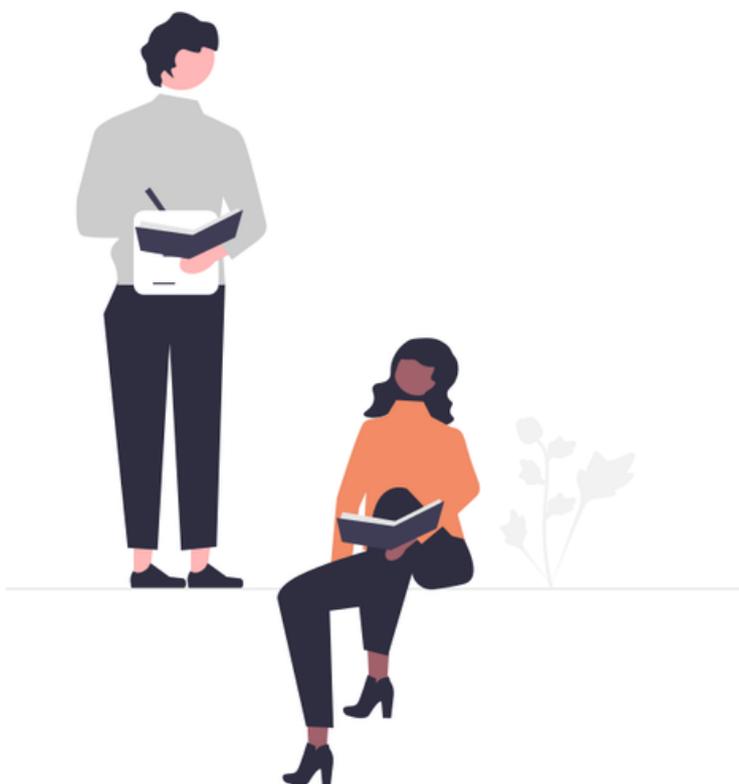
The main goal of this handbook is to guide young volunteers in financing their own project. It gives theoretical backgrounds and practical recommendations. In addition to this, it serves as a guide for youth trainers, providing theoretical background as well as activities and corresponding templates which can be used for workshops.

The content of the handbook was developed after a previous needs analysis conducted with young volunteers. It is a practical guidance to support them in their first steps towards financing their own projects. The training consists of three units, representing different stages young volunteers face when starting a project:

- 1. What do I need for my project?** You will learn how to plan your project by defining aims, setting goals and identifying the resources you need.
- 2. How do I get what I need?** Explore different financing methods to find the one that best suits your needs.
- 3. How do I handle the money?** You will learn what tools you need to keep track of your spending, how to document transactions, and how to report back to stakeholders.

The European version of this handbook covers general aspects of the topic. However, to account for national regulations, additional versions have been created for Romania, Spain, Italy, and Germany. These versions take into account specific national contexts and offer tailored guidance.

The handbook includes an annex with a session plan and activities for a 3-hour workshop. This allows the content of the handbook to be implemented in a practical setting. By following the session plan and completing the activities, youth trainers can provide participants a deeper understanding of the topic so that they will learn how to apply the knowledge in their own context.



# 1. WHAT DO I NEED FOR MY PROJECT?

## 1.1 Aims, goals and objectives

### INTRODUCTION

*"IF ONE DOES NOT KNOW TO WHICH PORT ONE IS SAILING,  
NO WIND IS FAVOURABLE."*

SENECA

This saying is about the destination: You must have an idea of where you wish to go, and what your destination or goal is, otherwise you are adrift, and then no “wind” is the right one. You cannot achieve a goal if you do not see it. This also applies to volunteering: Whether you would like to volunteer on an existing volunteer project or you are planning a new project, before you start it should be clarified what you would like to achieve, what the final result should be or which effect you wish to achieve.

Coming up with project ideas might be easy. But coming up with the “right” one, which has a realistic chance of being implemented, requires work and some thinking.

In this chapter, you will learn how to set your aims and objectives right and how to specify your vague project idea into a concrete and tangible concept.

### **"GOALS & OBJECTIVE SETTING" – WHY IS IT IMPORTANT?**

A project, initiative or event can only be successful if everybody agrees on what it should achieve. All participating people should be involved in the conception of the goal. With the goal you'll have to define: What would you like to achieve? What would be the product or the services you will sell? What are the results you will have in the end, e.g. the profit you like to achieve, the number of customers, orders, etc.? This will help to focus on what is important and to measure performance so that a business can develop further.

Furthermore, setting goals has the following advantages:

- **Orientation** – Defining goals helps to establish clarity and transparency – both within and outside a project and team. Goals are the basis of a joint understanding and are needed for giving orientation
- **Effectiveness** – With clear goals in mind, Resources can be organised accordingly. They improve efficiency and the relation between input and output: How to reach maximum efficiency? A goal can help to prioritise: What needs to be done first, what is less crucial and what can be postponed or cancelled?

- **Success** – Volunteers and team members have a clear direction and can work towards something. Concrete goals and objectives help to find a solution instead of focusing on the causes of a problem: To reach a goal, one needs to decide on the essential steps to take: what are the objectives or “milestones”?
- **Evaluation** – Goals are necessary for evaluating the success and impact of a business. You can check whether you have achieved the planned results/ milestones or not.
- **Control** – Clearly defined goals can be checked, which is useful to measure and control the progress of a project and make adjustments if needed.

## **DEFINITIONS**

For creating a strategic plan for your project, you need to have a plan for what and how you want to achieve something. You need to define your vision, aims, goals, and objectives and make an action plan.

So what is the difference between aims, goals, and objectives? In a nutshell, Aims relate to what you want to achieve in the long term, whereas goals relate to the short-term results that you want to achieve and objectives are the means through which you will achieve your goals.

You need to be aware that all these terms are interrelated, but they are not the same! In order to develop a deeper understanding of what they mean and how it helps you to develop an idea about your business, have a look at each of the terms in detail.

**Vision** – A vision can be defined as an inspiring mental picture of the future. It forms a person's mental picture. A vision can serve as a guide to the project's achievements and will help the team members to understand the values of an organisation. It is like a road map that helps in creating a common identity and a shared sense of purpose

**Aims** – An aim is an overall target, desired outcome, or intended result that one wants to achieve. If you want to start a long-term volunteering group or partnership, “aims” are your long-term goals or your overall mission. Although the aim is a general idea, it is in a specified direction. They are not time-bound and are usually phrased in general sentences.

**Goals** –Goals can be defined as intermediary outcomes, which are likely to be achieved within a certain time frame, meaning the end/ final results towards which you have directed all your effort. A goal is usually a target set by an individual or an organisation that wishes to attain it. The difference between an aim and a goal is: goals are short-term targets that one needs to achieve in order to fulfil the ultimate aim. Goals have to be very specific and are to be achieved in a short span of time.

It can be differentiated between short, medium, and long-term goals. Short-term goals are typically achieved within a year or less, middle-term goals within 1-3 years. They are objectives that can help organisations to make progress towards their long-term goals. Long-term goals take more than 3 years to achieve. They are more abstract and align with an organisation's vision.

Objectives – Objectives are nothing but the measurements/activities that we undertake to achieve the aims. Therefore, objectives are like a roadmap to a destination and are more specific than aims. Objectives are time-bound in character. Objectives are accompanied by a time frame that indicates the period within which they have to be completed. Therefore, objectives are usually more clear. Objectives also direct one's efforts toward the things that need to be done to achieve all goals and aims.

To define an objective, use the **SMART** criteria:

- **S**pecific (formulate precisely and clearly, focus on a specific goal or outcome)
- **M**easurable (progress and success can be measured qualitatively and quantitatively)
- **A**ttainable/ Achievable (the goal can be accomplished)
- **R**ealistic (it is realistic to implement the project within the availability of resources, knowledge, and time)
- **T**imely, time-bound (define a timeline, deadline, milestones)

### **CREATING AN ACTION PLAN**

A lot of people would take action without having a plan in mind. They just start doing things as they come to mind, losing sight of important deadlines and tasks, or get lost in details. This then often leads to major problems and, in the worst case, can cause a company or project to fail. To prevent this, it is important to have a “plan of action”.

An action plan outlines the specific steps which need to be completed in order to achieve a goal. It is like a to-do list for a reasonable time frame. This way, people involved in the business have a defined way to complete the work in an orderly fashion. Typically, when setting up plans of action, what you're doing is dividing work into sections that can be labelled as milestones. This is necessary, as setting up a project includes a large amount of work.

Milestones are the goals that one aims to meet in order to keep a project moving at a steady pace. Work will flow a whole lot smoother with clear goals in mind.

When vision, aims and goals are defined, you can set up an action plan. Components of an action plan include

- A well-defined description of the goal to be achieved
- Tasks/ steps that need to be carried out to reach the goal
- People who will be in charge of carrying out each task
- When will these tasks be completed (deadlines and milestones)
- Resources needed to complete the tasks
- Measures to evaluate progress
- What's great about having everything listed down in one location is that it makes it easier to track progress and effectively plan things out.

An action plan is not something set in stone. As the organisation grows, and surrounding circumstances change, you will have to revisit and make adjustments to meet the latest needs.

### Step by step

- **Define your goal:** Make sure that it is Specific, Measurable, Achievable, Realistic and Time Bound
- **List Your Needs:** List all the work that needs to be done, designate the work to the right team member, and determine and reserve any locations or equipment ahead of time. Whatever you might need, list it right at the beginning: Giving yourself a clear list will help with estimating the amount of time and work that needs to be completed. Knowing any special equipment and work reserved and scheduled ahead of time will allow work to flow smoothly. It will also prevent headaches that occur from scrambling to make these adjustments later on.
- **Divide the Work:** When setting up your milestones for your plan of action it's very important to divide the work up in some way. It will help a lot when prioritising your work and setting your milestones.
- **Prioritise Your Duties:** When developing your plan of action and creating milestones it's important to recognize what work is the most important and what work needs to be completed in a timely manner. Take the list of all the work that needs to be done and order it concisely from most important tasks to least important.
- **Identify the resources needed:** Before you start your project, it's crucial to ensure that you have all the necessary resources at hand to complete the tasks. And if they are not currently available, you need to first make a plan to acquire them. This should also include your budget. You can assign a column of your action plan to mark the cost of each task if there are any (see chapter 1.2)
- **Visualise your action plan:** Create something that can be shared with everyone and that everyone can understand at a glance. This document should be easily accessible.

- **Distribute the Plan of Action:** It is important to distribute your action plan to all involved and important staff members and partners. This helps by making the deadlines and amount of work required for each milestone clear, understood, and public knowledge. When team members know your plan of action and milestones that you've set, they can then begin to plan their schedules around getting their sections of the projects completed ahead of time, which will help with morale.
- **Monitor, evaluate, update and adapt:** Allocate some time to evaluate the progress you've made with your team. You can mark tasks that are completed as done on this final action plan, bringing attention to how you've progressed toward the goal. This will also bring out the tasks that are pending or delayed, in which case you need to figure out why and find suitable solutions. And then update the action plan accordingly.
- **Create a Back-Up Plan:** Even if you have prepared your plan of action as carefully as humanly possible there is always the chance something will go wrong. Don't stress yourself out planning for every scenario. Instead, focus on the worst-case scenarios and anything else that can be prevented easily. Having back-ups creates confidence and security when working on a project because it removes an element of stress that could otherwise affect the project or your team members.
- **Use existing useful tools and methods:** There are a lot of useful tools and methods to help you to create and shape your idea, plan your business, and set up concrete action plans. In the annex, you will find some websites with useful information.

## 1.2 Resources

### WHAT IS A RESOURCE?

Generally speaking, resources can be almost anything that is required to carry out project activities. Usually, resources include the working time of employees and the money needed to pay for things or people. However, resources can also be technical equipment, important permits, fuel and raw materials, motor vehicles or premises - essentially everything that has to be spent for the purpose of realising a project and is usually only available in limited capacity. This is why effective management and allocation of resources are essential for achieving project goals on time, within budget, and to the required quality standards.

A general distinction is made between human, material and financial resources. What costs the most depends on the project itself: What is your goal? If your project requires a lot of "brainwork" or interpersonal contact, you need more human resources (e.g. developing and implementing a new training plan for a football team). If your goal is the creation of a product, you will need more material or financial resources material or financial resources (e.g. building a youth centre, providing humanitarian aid).

In contrast to businesses, not every resource incurs costs for volunteer projects. Perhaps you have friends who can help you volunteer, or some of the material resources are donated by someone. If you are aware of this, you can use your existing funding efficiently. That is why it makes sense to get an overview at the beginning: What resources do I need? Which resources do I have to spend money on? What is the biggest cost factor? In the following, we will show you what you need to consider.



## HUMAN RESOURCES

*“IF YOU WANT TO GO FAST, GO ALONE. IF YOU WANT TO GO FAR, GO TOGETHER.”*  
*AFRICAN PROVERB*

when you work in a team you will go further than doing everything alone. Different perspectives, ideas, and expertise contribute valuable assets to your project. And teamwork not only improves the quality of your outcomes, it is motivating and fun! How many people you need at a minimum depends on the size, duration and complexity of your project. To calculate the manpower, you can use a step by step bottom up approach based on your project:

- **Create work packages:** Break down a project into smaller components and estimate the number of work hours required for each component to complete the project. If you already created an action plan, you can use it to ensure that each component is included in your estimate.
- **Determine which type of team member you need:** Based on the work packages and the complexity of the tasks, different skills, competences and knowledge are needed. For advertising you need someone who is communicative and outgoing, for the organisation of an event it's good to have someone with experience in event management, while for financial control you need someone who can work structurally And is not afraid of complex calculations. As you can see, it is best to have a mixed team whose members can take on various tasks.
- **Estimate the time needed:** Calculate the workforce needed by estimating working hours for each work package and summarising them. Past completed projects can be used as a reference to estimate time. If you are unfamiliar with the project tasks, you can do some research to estimate the required hours. For example, you can ask your team members or professionals how much time they would need to complete the task. Keep in mind that you might need some additional time for team meetings, project management and administrative tasks. At the end, add up all the work times of the individual work packages. Now you know how much time your project will take in total.
- **Calculate the project duration:** Once you know how much time your project will take, you can calculate how many weeks you need to complete the project. Take into account restrictions you might have, e.g. project deadlines, maximum weekly working hours of the team members, etc.

e.g. you have a total of 200 working hours, and team members can work 20 hours per week, your project will take 10 weeks to be completed.

$$\text{Project duration} = \frac{\text{workforce needed (total)}}{\text{project duration}} \quad \text{e.g.} \quad \frac{200 \text{ hours}}{20 \text{ hours/week}} = 10 \text{ weeks}$$



## COMPETENCES IN THE TEAM

When you assign work packages to your team members, it's essential to not only check their available time resources, but also what their interests and abilities are. Volunteer teams, like any other team, require a variety of competences to effectively achieve their goals. With a diverse range of interests and skills, you can tackle different tasks and overcome challenges. Below you will find an overview of various key competences. You can use it to identify the competences of your team:

<b>Professional competence</b>	= expertise and knowledge in a specific field of your project
<b>Methodological competence</b>	= ability to use various methods or techniques to solve problems or complete tasks: <div style="display: flex; flex-wrap: wrap; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">creative thinking</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">media literacy</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">problem solving skills</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">project management skills</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">time management skills</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">IT competence</div> </div>
<b>Social competence</b>	= ability to communicate empathetically and effectively and with others <div style="display: flex; flex-wrap: wrap; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">(intercultural) communication competence</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">leadership and team management skills</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">conflict management</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">critical thinking</div> </div>
<b>Personal competence</b>	= skills related to personal development, self-presentation, and self-management. <div style="display: flex; flex-wrap: wrap; justify-content: space-around; margin-top: 10px;"> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">stress management and resilience</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">self-learning competence</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">self-motivation and growth mindset</div> <div style="border: 1px solid #ccc; border-radius: 10px; padding: 5px; margin: 5px;">conscious handling of expertise, knowledge of methods</div> </div>

## MATERIAL RESOURCES

Operating resources are operational facilities and equipment that are fundamentally essential for the creation of services. These include, for example, properties and buildings, office equipment, machines, technical equipment, and tools.

The resources you need depend heavily on the nature of your project. Here are some examples to keep in mind when planning your resources:



### Physical space

- workspaces, e.g. an office
- meeting room to host team meetings
- a community centre or any location for events and project activities
- space for production and storage in case you create a physical product



### Material for project activities

- training material
- creative materials
- food and beverages
- clothing
- musical instruments
- speakers and sound systems
- sports equipment
- board games
- cooking utensils



### Software

- for project management
- for online meetings
- for communication
- for layouts and designs
- for websites
- for financial management
- for member management
- for the development of presentations or learning material
- etc.

Digital tools have become a crucial part of volunteering, especially if you don't have an office and work together virtually. Several things should be considered, including intuitive usability of the tool, hidden costs, compatibility with different software or different versions of a software, data protection, security and backups on a regular basis.



### Office equipment

- office furniture: desks and chairs for staff members, book cases, whiteboards,...
- technical devices: computers, laptops, printer, scanner, telephone, projector, camera, headphones and earbuds for online meetings,...
- office supplies such as paper, printer ink, folders, pens, and other stationery



### Communication tools

for internal communication (within the team) and external communication (to the public).

- internet and phone contract
- a telephone or mobile
- an email address
- a website
- social media profiles



### Advertising and marketing

- a corporate design
- social media profile
- flyers, posters
- newsletters
- press releases



### Networking & contacts

- to my customers/visitors
- to local businesses
- to other organisations
- to education institutions
- to funding agencies
- to decision makers
- to the media
- to experts

A network consisting of different actors can be useful to build partnerships and collaborations, to share your mission and results with the public, to access additional resources, to exchange knowledge and expertise, to get inspired for new methods or future projects,...



### Safety and security measures

- Safety precautions depending on the scale of your event and its location: barriers, parking attendants, medical assistance/first aiders, security staff, security checkpoints, security plan, fire protection, emergency exits,....?
- For selling food: hygiene regulations, health certificate



## Legal documents

Which legal documents you need depends on your chosen organisational structure. Generally, you can be differentiated between formal and informal groups:

Formalised legal structure: have legal capacity and require legal documents

- e.g. corporations, Non-Governmental Organizations (NGOs), foundations, registered associations...

Informal groups: don't have legal capacity and don't require legal documents

- self-help groups, working groups, interest groups, clubs, circle of friends,...
- For example as an “registered association” in Germany you need:
  - Articles of association
  - Foundation (7 founding members, founding protocol, participant list)
  - Entry in the association register
  - Recognition of non-profit status by the tax office
  - Election, rights, and obligations of the board and its members
  - Delegation, control, and management by the board
  - Documentation obligations, e.g., protocols and signature lists for annual general meetings
  - Income and expenditure statement
  - General meeting of members
  - Membership: membership applications, membership fees, admission and expulsion procedures
- Employment contracts
- Data protection guidelines
- Approval from the Ordnungsamt for public events
- Approval from GEMA if you play music and demand an entrance fee
- Insurance to protect against liabilities and risks
- Police clearance certificate of volunteers who work in the area of child and family welfare as well as in the area of living with disabilities



## FINANCIAL RESOURCES

Usually, when acquiring resources, costs that must be paid for with financial means arise. However, in volunteering, not everything revolves around money. With a little brainstorming, many things can also be achieved without costs. You can do this step by step:

**1. What resources do I need?** It is essential to create an overview of what you need. You can use the list from the previous chapter for this.

2. *Which resources do I have to spend money on?* Consider what you can obtain for free or for little money. There are many ways to save money: instead of having personnel costs, ask friends to help you voluntarily. Required equipment doesn't always have to be purchased; it can also be borrowed. Maybe you even know someone who no longer needs old technical devices and can give them to you. If it's for a good cause, many businesses are also willing to provide in kind sponsorships. For certain software and apps, there are discounts or free versions for associations,...We will give you additional recommendations to save money at the end of this chapter.

3. *What are my expenses?* How much money do I need? With the first two steps, you can save a lot of money. However, not everything you need can be obtained for free, some things have to be paid. It is important that you write down and add up these occurring costs. This way, you will end up with a sum. When you know how much money you need and what you need it for, it is easier to convince potential donors. To do this, you can make a simple cost calculation:

### Cost calculation

The starting point for cost calculation are the expenses that are expected to be incurred during the project. The sum of all incurred costs results in the required budget. If the exact costs are not known, it is helpful to calculate minimum and maximum costs. This creates a cost framework. The actual costs are added during the course of the project.

Resources	Costs (min)	Costs (max)	Costs (actual)
<i>Venue rental</i>	500	850	
<i>Food and beverages</i>	100	150	
<i>Software licence</i>	120	180	
...	...	...	...
<b>Sum</b>	<b>720</b>	<b>1180</b>	

### Recommendations to save money

- Being a non-profit organisation can be a bonus: you can ask other organisations, entities, even companies to lend you necessary equipment like microphones, stage equipment, cutlery, or to give you the room for free usage etc.
- Sometimes you can get material and equipment for free, if you are able to give donation receipts

- When you register as a non profit organisation, you can use premium features of the design tool Canva for free. You can use it to create social media graphics, advertising material and short videos: <https://www.canva.com/canva-for-nonprofits/>
- IT portals like “Techsoup” offer discounted software and hardware exclusively for non-profit organisations: <https://www.techsoup.org/>
- When you need equipment you can buy it second hand or ask people on social media to donate, e.g. on Ebay or “To give away” groups on Facebook.
- Use existing methods and resources. Many projects publish their results for free. This way, you have access to curricula, handbooks with background information and online training. For example you can have a look at the Erasmus+ results platform: <https://erasmus-plus.ec.europa.eu/projects>

### **LINKS FOR FUTHER INFORMATION**

#### *Aims, Goals and Objectives*

[Handbook on Aims, Goals and Objectives](#) (Chapter 2)

[Difference Between Aims, Goals, And Objectives](#)

[Setting SMART objectives](#)

[How to Write an Action Plan | Step-by-Step Guide with Templates](#)

[Simple Action Plan Examples](#)

[Step by step guide for establishing a NGO](#)

#### *Human Resources*

[Handbook on volunteer management](#) (Chapter 7)

[Volunteer management handbook](#)

[How to calculate manpower](#)

[Checklist: Competences of the team members](#)

#### *Material and Financial Resources*

[How to create \(and stick with\) a project budget](#)

[Guide to Resource Planning](#)

[Types of Key Resources](#)

[Resource Mobilization](#)

[Cost management explained in four steps](#)

[Cost management essentials](#)

# HOW DO I GET WHAT I NEED?

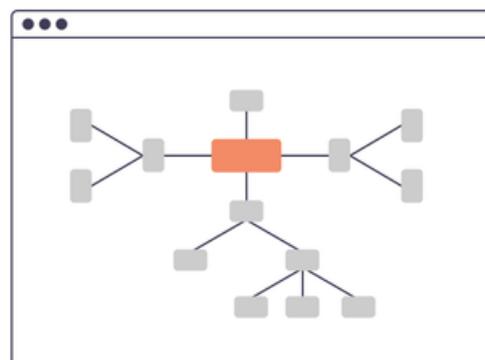
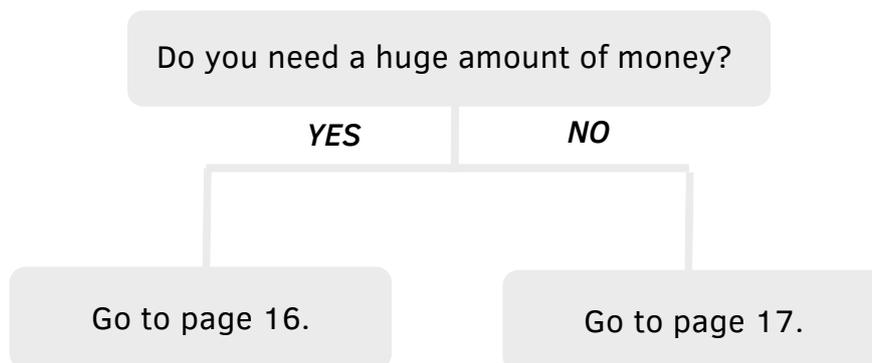
## 2.1 Overview of potential financing methods

Starting your own volunteer project requires careful planning and resource allocation. Whether your project aims to make a local impact or drive global change, understanding available financing options is essential.

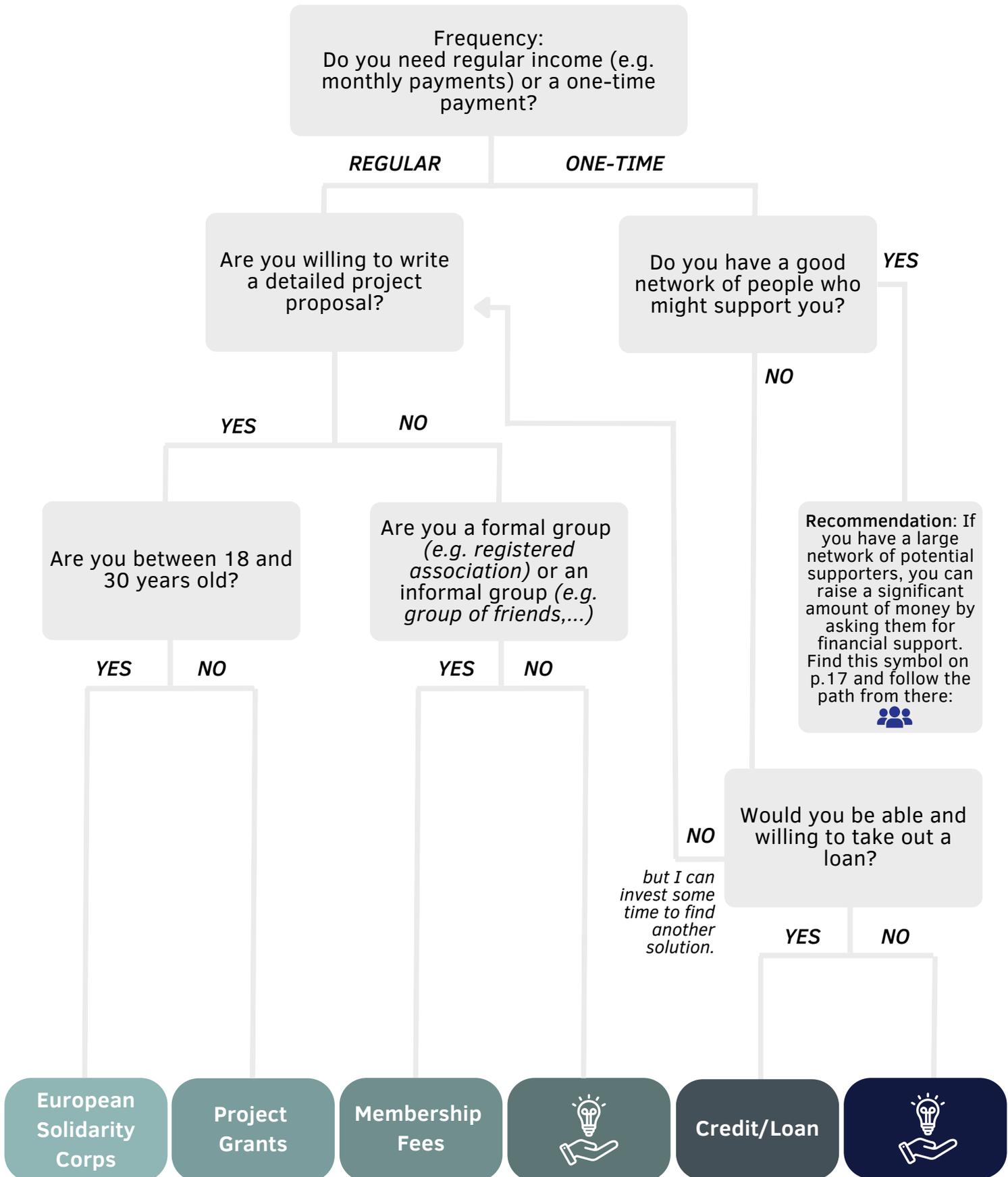
In this chapter, we explore diverse financing avenues for volunteer projects. To help navigate these options, we provide a decision tree guiding you towards the best path.

Navigating the decision tree is easy: follow the arrows from the top and make choices based on the questions at each step. Keep going until you reach the end of the tree, and that will give you a recommendation or financing option. The pages that follow this offer detailed insights into each financing option, empowering you to make informed decisions.

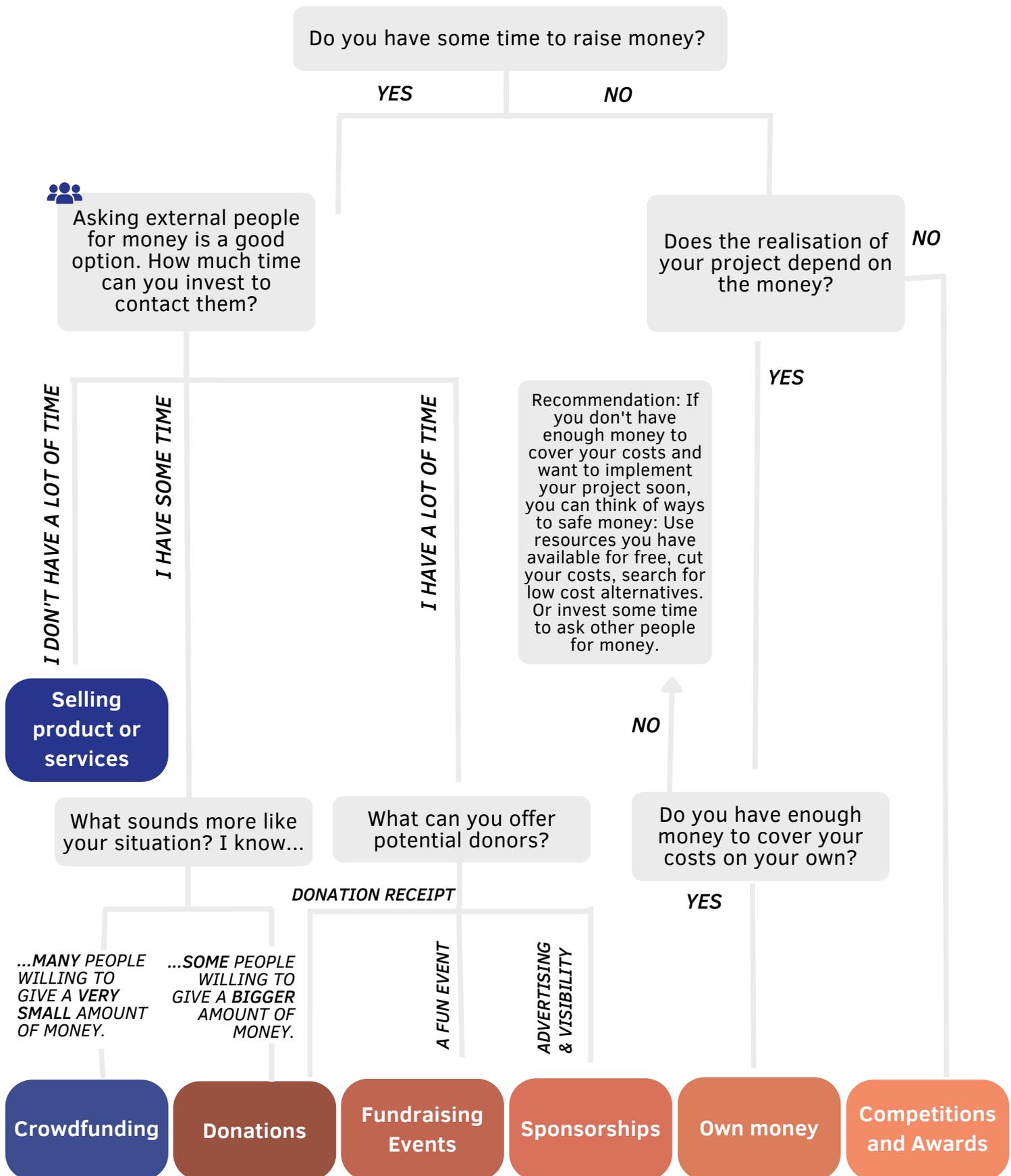
**LET'S GO!**



## These are your options if you need a lot of money:



## These are your options if you need some money:



## European Solidarity Corps

European Solidarity Corps is a program by the EU to encourage young people to volunteer. You can expect up to 500€ per month. [Find out more on p. 19.](#)

## Project Grants

There are many different programs you can apply for to get project grants. [Find out more on p. 20.](#)

## Membership Fees

Membership fees are regular payments made by members of a registered association. [Find out more on p. 22.](#)



**Recommendation:** Form a formal registered group! If you need a large amount of money in the form of regular support, it makes more sense to be a formal group. Think about forming an association. Tips on how to do this can be found on p. 12.

## Credit/Loan

Borrowing money is an option, but be aware that you should be financially stable and you have to pay it back with interest in a certain amount of time! [Find out more on p. 23.](#)



**Recommendation:** Build a network! If you need a huge amount of money and are not able to get the money yourself, it's useful to first concentrate on building a network of potential supporters.

## Selling product or services

Selling products or services is an easy way to use existing resources and turn them into money. For example you can organise a garage sale, sell drinks or help your neighbours with everyday tasks for some money. [Find out more on p. 24.](#)

## Crowdfunding

Crowdfunding means getting money by asking a lot of people to give small amounts of money. You can organize a crowdfunding campaign on online platforms that help you collect the money. [Find out more on p. 25.](#)

## Donations

Donations are voluntary monetary or material gifts. The donors don't expect anything in return. If your group is recognized as a charitable organisation, you can issue a donation receipt. The donors can use it to claim tax deductions. [Find out more on p. 26.](#)

## Fundraising Events

Planning a fundraising event (like a party, a benefit concert or a charity run) is a fun option to raise money and bring people together at the same time! [Find out more on p.27.](#)

## Sponsorships

Many companies are willing to donate money, services or goods in exchange for advertising and marketing benefits. [Find out more on p. 28.](#)

## Own money

Using your own money or asking members of your team to donate is the easiest way to finance a project. Be aware that you need a detailed cost plan to not exceed the amount you have available! [Find out more on p. 29](#)

## Competitions and Awards

When you have a good idea, you can participate in an idea competition. There are many different competitions for young people offering attractive monetary and non-monetary prizes. [Find out more on p. 30.](#)

## GRANTS: EUROPEAN LOCAL SOLIDARITY PROJECTS

European Solidarity Corps is an initiative that aims to promote solidarity and social cohesion within the EU by providing young people with opportunities to engage in volunteering activities. As a part of this initiative, the EU supports local “solidarity projects” that are carried out by a group of five young people or more. Anyone between 18 and 30 years old residing in any of the European Solidarity Corps participating countries.

### Advantages

- Regularity: you can spend up to 500€ every month
- You can benefit from additional resources, support and coaching
- Comprehensive insight into project management
- EU-wide recognized certificates
- Covers a broad range of topics

### Disadvantages

- Elaborate application, implementation and reporting process
- Application process: even though you put a lot of effort in the application, it is not guaranteed that your project will be awarded funding

### It's the perfect method for you if...

- you are a group of at least five active people aged between 18 and 30 years, and you want to carry out a local project in your community
  - you want to cover costs linked to project management, coaching and exceptional expenses
- your project lasts from 2 to 12 months

### You should choose a different method if...

- your project needs a lot of money at once
- you don't have capacities to deal with the application and reporting process



- Create your group and bring it together with a common idea or topic.
- Get everyone registered: all members of the group should join the [European Solidarity Corps Portal](#).
- One member of the group takes the role of ‘group leader’ and registers on the [Organisation Registration System](#) to obtain an Organisation ID (OID).
- Inform yourself and read the [European Solidarity Corps Guide](#).
- Create your project: What are your objectives? Who will be in your group? What outcomes do you expect? How much budget will your project need? What activities will be carried out? Structure your ideas and [fill in the application webform](#).
- Submit your application. Be aware of all requirements and deadlines!

## PROJECT GRANTS

Grants are funds given to individuals or organisations to support a specific project or initiative. Grants are typically provided by foundations, governments or organisations. Usually, they offer programs targeting specific topics that align with their own mission. Project grants are usually awarded through a competitive application process. The grant award amount can vary widely depending on the funder and the scope of the project.

### Advantages

- Grants can provide a significant amount of financial support for your volunteering project without relying on other sources of income
- Guidelines and requirements ensure that your project meets certain quality standards
- Sometimes you can benefit from additional resources: e.g. mentoring, workshops
- Network of potential partners

While applying you will build project management, budgeting, and communication skills

### Disadvantages

- It might be difficult to find the best program.
- Application process: even though you put a lot of effort in the application, it is not guaranteed that it will be awarded funding
- Time consuming bureaucratic effort for application process, project monitoring and reporting
- Restrictions or conditions that limit your ability to implement your project
- Some project calls require you to demonstrate that you have other sources of income, which may be difficult to secure.

### It's the perfect method for you if...

- you find a program your objectives align with.
- you are willing to write a convincing proposal .

### You should choose a different method if...

- you can not fulfil the requirements of a program. Som
- you don't have capacities to deal with the application and reporting process.
- the program's requirements are so time-consuming that it's not worth the effort.



- Find programs that fit to your project, e.g. in online funding databases. You can find an overview of funding programs in Germany on [page 21](#).
- Check your eligibility with these programs
- Prepare all necessary documentation for the application

## FUNDING OPPORTUNITIES IN GERMANY

### EU opportunities

- [Funding database of the European Commission](#)
- [EU Funding sources for NGOs](#)

### Examples for funding programs in Germany

- [Funding database from federal, state and EU government](#)
- [Finding funding opportunities for NPOs](#)
- [Database of foundations in Germany](#)
- [Foundations, fundraising and sponsoring for youth projects](#)

### Sustainability

- [youstartN](#): 500-1000€ for students and trainees with innovative business ideas that are aligned with one or more of the 17 Sustainable Development Goals

### Political education, active citizenship & democracy

- [Jugend Demokratie Fonds](#) of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth: 1000-15.0000 € for projects that inspire young people for political education and engagement
- [Bundesprogramm Demokratie leben!](#) supports projects that promote democracy, tolerance, and combat extremism
- [Deutsche Stiftung für Engagement und Ehrenamt](#) supports projects that promote civic engagement and volunteer work

### Inclusion

- [Aktion Mensch](#) supports projects that strengthen the participation of people with disabilities

### Culture

- [Kultur macht stark](#): program of the Federal Ministry of Education and Research that supports projects that inspire young people for art and culture and promote their cultural education

### Examples for idea competitions in Germany

- [Overview of initiatives](#)
- [Jugend forscht](#): nationwide competition in mathematics, computer science, natural sciences and technology. The winners receive prize money or special awards like invitations to international study trips and congresses.
- [Jugend gründet](#): nationwide student business competition sponsored by the German Federal Ministry of Education and Research. The main prize in the competition is a one-week trip to the US, visiting the Silicon Valley
- [5 Euro Business Competition](#): held at Bavarian universities and colleges in cooperation with Bildungswerk der Bayerischen Wirtschaft e. V. Students set up their own company for the duration of a semester. At the beginning, the participants receive a starting capital of 5€ from us and develop a business idea together in the team, which they implement on the "real" market within the company phase
- Throughout the year, the [Franco-German Youth Office \(FGYO\)](#) publishes calls-for-projects or applications to reach new audiences.

## MEMBERSHIP FEES

Membership fees in an association in Germany refer to the regular payments made by individuals or organisations to be members of an association.

### Advantages

- Regular steady monthly income
- Flexibility in resource allocation: you can make long term plans and allocate resources more strategically
- You can build a network of reliable supporters
- Long-term commitment from members

### Disadvantages

- There are several aspects you need to consider: you need a document (articles of association) that defines the amount and what membership fees are used for
- Tasks like bookkeeping might lead to extra costs if you don't have a volunteer for this
- You need a large network to get many members

### It's the perfect method for you if...

- You already have an entry in the association register or plan to register soon
- You have enough members to reach a decent amount
- Your project is long-term, e.g. you are a group of young people who want to raise awareness for a specific cause over a long period of time
- You need a regular monthly income

### You should choose a different method if...

- Your project is short-term, e.g. a one-time event
- You are an informal group and not registered in the association register
- You don't have enough potential members to reach a decent amount
- You don't know anyone who can be responsible for bookkeeping, setting up all relevant documents and member management



- Register as an association and specify in your articles of association which fees the members must pay.
- Determine membership benefits, e.g. newsletters, access to exclusive events,...
- Develop a membership recruitment strategy: Create a plan to attract members to your NGO.
- Set up a secure payment gateway to accept membership fee payments online.
- Regularly engage with your members through newsletters, emails, or other communication channels. Keep them informed about the NGO's activities, upcoming events, and the impact of their contributions.

## CREDITS/LOANS

Loan is a financial instrument in which one party borrows money from another. The lender - usually a corporation, financial institution, or government- advances a sum of money to the borrower. In return, the borrower agrees to a certain set of terms including any finance charges, interest, repayment date, and other conditions.

### Advantages

- large loan amounts can be obtained
- flexibility: you can decide how to spend money
- you retain full control over your project, and you get to retain all the profits as well

### Disadvantages

- intensive application process
- interest charges must be paid
- instalments must be paid every month on time → higher risk
- eligibility requirements must be fulfilled

### It's the perfect method for you if...

- you need a large amount of money
- you are ready to pay back over a period of years
- you have a good credit history
- you have a strong foundation for your undertaking
- your project is designed to generate profit

### You should choose a different method if...

- you are not financially stable
- you don't have a steady income stream to pay monthly loan repayments
- your project doesn't have a clear path to financial profitability
- it's your first time to implement a project and you don't want to risk taking on debt through a loan



- consult with banks on the documents you need to apply for a loan
- create a finance plan
- gather all necessary documents
- arrange appointments at several banks to find out the best offer

## SELLING PRODUCTS/SERVICES

Selling products or services is a good way to use existing resources and turn them into money.

### Advantages

- It is relatively simple to organise
- It is a fun way to raise money and raise awareness for a particular cause.
- It attracts many people, which can lead to a high profit.
- It builds and strengthens the community because many different people are involved.

### Disadvantages

- Production costs must be considered beforehand
- Profit depends on the number of sales.
- Risk to lose money if there are not enough sales
- Limited profit margin

### It's the perfect method for you if...

- you are looking for an uncomplicated way to get money
- you can organise enough products, helpers and a good location for your sale

### You should choose a different method if...

- you need a huge amount of money
- your production costs exceed the expected income



- Decide what
  - products you want to sell. It should be something that is popular among your target group: cake, ice cream, snacks, self-made lemonade or drinks, a raffle with prizes donated by local businesses, a cooking book with your and your team's favourite recipes,...
  - services you want to sell. This could be anything that helps people around you: dog walking, babysitting, car washing, hosting a workshop,...
- If you want to save money, you can organise a flea market and sell old clothes, books,...
- Calculate the cost of the products: find out how much it will cost to purchase the products you plan to sell. This will help you determine how much profit you can make from each sale.
- Create a sales plan: who, when and where will you sell the products? How will you promote your sale? Set a price for the products.
- Set up the sales area that attracts customers. You can make signs and decorate the area.
- Keep track of sales and calculate your profit at the end of the sale.

## CROWDFUNDING

Crowdfunding is the use of small amounts of capital from a large number of individuals to finance a new project or business. You can use online platforms for crowdfunding.

### Advantages

- small donations are possible with a small income, thus you have access to a larger and more diverse group of investors/supporters
- pitching a project or business through the online platform can be a valuable form of marketing and result in media attention
- no specific time frame or donation goal prescribed

### Disadvantages

- it might take some time before the necessary amount is gathered
- a lot of work needs to be done to build up interest in the product before the project launches, high effort for PR work
- if you don't reach your funding target, any finance that has been pledged will usually be returned to your investors and you will receive nothing
- Costs for the use of the crowdfunding platform

### It's the perfect method for you if...

- you have an upcoming project that attracts many potential donors, e.g. tackling an urgent cause or a cause that resonates with people emotionally.
- you have a specific fundraising goal that you can communicate to the public.
- you have a strong network on social media and personal level to launch a successful fundraising campaign.

### You should choose a different method if...

- you need financing right away.
- you do not have a solid concept.
- you do not have enough time to work on your campaign.



- Research potential fundraising platforms, their features and terms. Ensure you understand the rules and legal requirements of the platform.
- Define the end goal of your campaign. Create a timeline and a cost plan.
- Create a project pitch. Tell your story in a compelling way. If you are not sure how to present it, ask friends or experts for feedback.
- During the fundraising campaign you have to motivate your crowd, be active on social media, talk to journalists, ...
- Remember to thank your fundraising crowd and make sure you can deliver on your promises.

## DONATIONS

Donations are voluntary monetary or material gifts typically given for a charitable, religious, or philanthropic purpose, e.g. to support a cause. They are voluntary contributions, which means that the donors don't expect anything in return. However, if your group is recognized as a charitable organisation, you can issue a donation receipt. Donors can use it as proof of their charitable contributions when filing their tax returns and claiming deductions.

### Advantages

- Can be used for a wide range of activities → flexibility to allocate donations based on the most pressing needs
- Don't have to be repaid
- Fosters community engagement

### Disadvantages

- Uncertainty
- Irregularity: usually, donors prefer to donate to one cause or project. It's more difficult to get donations on a regular basis
- Competition for donations between different organisations
- Donors may have specific expectations about how their donations are used and may want to have a say in how you operate.

### It's the perfect method for you if...

- you have an upcoming project that attracts many potential donors, e.g. tackling an urgent cause.
- you can offer something to your donors, e.g. a concert or an art exhibition on a donation basis.
- you need materials someone might have left over, e.g. clothing for people in need, sorted-out office supplies/technical equipment from a local business,...

### You should choose a different method if...

- you are not yet sure what to do with the money. Donors expect transparency about how their money is being used



- Define your cause: something that resonates with your potential donors.
- Create a project plan. Prepare a written document, a presentation, a short video or anything visual that shows the potential of your project.
- Present your plan to possible donors. Ask people in your personal network for donations, explaining that no donation is too small. Emphasise the urgency of your cause and the impact of the donations.
- Thank the donors and keep them informed about the process of your project. For bigger donations, you can think about something special to appreciate them, e.g. personalised thank you notes, small gifts,...

## FUNDRAISING OR CHARITY ACTIVITIES/EVENTS

Fundraising activities are events that are organised to raise money for a particular cause or project.

### Advantages

- It is a fun way to raise money and raise awareness for a particular cause.
- It attracts many people, which can lead to a high profit.
- It builds and strengthens the community because many different people are involved.

### Disadvantages

- Costs: Depending on the type of event you might have high expenses. For this, you need money beforehand.
- High profit is not guaranteed. There even is a risk that the event won't raise enough money to cover all of your costs.
- It requires a significant amount of planning and resources.

### It's the perfect method for you if...

- you love planning and organising events.

### You should choose a different method if...

- you don't have time to plan the event.
- the expenses for the event you plan are higher than the expected income.



- Decide what kind of activity or event you want to organise. For example: a party, a benefit concert, a poetry slam, a talent show, a Christmas market, a street food festival, a charity run, a sports competition,...
- Determine how you will get money: by selling tickets to the event, using a donation box at the entrance, selling additional products like snacks and drinks during the event,...
- Calculate the cost of everything you need:
- Set a price for the products.
- Plan the event: Who can help you? What do you need for the event? When and where will it take place?
- Keep track of the expenses and calculate your profit at the end of the sale.

## SPONSORSHIP FROM COMPANIES

Sponsorship is a partnership, e.g. with companies, that provides any kind of support in exchange for certain benefits, such as advertising or networking opportunities. Sponsorship can take many forms, such as cash contributions, in-kind donations, or the provision of products or services.

### Advantages

- Well-plannable, long-term financing option
- It can enhance the visibility of your project by promoting it to a larger audience through the sponsoring company's marketing channels.

### Disadvantages

- Sponsorship is based on reciprocity. This means potential sponsors expect something in return and you have to offer them incentives.
- You have to invest time and resources for seeking out and securing sponsorships
- Relying too heavily on sponsorship can create a dependency on external funding sources

### It's the perfect method for you if...

- you can offer something to potential sponsors: a logo or product placement, advertising, or special offers (e.g. selling their products at an event)
- the context of your project attracts a wide variety of potential sponsors. This doesn't depend on the size of your project: for events targeting your local community, small businesses might have an interest in sponsoring it.

### You should choose a different method if...

- your project does not offer benefits to sponsors.
- you don't have the capacity and resources for the acquisition of sponsors.



- Identify potential sponsors. Find companies that align with your project, considering their industry, interests, size, location, and target audience.
- Develop a sponsorship proposal that includes the details of your project, e.g. its purpose, goals, target audience, and marketing plan. Highlight the importance of your cause. Describe the benefits of sponsoring your project.
- Reach out to potential sponsors with your proposal. Personalise your approach and show genuine interest in their company and values.
- Once you have a sponsor, negotiate the terms of the sponsorship agreement. Make sure that you fulfil all obligations outlined in this agreement.
- Maintain a positive relationship with your sponsor by keeping them informed of your project's progress. Show your appreciation for their support and look for ways to continue the partnership in the future.

## OWN MONEY/INTERNAL DONATIONS

Financing a project with your own money can be a good option if you have the financial resources to do so.

### Advantages

- No money needs to be repaid
- Expenses remain manageable
- It takes little time to organise it
- By restricting the available money, young volunteers learn from the outset to be economical and efficient in managing their finances

### Disadvantages

- You are restricted to the resources you have available without external help
- Tight budget makes less room for plan changes
- New spontaneous ideas are harder to implement
- It's your own money or that of friends and families

### It's the perfect method for you if...

- your project is not cost-intensive.
- you are looking for a low-cost, efficient way to start your project and are willing to be patient with its growth.
- you want to maintain complete control over your project and avoid the pressure and expectations that come with external financing.
- you are not afraid of thriftiness, outsourcing and human resources management.

### You should choose a different method if...

- you need more resources than you currently have available.
- you want to expand your project quickly and avoid delays due to a lack of capital.



- Create a budget plan.
- Identify the resources you currently have. What is the maximum amount you can spend on your project? Is it enough to finance it?
- Be mindful of your spending and avoid unnecessary expenses. Look for free alternatives, e.g. free tools or resources you can use.
- Always keep track of your expenses.

## COMPETITIONS AND AWARDS

Idea competitions are held by organisations, institutions, schools, local governments or youth centres to encourage young people to submit innovative and impactful ideas for addressing specific social or environmental issues. The participants submit their ideas to a panel of judges in the hopes of winning prizes

### Advantages

- Can help to promote the idea
- Networking opportunities, media coverage, and the opportunity to land capital and acquire valuable resources
- Opportunity to get feedback on your plan
- Cash prizes and sometimes special prizes are available

### Disadvantages

- High competition
- Requires an extensive preparation
- Prizes are not always monetary

### It's the perfect method for you if...

- you have an idea that you want to present in front of a wider audience
- you are looking for capital for your business idea, but don't depend on the prize money to realise your idea

### You should choose a different method if...

- you might need more funding than competition can offer
- you need immediate funding



- Choose an appropriate competition that aligns with your project idea. You can find examples of competitions in Germany [on page 21](#).
- find all relevant information about the documents to be submitted, the procedure of the competition, deadlines,...
- prepare your application/presentation and submit it
- wait for the jury's decision and follow the next steps of the competition

## 2.3 How to approach/attract sponsors

Before you approach potential sponsors, make sure you fulfil relevant preconditions and develop a strategy. In this chapter, we will give you some practical recommendations on how to attract and approach potential donors.

### Preconditions for supporting successful fundraising

- on organisational level:
  - being a non-profit organisation
  - having a specific bank account
- human resources: It is important to have a clear distinction between different working tasks: who is doing what tasks and until when? The key to the success of any project is good communication among those involved.

### How to initiate first contact?

- Develop a consistent strategy, ensure that you have the appropriate kind of person doing this job: a fundraiser has to seek financial support, therefore you need a “people person,” someone with good social skills, adequate qualifications and high motivation.
- The responsible person should be:
  - outgoing and sociable
  - enthusiastic
  - sensitive, not asking for too much
  - patient and resilient
- Documentation: It is important to use a clear system for your data management. You should record contact history and donation history of each supporter.
- How you present: It is all about consistency! How you represent yourself/ your organisation affects how you are perceived. Put some effort in the development of consistent mottos and logos to develop a brand. A professional, easy to recognise brand is very important, not only for attracting donors but for other areas of project management.
- Good communication:
  - Outside the organisation: inform the public, investors, partners, employees, and other stakeholders continuously. Doing a good job isn't enough when no one notices it.
  - Within the organisation: Everyone working within your organisation should be able to summarise the key goals, your “mission”.

## Some practical aspects you should take into consideration

- Identify the motivation of potential donors and sponsors: why should they give you money? If you know their motivation, you can be more convincing. Here are some of the most common reasons:
- They are affected personally
- They are interested in the topic
- They know you personally and want to support your idea
- They are rewarded personally
- To gain public reputation
- You offer a service in return: e.g. gratitude, tax receipts for charitable donations, studies, public relations

### Communication

The key to the success of any project is good communication among those involved. Make sure there are clear, open lines of communication between the campaign/project organiser and the group leaders, teachers, parent helpers, etc. and, most importantly, the participants. Effective two-way communication keeps everyone interested, informed and enthused.

### Organisation

As in most endeavors, the degree of organisation can make the difference between success and failure. Setting up a sequence of events for your fundraising project – what happens and who is responsible – will make your campaign run smoothly and without confusion, since everyone will know exactly what is expected of him/her.

### Recruiting Help

Recruiting the assistance of other stakeholders can be an extremely effective method for fundraising activities involving children. Such volunteers typically provide help with organising, coordinating, calculating total orders, and serving refreshments.

### Motivation

One of the biggest motivators for fundraising activities is making the participants aware of the purpose of your campaign. When they know why you are raising funds and why their participation is important if the campaign is to be successful, they are far more motivated to go out and get positive results. When younger children are involved, sending an informative note or newsletter home to parents is also very effective. Doing so may result in the parents providing assistance by reinforcing the importance of each and every participant and encouraging sales efforts. Children are typically very proud when they are able to say that they did their part in achieving the group's fundraising goal.

## Set Individual Targets for Participants

Tell the participants what the total goal is and how, if each one of them meets his/her personal goal, the group will be successful. Each participant is then able to see the link between his/her contribution and the success of the campaign.

## Rewards and Recognition

Establish a system of rewards and/or recognition for achievement. For example, awarding prizes or mentioning successful achievers in group meetings establishes a sense of accomplishment and pride, and fosters friendly competition between participants. Also, recognising the assistance given by parents, business people, teachers, organisers, etc., makes a positive impression that will foster willingness to assist again in the future

## Step by step Checklist

1.	<b>Why should someone give their money to us?</b>	<b>Rewards: What can we offer?</b>
2.	<b>Why are we doing what for whom and how?</b>	<b>Summarise the projects' key goals and activities</b>
3.	<b>What do we need?</b>	<b>Money or other resources? Budget: prepare a systematic overview!</b>
4.	<b>People you already know that can open new opportunities? Who could be interested in our goals?</b>	<b>Target group: individuals: members, customer/ beneficiaries, employees, interested public,... businesses: mentors, supporters, ... foundations/ Service Clubs public institutions·</b>
5.	<b>What is our strategy?</b>	<b>Choose a method</b>

## **LINKS FOR FUTHER INFORMATION**

*Different Financing Methods*

[Crowdfunding & Fundraising: the most important at a glance](#)

[Recommendations on fundraising.](#)

[How to Seek Sponsorships](#)

[How To Write a Sponsorship Letter for an Event \(With an Example\)](#)

[How To Write a Sponsorship Letter that actually Works \(With samples and templates\)](#)

[EU funding options](#)

# How do I handle the money?

## DOCUMENTATION AND REPORTING OBLIGATIONS

This chapter will give information on basic controlling mechanisms, documentation and reporting obligations.

Documentation and reporting improve the transparency, accountability and sustainability of your project. Especially if you use external financing sources it is essential to comply with reporting obligations. Those vary depending on your type of project, funding source and national regulations.

- Get an overview of all requirements before your project starts.
- Be aware that not all costs can be covered with the funding sources' money. For example, earmarked funds and donations can only be spent on a specific purpose. Another criteria is eligibility. **Eligibility** refers to whether or not a particular expense or cost can be included in the project budget or reimbursed using project funds. Eligibility details are defined in the project guidelines. Typically, things like alcoholic beverages and tips are not eligible.
- Keep in mind: documentation is not only about financial records. In some cases, you also have to **report the progress** of your project. This might include
  - **Progress report:** Was the project objective achieved with the planned means and in the planned time? If not, why would the project goal not be achieved?
  - Narrative reports of project activities
  - Quotes of participants
  - Photos or videos of your project activities
  - Signed participants lists
  - A list of dissemination activities
  - Evaluation of the project, e.g. with questionnaires for participants
  - Contracts and work statements of involved staff (volunteers and paid staff)
  - Timesheets reporting the work time (in h) you spend on the project
- Some organisations have specific reporting requirements or want you to use their templates for reports. Make sure you have all required documentation templates at hand from the beginning.
- Respect reporting deadlines.

Apart from those specific project dependent requirements, there are some general obligations that must be complied with. On the following pages, you will find the most important aspects.

## FINANCIAL RECORDS

- Keep all original receipts in one place, numbered and in order.
- To avoid fading the writing on the receipts, make a copy stick the original receipt next to the copy.
- Keep accurate and up-to-date financial records of your project expenses and income. This way, you have an overview over your finances and are able to make adjustments where necessary.

### Cash management

For cash transactions you should keep a cash book, in which each deposit or withdrawal is recorded. To keep an accurate record of the cash balance, the cash book entries are kept correctly and up to date. An entry can look like this:

Date	Receipt Nr.	Particulars	Deposit	Withdrawal	Cash balance
-	-	-	-	-	123,40
01.01.2023	1	Parking ticket	-	2,50	120,90
12.01.2023	2	Beverage sales	25,00	-	145,90
23.02.2023	3	Coffee for stakeholder meeting	-	6,30	152,20

## TAX REGULATIONS & DONATION RECEIPTS

- Check your national taxation rules for NPOs (not for profit organisations): some activities and services might be tax free, others taxable.
- For example in Germany generally, only those NPOs that exclusively and directly pursue public benefit, benevolent, and church-related purposes are exempted from Germany's corporation tax (Körperschaftsteuer), commercial tax (Gewerbesteuer), and gift and inheritance tax (Erbschaft- und Schenkungsteuer).
- In Germany most sales of goods and services are subject to a Value Added Tax (VAT). Many types of public benefit activities are exempt from VAT, including health-related, educational, cultural, and scientific activities. If an activity of a tax-benefited organization is subject to VAT and it falls under the organization's statutory purposes, the applicable VAT rate is reduced from 19 percent to 7 percent. If a grant to an NPO complements VAT taxable services, the VAT included in the project's expenditure might be recoverable. If a grant does not fall under any VAT taxable service, the VAT included in the expenditure will not be recovered by the tax office.
- For more details check out: [Nonprofit Law in Germany | Council on Foundations \(.cof.org\)](#)
- <https://cof.org/content/nonprofit-law-germany>
-

Donations are tax-deductible for the donors. This way, they can reduce the amount of taxes they have to pay to the government. It's like getting a little discount on their taxes for being generous and helping out a good cause. This tax deduction is a way to encourage people to support charities and give back to the community. However, it's essential to follow the rules and provide proper documentation to claim the deduction correctly.

- Nonprofit organizations like clubs or associations can issue donation receipts if they have a tax exemption certificate to prove their charitable status.
- The tax exemption certificate is granted by tax authorities after evaluating the organization's eligibility for charitable status.
- The certificate must be renewed every five years and can be revoked if the organization loses its charitable status.
- For donations up to 300€, a cash deposit receipt or credit institution booking confirmation is enough.
- Donations exceeding 300€ require a donation receipt.

### ***LINKS FOR FURTHER INFORMATION***

*Cash reports in NGOs*

*Template for founding of an association in Germany*

*Project management in the voluntary sector*

*Finance management for NGOs*

*Tax regulations*

*Nonprofit Law in Germany | Council on Foundations*

*Nonprofit Law in Germany: The most important at a glance*

*Taxes for NGOs*

*Donation receipts*

*Donation receipts: The most important at a glance*

*Donation receipt template*

# ANNEX

## *Training Curriculum How to finance my own volunteer project?"* *ABOUT THE WORKSHOP*

The target group of the workshop are young people aged 14-25, who have little to no experience in financing projects. They either have a project idea themselves; or they are provided with an example (e.g. a school party or class trip). In the workshop, they will learn step-by-step which resources they need, how much money they need, what funding options are available and how to pitch a project successfully. At the end of the workshop, they will get access to the handbook for additional information.

### *RECOMMENDATIONS FOR THE TRAINER*

The training consists of 3 parts:

1. What do I need for my project? (90 minutes)
2. Financing the project (45 minutes)
3. Presenting the project: Elevator pitches (45 minutes)

The individual sessions build on each other, so the order should be maintained. Apart from that, the approach can be adjusted based on the available time and the participants' needs: it can take place over three sessions, two sessions of 90 minutes each, or in a single day.

In general, for 10 participants one trainer is needed. For larger groups or participants with less experience, additional trainers may be necessary. If participants require extra support, there should be one trainer available for every group of 3-4 participants during group activities. It is important to note that the training is designed to provide the basics of project financing. If needed, participants will be provided with a link to the handbook to further enhance their knowledge.

Before starting the workshop content, a name game or ice breaker activity is required, especially when participants don't know each other.

## WHAT DO I NEED FOR MY PROJECT?



**Duration:** 90 Minutes



**Aim:** To provide the participants with a list of all resources they need to implement their project.



**Materials:**

- Flipchart
- Pens
- Resource cards
- Template “Which resources do I need?”
- Empty Paper

Time	Activity	Instructions	Materials needed
5'	<b>Intro-duction</b>	The facilitator welcomes the participants, tells them what the workshop is about and explains the first task.	
15'	<b>Input on setting objectives</b>	The facilitator gives a short input on setting objectives. Using a Flipchart, the SMART Criteria are explained. The facilitator gives an example about the objective of a well known volunteer project. Explain the need of having an objective for fundraising.	<ul style="list-style-type: none"> <li>• Flipchart: <b>S</b>pecific <b>M</b>easurable <b>A</b>chievable <b>R</b>ealistic <b>T</b>ime-bound</li> <li>• Paper &amp; pens</li> </ul>
15'	<b>Group Activity</b>	Depending on the number of participants, they are divided into groups of 3-4 people each; or they work individually. They formulate aims and objectives of their idea, keeping in mind the SMART criteria.	
15'	<b>Feedback</b>	The groups present their aims and objectives and get feedback: Are their objectives SMART?	
5'	<b>Break</b>		
30'	<b>Brain-storming: What do I need for my project?</b>	The participants get “resource cards”: cards with different types of resources and examples and a template. The template contains a table. On the left column, the participants can place the resource cards. In the right column, they can write down which of the things listed on the resource cards they actually need. This way, they will end up with a list of resources they need. The facilitator assists the group by answering questions and providing examples.	<ul style="list-style-type: none"> <li>• Resource cards</li> <li>• Template “Which resources do I need?”</li> </ul>
5'	<b>Q&amp;A and Recap</b>	The facilitator emphasises the importance of setting clear objectives. The participants have time to ask any remaining questions.	



## SOFTWARE

- *for the management?*
- *for online meetings?*
- *for communication?*
- *for graphic design?*
- *for websites?*
- *for accounting?*



## SPACE

- *Utilities?*
- *Office space?*
- *Meeting room?*
- *Space for events?*
- *Space for production?*
- *Storage room?*



## COMPETENCES

- *Expertise on a specific topic?*
- *IT knowledge?*
- *Financial expertise?*
- *Legal knowledge?*
- *Communication skills?*



## FINANCES

- *What are my expenses?*
- *How much money do I need?*
- *What sources of income do I have?*
- *Do I need support from partners, sponsors, project tenders,...?*



## HUMAN RESOURCES

- *Number of team members?*
- *Manpower (in hours, duration of the project)?*
- *Volunteers or paid staff?*



## COMMUNICATION

- *Internet contract?*
- *Phone/mobile?*
- *Email address?*
- *Website?*
- *Social media profile?*



## LEGAL DOCUMENTS

- Articles of association
- Employment contracts?
- Data protection guidelines?
- For events: Permits,...?
- Insurance?



## OFFICE EQUIPMENT

- Computer, printer, scanner, telephone?
- Office furniture?
- Office supplies: stationery, envelopes, folders,
- pens...?



## MATERIAL FOR PROJECTS

- Food?
- Training material?
- Clothing?
- Creative materials?



## MARKETING

- *Corporate Design?*
- *Social media profile?*
- *Flyers? Posters?*
- *Newsletters?*
- *Press releases?*



## NETWORKING & CONTACTS

- to my customers/visitors?
- to business contacts?
- to other organizations?
- to funding agencies?
- to decision makers?
- to the media?
- to experts?



## SECURITY

- Do I have to take safety precautions, such as barriers, first aiders, security, parking attendants,...?
- Hygiene regulations, health certificate?



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## WHAT DO I NEED FOR MY PROJECT?

Ressources	What do I need for my project?

## WHAT DO I NEED FOR MY PROJECT?



**Duration:** 45 Minutes



**Aim:** To find the right financing method for each project. To do this, the participants calculate the budget needed for their project. The facilitator supports the participants by giving recommendations on where to save money. In the second step, the facilitator presents financing options and discusses with the participants which financing option suits their own project best, depending on the already available resources and the budget calculated.



**Materials:**

- Flipchart
- Pens
- Decision Tree
- Template “Which resources do I need? (filled in during the first activity)”
- Template “project costs”

Time	Activity	Instructions	Materials needed
5'	<b>Intro- duction</b>	The facilitator welcomes the participants, tells them what the activity is about and explains the first task.	
20'	<b>Group work: Budget calculatio n</b>	<p>The participants will stay in the same groups as during the first activity or work individually.</p> <p>The facilitator hands out a budget plan template to each participant or group. The participants go through the resources they identified in the first activity. For each resource, they consider: can I get it for free? Or do I need financial resources for this? If funding is needed, the estimated amount is added into the budget plan. Share some tips and tricks on how to identify the costs (e.g. market research, getting the best offer, negotiating the prices based on the quantity, etc.)</p> <p>At the end of the exercise, the budget needed for each idea should be clear.</p>	<ul style="list-style-type: none"> <li>• Template filled in during the first activity</li> <li>• Template “project costs”</li> </ul>
20'	<b>Input: Financing methods</b>	The facilitator asks the participants, which financing methods they know, and writes down their answers on a flip chart. Then he/she briefly introduces different financing methods that might be relevant for the participants. Using the decision tree, the participants will determine which financing options are best for their own idea	<ul style="list-style-type: none"> <li>• Flipchart</li> <li>• Pen</li> <li>• Decision tree</li> </ul>



## ELEVATOR PITCHES



**Duration:** 45 Minutes



**Aim:** To show the participants how to pitch their project idea successfully.

There are two options: they can either prepare a pitch in advance at home or do it spontaneously. Under real conditions, there might not be enough time to prepare a pitch. Thus, presenting the idea under time pressure can be a good exercise.



**Materials:**

- Fake Money

Time	Activity	Instructions	Materials needed
	<b>Optional: Homework/Preparation</b>	As a preparation for the workshop, the participants create elevator pitches about their ideas, using the SMART criteria. You can adapt the approach depending on your group of participants and the time available. Either they are given it as homework or they present their idea spontaneously.	
5'	<b>Introduction</b>	All participants get some fake money (e.g. Monopoly), the amount can vary between 50 € and 5000 € per person. The facilitator explains the task.	• Fake money
20'	<b>Pitch presentation</b>	Taking turns, the participants present their idea shortly (1-3 minutes each). The presentation should be convincing, providing an answer to the question: "Why should I contribute to your idea?"	
25'	<b>Feedback</b>	After having heard all the presentations they have to decide which of the project(s) they are going to give how much money. (If they didn't like any of them, they can keep all of their money). Afterwards they are asked to explain their choices. The group then discusses the results.	