

Giving for impact: Different types of donations

Making a donation can be about more than just handing over cash. Increasingly, we find donors are looking to be more strategic, focused and intentional, versus merely responding to a donation request.

Over time, The Gift Trust has worked with our donors to do things a bit differently and to help them best support the charities they care about.

Here are a few examples of our donors' funds doing even more good – from suspensory loans to capacity building support.

Case Study: Matched Funding

A donor was interested in supporting Assistance Dogs, a group providing training dogs to people and families with special needs. To breed and train a dog, dependent on the needs of the individual/ family, costs Assistance Dogs around \$40,000.

Each person who applies for a dog is requested to fundraise \$20,000 towards this cost. Our donor provided a matched donation to support a number of families to reach their fundraising target.

Over the past few years this organisation has doubled in size – providing even more support to families in need.

“Thank you so much for news of this wonderful donation to support our client’s fundraising. We have chosen three worthy families to support with your matched funding. These families need the extra help as their personal situations make fundraising much more challenging.” – Wendy, Assistance Dogs

As part of our due diligence on any charity, we often assess a charity’s income spread and where their funds come from. If the majority of funds are from grants, the organisation might be at risk if this funding doesn’t extend into coming years. In these scenarios, we will often suggest a donor focus on helping an organisation to develop a more diversified income stream – often through a matched donation to encourage a new forms of funding.

Case Study: Suspensory Loan

The Motueka Rudolf Steiner School are building a new school to help them grow and to better support their students.

In 2016 they purchased a piece of land on the outskirts of Motueka. The school plans to build a new school by 2019. This building project will require considerable further fundraising efforts. If sufficient funds are not raised, the school may not reach completion.

Due to the uncertainty surrounding this project, we developed a suspensory loan for the school to help with the purchase of this land. This loan will convert to a donation when the school opens. If the school doesn't open and can't raise the funds required to reach the building stage, the school will likely need to sell the land at some point in the future, and the suspensory loan will be returned to The Gift Trust to support other needy initiatives.

Case Study: Capacity building and professional development

A donor approached us wishing to support a charity providing services to youth to support them on their journey to becoming adults. This organisation missed out on core grant funding and were facing a significant funding shortage.

Along with a cash donation to help this organisation keep its doors open in the immediate future, based on The Gift Trust's advice, our donor also provided a separate small grant for this organisation's staff and trustees to attend a fundraising course.

"This donation came exactly at the right time. With the help of the Gift Trust donor we managed to get on top. The fundraising workshop was very valuable to our organisation and helped us to identify other possible income streams for the trust to explore."
– Charity feedback

The charity was able to focus on growing their regular donors by seeking donations from their supporters. This organisation is now financially more secure, with a four-month reserve to help support them in the future if funding gets tight again.

Case Study: Winding down a Charitable Trust

Orientation Aotearoa closed its charitable trust in 2016 but had some remaining funds they wished to distribute to suitable causes that aligned with its values. The trustees knew getting to consensus on where the funds went may have been difficult, so they looked for a third party to help. The trustees transferred the remaining assets to The Gift Trust and were able to wind down their trust. The Gift Trust now manages and distributes their remaining funds through a number of grant and scholarship rounds, in line with agreed upon selection criteria.

"It was such an 'organic' ending to Orientation Aotearoa and it prevented us 'derailing' over money questions, as to what should happen with this remaining financial resource. It was most helpful." –Doris, Trustee of Orientation Aotearoa.