

# KAPPA KAPPA PSI

## Incentive Based Fundraising

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Practically no one joins Kappa Kappa Psi because they wanted to perform fundraisers – but nonetheless we need fundraising to fund our service to the band and our chapter operations. Sometimes getting members to participate in fundraising can be a major frustration. One way to help increase participation is to have some **incentive-based** fundraisers, where the brothers who participate get something for doing so.

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### Overview

- **What you will need:** You will need a fundraiser that provides brothers with the chance to individually raise money in a way that is easily tracked. Whatever product you sell should have a very low production cost, such as fundraiser where people purchase through you and you fill the orders after you are paid.
- **How it works:** The chapter agrees to raise local dues for the semester to create an incentive and purchases goods that each member will sell. A portion of the profit from each item sold is taken off the local dues for the brother who sells the goods, potentially lowering dues to zero.
- **Benefits:** The chapter profits no matter what happens. If everyone sells their products, their local dues go down to zero and the chapter makes money from the fundraiser. If no one sells, then the chapter profits from the dues increase. If there are brothers in the chapter with financial difficulties, they'll have the ability to work their local dues down to zero.

### Example

In this example,

- The chapter has 10 members.
- Local chapter dues were originally set at \$25 and the chapter voted to raise them to \$50 to do this fundraising project.
- Products are sold with a profit of \$10 each.
- Each member receives \$5 off their local dues for every product they sell, creating a goal of each member selling 10 products for their dues to be \$0.

### Individual Earnings

Number of Products Sold	Individual Member's Dues	Profit from Sales	Chapter's Total Profit from this Member
0	\$50	\$0	\$50
2	\$40	\$20	\$60
5	\$25	\$50	\$75
10	\$0	\$100	\$100
20	\$0	\$200	\$200

### Chapter Earnings

	No Products Sold	Half the Products Sold	All Products Sold
Local Dues	\$500	\$250	\$0
Profit from Sales	\$0	\$500	\$1,000
<b>TOTAL PROFIT</b>	<b>\$500</b>	<b>\$750</b>	<b>\$1,000</b>

(tables do not reflect product cost)

### **Summary**

In reality, some brothers will sell their ten cards, some will sell less, and some will sell more. The "worst case scenario" – where no one sells anything – still results in profit from the dues increase. This isn't a concept that works for every chapter, but some have found success with it. Remember to have clear payment plans for dues to ensure that all chapter members have paid before beginning the fundraiser. In addition, remember to double check the chapter's bank account to ensure it can cover this type of project. If chapter members pay their dues and sell all their products, the member's credit can be applied to next year's dues.