

# Evaluating the Sustainability of MusicWorks Through a Comparative Case Study

Esha Bajwa, Max Cisneros, Evan Driscoll, Ellie Ungashick



# **Evaluating the Sustainability of MusicWorks Through a Comparative Case Study**

An Interactive Qualifying Project  
submitted to the faculty of  
WORCESTER POLYTECHNIC INSTITUTE  
in partial fulfilment of the requirements for the  
degree of Bachelor of Science

by  
Esha Bajwa, Worcester Polytechnic Institute  
Max Cisneros, Worcester Polytechnic Institute  
Evan Driscoll, Worcester Polytechnic Institute  
Ellie Ungashick, Worcester Polytechnic Institute

Date:  
22 January 2024

Report Submitted to:

Raymond Schuller and Alexanne Tingley  
MusicWorks

Professors Steve Taylor and Rosemary Taylor  
Worcester Polytechnic Institute

*This report represents work of one or more WPI undergraduate students submitted to the faculty as evidence of a degree requirement. WPI routinely publishes these reports on its website without editorial or peer review.*

## **Abstract**

MusicWorks is a non-profit organization (NPO) dedicated to bringing music classes and music therapy to children in schools in Cape Town's marginalized communities. Like many non-profits in Cape Town, the organization desires to expand its outreach but does not have access to the finances needed to accomplish this goal. To learn what strategies have been successful for other NPOs facing similar challenges, we interviewed individuals at ten non-profits across the Cape Town area. By conducting a comparative case study of these NPOs, we identified strategies that MusicWorks could implement to improve its financial sustainability in the future.

## **Acknowledgments**

Our team would like to thank the wonderful team of advisors, sponsors, and professors who helped shape this project into the incredible opportunity it has turned out to be. Thank you, John Michael Davis, Rosemary Taylor, and Steve Taylor, for your guidance throughout this process.

Thank you to our sponsors at MusicWorks, Raymond Schuller and Alexanne Tingley, for allowing us to participate in the MusicWorks community these past few months. MusicWorks will always have a special place in all of our hearts after working on this project. We hope our research can leave a positive impact on the organization's sustainability.

Lastly, a huge thank you to all of our interviewees for allowing us to learn so much about your experiences as non-profit leaders. This project wouldn't exist without you:

Dwyn Griesel at Kronendal Music Academy

Eric Atmore at the Centre for Early Childhood Development

Feryal Domingo at Inyathelo South African Institute for Advancement

Jane De Sousa at Butterfly Arts Project

Johan Opperman and Kazim Lee Shue Ling at Friends Day Centre

Leigh Morrison at True North

Louisa Freiter at the Samara Foundation

Lyn-Maree Shaw at The Pebbles Project

Marlize Swanopoel at SPIEEL

Stephen Underwood at U-Turn

## **Executive Summary**

MusicWorks is a non-profit organization that provides music classes and music therapy to children within Cape Town, South Africa's marginalized communities. Through dancing, singing, and drumming, MusicWorks' programs promote essential childhood development skills that are not widely available to the children of these neighborhoods. Raymond Schuller, Executive Director, and Alexanne Tingley, Operations Director, want to expand their program influence to bring MusicWorks to more schools and grade levels. However, many non-profits struggle to reach financial sustainability in South Africa (Maboya and Mckay, 2019). MusicWorks is no different, as the organization currently needs improvements to its overall financial sustainability. We conducted this study to investigate what makes a NPO financially sustainable, and how the data collected can be applied to improve the sustainability of MusicWorks. Based on our findings, we have identified research-supported strategies that NPOs have identified as beneficial to improving their overall financial sustainability.

### **Goals and Objectives**

The goal of our research was to learn what strategies allow Cape Town non-profit organizations to be sustainable and to propose new strategies MusicWorks could implement for their organization. To achieve this goal, the team devised the following steps/objectives:

1. Collect data on MusicWorks' finances and governance to gain a greater understanding of the challenges, history, and overall background of MusicWorks.
2. Gain an understanding of the financial and governance structure, challenges, history, and background of other Cape Town NPOs to conduct a comparative case study.
3. Analyze the collected data and report our findings with suggested strategies for MusicWorks to implement.

First, we needed to understand MusicWorks' administrative and financial structures and to identify concerns that MusicWorks' directors wanted us to address within our research. This was achieved by conducting a financial review of MusicWorks' past audited financial documents and semi-structured interviews with the directors and financial officers. These interviews allowed us to understand MusicWorks' financial situation and build a list of interview questions that would be most beneficial to ask individuals working with other NPOs.

Next, we conducted interviews with individuals from ten other non-profit organizations in the Cape Town area to gain different perspectives on the experiences of NPOs and to find different financial strategies that may apply to MusicWorks. We interviewed individuals from NPOs of varying sizes, histories, and missions to get a broad scope of data for our research. For this study, the team defined the size of an NPO based on the number of employees, their revenue and expenses, the total assets that the organization had, and the size of the NPO's customer base. Therefore, bigger NPOs would be organizations that had large quantities of each category and smaller NPOs would be organizations that did not have or had little of each category.

Lastly, we conducted a comparative case study using inductive and deductive coding to analyze interview transcripts, then cross-analyzed the findings from the coded data to identify common themes across interviews. We used these themes to form our plan and recommendations for MusicWorks.

## **Findings**

### **MusicWorks Financial Analysis**

In our initial interview with Raymond Schuller and Alexanne Tingley, MusicWorks directors, they stated that about 90% of MusicWorks revenue comes from grants from philanthropic organizations, whereas the other 10% came from government subsidies and self-generated revenue (fees paid for services). When comparing revenue generation through grants from 2014 to 2022, the total revenue had increased, yet MusicWorks still ended the year in a deficit (MusicWorks, 2022). Based on our interviews and data analysis, the team identified seven themes related to the financial sustainability of South African NPOs in Cape Town.

#### **Finding 1: Diversified Revenue Sources**

All NPOs interviewed relied on grants for funding. However, there are other types of funding available, such as government subsidies, in-kind donations, self-generated revenue, various grant types (local and overseas), and corporate social investment (CSI). For NPOs to be financially sustainable, they should have different revenue streams to not rely on one type of funding.

#### **Finding 2: Building and Maintaining Donor Relationships**

All interviewees expressed that keeping and maintaining donor relationships was essential to retaining long-term donors. NPOs retain donor relationships by attending donor

conferences, using effective grant writing, maintaining grant databases, and keeping donors updated on the NPO's progress.

### **Finding 3: Mission Visibility and Marketing**

Interviewees expressed that an NPO's mission statement had to show the public that they were doing meaningful and effective work. NPOs make the value of their work visible through effective branding, social media, and traditional media to talk about the NPO, networking at conferences, and language in grant writing.

### **Finding 4: Planning with Future Sustainability in Mind**

All NPOs we interviewed discussed the importance of future planning to ensure sustainability by maintaining a long-lasting reserve fund and a leadership succession plan.

### **Finding 5: Leadership Roles and Responsibilities**

All NPOs affirmed that effective leadership is needed for an organization to maintain operations. This includes strategic distribution of tasks and responsibilities, as well as strong communication between leadership (including the board) and staff. In the NPOs with less staff and experience, the CEO/Director often handles a wide range of administrative and executive tasks; but in larger NPOs, the day-to-day tasks are often more evenly distributed to other staff members to take stress off people in leadership. This allowed the CEO/Directors more time to focus on fundraising and networking. All NPOs also expressed that the Board of Directors should be involved in overseeing the operations of the nonprofit and assisting in networking attempts to increase fundraising.

### **Finding 6: Expenses Management**

An NPO's expenses differ depending on the size and history of the NPO; however, the largest expense of all NPOs interviewed was salaries. To improve optics, NPOs tend to budget salaries within program expenses. This is because donors tend to act skeptically when salaries are the highest cost for NPOs. Therefore, NPOs have realized that donors prefer when the budget is identified as being spent on programs or other initiatives rather than donors' salaries. To retain donors, an NPO should strategically manage their budget and consider donor optics while doing so.

### **Finding 7: The Evolution of an NPO**

We interviewed NPOs that faced various challenges throughout their existence, the most common being the COVID-19 pandemic. A key takeaway from these interviews was the

importance of adapting and evolving in the face of adversity. If a nonprofit is prepared to make necessary changes in leadership and/or operations, it will improve their long-term sustainability.

## **Recommendations**

### **Primary Recommendations**

Recommendation 1: Emphasize impact and importance of MusicWorks outreach and mission in their branding.

Currently, MusicWorks primarily seeks out funding from organizations that support music and arts-based programming. By altering the branding of their mission to include their impact on resilience and healthy development of children in marginalized communities, MusicWorks could appeal to a wider range of donors. To accomplish this, we recommend a change in their tagline from, “Music interventions for children and young people”, to something that highlights not just the work that they do but the effect that it has on the children in their programs. This tagline change could be implemented by staff within the organization and board members to include various opinions and ideas.

Recommendation 2: Reassess and Redistribute Responsibilities and Workload

MusicWorks directors currently take on a substantial part of the day-to-day operations, not leaving them time to attend to other responsibilities such as essential administrative and financial tasks. A meeting with the entire staff can help redistribute tasks, enabling directors to better grow the organization's donor network. It is evident that MusicWorks could benefit by having Directors dedicate more time to improving networking strategies and less to the day-to-day administrative tasks of the organization.

Recommendation 3: Networking with Potential Donors

Once MusicWorks redistributes some responsibilities and workload, the directors can focus on maintaining relationships with current donors and expanding their network with potential donors. We recommend that MusicWorks’ directors expand their donor network by attending donor conferences to promote their mission.

### **Secondary Recommendations**

Recommendation 4: Increase Board Member Involvement



Currently, MusicWorks' board does not play a large role in the day-to-day activities of the organization. We recommend that MusicWorks encourage more board involvement in the day-to-day activities of the organization, as well as in networking and supporting the mission of the organization in other ways. For example, as NPOs interviewed have suggested, MusicWorks could request the board to use their personal network to identify potential donors or even organize a fundraising event for the organization.

#### Recommendation 5: Increase Range of Local and International Donors

As MusicWorks evolves and expands its networking approach, it's important to focus on networking with a wide range of both local and international donors. This will ensure a more consistent stream of revenue and promote future sustainability. Additionally, cultivating diverse donor relationships can also provide the organization with valuable insights, resources, and collaborative opportunities that contribute to its overall growth and impact.

### **Recommendations that can be Addressed Later with Additional Time and Funding**

#### Recommendation 6: Bring in More Staff

Based on our interviews with NPOs, we have found it is important to bring in new staff members to take on the workload of the NPO. However, our interviews indicated the hiring of new staff could only be accomplished as funding increases. When funds become available, MusicWorks could bring in more staff to take the load off the directors and current staff. MusicWorks might hire a grant-writer, more music therapists/instructors, and a financial consultant. Right now, hiring more staff is not feasible because MusicWorks does not have the funds to support new staff. However, with the proper amount of funds reached and candidates found, MusicWorks could hire employees to relieve responsibility from current staff members or to expand the organization.

#### Recommendation 7: Build Up the Reserve Fund

As our interviews have indicated, as MusicWorks expands, the organization should allocate funds towards the reserve fund. With an increase in donors and revenue, MusicWorks could continue to build up their reserve fund. A robust reserve fund could help MusicWorks if they find themselves in a time of financial hardship. MusicWorks could improve their reserve funds by first having an extensive donor network and utilizing individual donations with no direct funding allocation.

# Table of Contents

<b>Contents</b>	
<b>Abstract</b> .....	<b>i</b>
<b>Acknowledgments</b> .....	<b>ii</b>
<b>Executive Summary</b> .....	<b>iii</b>
<b>1. Introduction</b> .....	<b>1</b>
<b>2. Background</b> .....	<b>3</b>
<b>2.1 Sustainability History of Non-Profit Organizations in Cape Town</b> .....	<b>3</b>
2.1.1 History and Context.....	3
2.1.2 Sustainability Challenges Facing Non-profit Organizations in South Africa.....	5
<b>2.2 MusicWorks Background and Context</b> .....	<b>6</b>
2.2.1 MusicWorks Mission and Programs .....	6
<b>2.3 Measuring Success of a Non-profit Organization</b> .....	<b>7</b>
2.3.1 Financial Models .....	8
2.3.2 NPO Life Cycle .....	8
<b>2.4 Summary</b> .....	<b>10</b>
<b>3. Methodology</b> .....	<b>11</b>
<b>3.1 Objective 1: Collect Data on MusicWorks' Finances and Governance</b> .....	<b>11</b>
<b>3.2 Objective 2: Collect Data on the Finances, Governance, Challenges, Structure, History, and Overall Background of other Cape Town NPOs</b> .....	<b>13</b>
<b>3.3 Objective 3: Analyze the Collected Data to Report our Findings and Suggested Strategies</b> .....	<b>15</b>
<b>4. Findings</b> .....	<b>17</b>
<b>Finding 1: MusicWorks Financial Analysis</b> .....	<b>17</b>
Finding 1.1: Financial Overview .....	17
Finding 1.2: Government Funding .....	18
Finding 1.3: Revenue and Grants .....	18
<b>Finding 2: Diversified Revenue Sources</b> .....	<b>18</b>

Finding 2.1: Self-Generating Revenue .....	19
Finding 2.2: Government Grants .....	20
Finding 2.3: Diversifying Funding .....	21
Finding 2.4: Corporate Social Investments .....	22
Finding 2.5: Synthesis of Finding 2.....	22
<b>Findings 3: Building and Maintaining Donor Relationships .....</b>	<b>22</b>
Finding 3.1: Networking.....	22
Finding 3.2: Grant Writing .....	24
Finding 3.3: Synthesis of Finding 3.....	25
<b>Findings 4: Mission Visibility and Marketing .....</b>	<b>25</b>
Finding 4.1: Mission Visibility .....	25
Finding 4.2: Efficient Marketing Strategies .....	26
Finding 4.3: Synthesis of Finding 4.....	27
<b>Findings 5: Planning with Future Sustainability in Mind.....</b>	<b>28</b>
Findings 5.1: Contingency Planning .....	28
Finding 5.2: Succession Planning.....	29
Finding 5.3: Synthesis of Finding 5.....	29
<b>Findings 6: Leadership Roles and Responsibilities.....</b>	<b>30</b>
Finding 6.1: Effective Leadership .....	30
Finding 6.2: Change In Leadership .....	31
Finding 6.3: Board Involvement.....	32
Finding 6.4: Staff Responsibilities .....	34
Finding 6.5: Synthesis of Finding 6.....	35
<b>Findings 7: Expenses Management .....</b>	<b>36</b>
<b>Findings 8: The Evolution of an NPO .....</b>	<b>36</b>
<b>5. Conclusions.....</b>	<b>41</b>
5.1.1: Proposed Plan for Music Works .....	41
<b>5.2 Recommendations .....</b>	<b>44</b>
5.2.2 Primary Recommendations.....	44

5.2.3 Secondary Recommendations.....	46
5.2.4 Future Recommendations (With Additional Time and Funding) .....	47
<b>5.3 Limitations .....</b>	<b>47</b>
<b>5.4 Future Research .....</b>	<b>48</b>
5.4.1 Evaluate the effectiveness of our recommendations once implemented.....	48
5.4.2 Continue researching how to improve the financial sustainability of NPOs.....	48
<b>References:.....</b>	<b>50</b>
<b>Appendix A: MusicWorks Income vs Expenses Graph .....</b>	<b>54</b>
<b>Appendix B: Interview Questions.....</b>	<b>55</b>
<b>Appendix C: Consent Form Documents .....</b>	<b>58</b>
<b>Appendix D: MusicWorks Interviews Transcript .....</b>	<b>61</b>
Appendix D.1: Musicworks Interview #1 .....	61
Appendix D.2: MusicWorks Interview #2.....	82
<b>Appendix E: Financial Analysis of NPOs.....</b>	<b>96</b>
<b>Appendix F: NPO Interview Transcripts.....</b>	<b>100</b>
Appendix F.1: Kronendal Music Academy Interview .....	100
Appendix F.2: Centre for Early Childhood Development.....	116
Appendix F.3: Inyathelo South African Institute for Advancement .....	128
Appendix F.4: Butterfly Arts Project.....	137
Appendix F.5: at Friends Day Centre .....	145
Appendix F.6: True North.....	161
Appendix F.7: Samara Foundation .....	172
Appendix F.8: The Pebbles Project .....	181
Appendix F.9: SPIEEL .....	191
Appendix F.10: U-Turn.....	206
<b>Appendix G: Inductive Coding Document .....</b>	<b>228</b>
<b>Appendix H: Deductive Coding Document.....</b>	<b>229</b>

## 1. Introduction

MusicWorks is a non-profit organization (NPO) dedicated to bringing music classes and music therapy to children in schools in Cape Town's marginalized communities. With the help of local community musicians and music therapists, children are inspired to have fun and experience childhood. MusicWorks' classes promote childhood development skills such as self-expression, confidence building, and fostering healthy relationships, while also providing positive role models from within their community. Since Apartheid there has been a distinct disparity in childhood development resources across communities. (Omotoso et al., 2020). MusicWorks provides childhood development resources for children living in marginalized communities which have been under resourced. Like many other non-profits in Cape Town, MusicWorks strives to give children some of the necessary building blocks to enjoy their childhoods and succeed and as they grow into adulthood.

Raymond Schuller, Executive Director, and Alexanne Tingley, Operations Director of MusicWorks, expressed a desire to expand their program outreach to bring MusicWorks to more schools and grade levels. However, MusicWorks currently cannot expand their programs due to lack of funds. Like many other non-profits around South Africa, the extent of their impact is limited by a lack of financial stability (Maboya and Mckay, 2019). With the positive impact that NPOs have on communities, it is necessary to understand the factors that support financial sustainability for all NPOs, so they can continue their work and achieve their goals. Financial sustainability is demonstrated when a business can successfully maintain its functions, manage its spending efficiently, and endure external shocks while growing (Blalack, 2016). Financial stability is a long-term goal that demonstrates an organization's longevity and ability to plan for the future. Therefore, it is important to understand the strategies for an NPO to become financially sustainable so they can focus on accomplishing their mission.

This study was conducted to investigate what makes a NPO financially sustainable, and how that data can be applied to improve the sustainability of MusicWorks. There is research that explores the negative effect of South Africa's current economic state on NPOs, but minimal data suggesting any potential remedies to the problem. Our team conducted a comparative case study by interviewing 10 NPOs with different histories, sizes, and methods to reach financial sustainability. Through inductive and deductive coding, the team found correlations and developed strategies that could be helpful for improving an NPO's economic status. Based on

our findings, we have identified research-supported strategies that NPOs have identified as beneficial to improving their overall financial sustainability and that MusicWorks might adopt to improve their financial sustainability.

---

## **2. Background**

In this chapter we will describe issues facing organizations in the non-profit sector in Cape Town. We will then describe MusicWorks, its programs, and the challenges that it specifically faces. Finally, the team will discuss the financial strategies and differing lifecycles of NPOs. From this analysis, we will present our research questions to understand how NPOs reach financial sustainability.

### **2.1 Sustainability History of Non-Profit Organizations in Cape Town**

To address the problems and struggles facing non-profit organizations in Cape Town, it is essential to understand South Africa's history as it relates to the non-profit sector as well as how NPOs function. This section will briefly review the social history of South Africa and how it impacted the financial sustainability of NPOs, as well as describe how NPOs function.

#### **2.1.1 History and Context**

South Africa has a complicated history, marked by Apartheid, racial segregation, and deep-seated socioeconomic inequality, which has left a lasting impression on the country's youth. Although Apartheid laws were removed during South Africa's transition to democracy in 1994, the legacy of inequality endures, disproportionately harming children who inherit prior generations' socioeconomic disadvantages (Omotoso et al., 2020). These historical imbalances manifest in a variety of issues for Cape Town's young, including direct and indirect violence, drug addiction, gangsterism, neglect, sickness, and educational inequality, which are frequently interconnected (SaferSpaces, 2015). These problems are exacerbated by a lack of access to quality education and employment opportunities, and an absence of healthy role models. There is a need for comprehensive programs and initiatives that emphasize the health, safety, and holistic development of Cape Town's children. Solving these complex concerns is crucial to their well-being and the future of their communities.

During the period of Apartheid in South Africa, Black and Colored individuals experienced discrimination and oppression. The government established under the initial constitution in 1910 led to significant inequality (Jagwanth, 2003). The policies formulated in 1948 disproportionately benefited the already affluent white population. Consequently, a substantial number of Non-Profit Organizations (NPOs) arose, in the 1990s, to address the

disparities fostered by Apartheid, aiming to offer social services to marginalized populations (Choto et al, 2020). Non-profit organizations generally focus on delivering critical social services such as healthcare, education, and community development (Ahmed et al, 2019). The need for these services drove the expansion of such organizations at that time and the need for these organizations in the present day.

Non-profit organizations (NPOs) in South Africa serve as agents of social change, utilizing their mission-driven approach to address pressing social problems. Non-profit organizations provide critical services to society through their environmental, social, and/or economic impact, as well as focusing on the unresolved problems in society that may not be addressed by corporate or governmental sectors (Choto et al, 2020). Unlike for-profit organizations, non-profits are not primarily motivated to create revenue, but typically desire to serve the public good, with a major focus on social, environmental, or community-oriented goals. The operational dynamics of non-profit organizations in South Africa include various critical factors such as mission, programming, funding, staff, leadership, and impact.

NPOs typically have a clearly defined mission statement and purpose that aligns with addressing specific social issues or community needs (Kaunda, 2022). This purpose serves as the guiding principle for their activities and initiatives. NPOs design and implement various programs and services to fulfill their mission. These initiatives may include healthcare services, educational programs, community development projects, environmental conservation efforts, and more, depending on the organization's mission. These services are what allow NPOs to have a proactive impact on the community they are affecting. However, the financial sustainability of NPOs hinges on a mix of funding sources. Most NPOs' funding comes from donations, which might come from individuals, corporations, foundations, local and international governments, or enterprises in the form of Corporate Social Investments (CSIs). The Resource Dependence Theory (RDT) asserts that because organizations are unable to produce all the resources needed, they must rely on outside relationships (Choto et al, 2020). Fundraising events, membership fees, fees for services, and partnerships may also contribute to their revenue. NPOs must also have effective leadership and an effective number of staff to properly run the organization. They are governed by the board of directors or trustees responsible for overseeing the organization's strategic direction and financial management. Effective leadership and governance are essential for ensuring accountability, transparency, and the achievement of organizational goals.



However, despite their noble objectives, NPOs in South Africa encounter financial challenges and stability issues for several reasons. Heavy reliance on donations makes NPOs vulnerable to fluctuations in funding, as economic downturns or shifts in donor priorities can impact their financial stability (Schuller, 2023). This also means that many NPOs struggle to diversify their revenue streams, often relying heavily on specific donors or grants (Schuller, 2023). A lack of diversified funding sources can lead to financial vulnerability.

### **2.1.2 Sustainability Challenges Facing Non-profit Organizations in South Africa**

. Many NPOs in South Africa and around the world struggle to find long-term financing sources. Maboya and McKay (2019) suggested, it would be in the best interests of NPOs in the developing world to not just focus on mission sustainability but to also take financial sustainability into account when it comes to their planning and daily operations. Maboya and McKay identify that 95% of registered NPOs are small in size and finances which is typically because they are voluntary organizations... The average age of the NPOs that formed part of the study was 32 years. The selected NPOs varied in terms of organizational sizes (large, small, national and international) (Maboya & McKay, 2019). As a result, most NPOs in South Africa receive income from three sources: government grants, donations, and membership subscriptions (Maboya & McKay, 2019). Difficulties finding funding not only impacts MusicWorks, but the majority of NPOs. As Maboya and McKay (2019), state “[NPOs] face a number of significant challenges, the most important of which is securing funding” With all NPOs facing similar issues, we ask, how can NPOs achieve financial sustainability and expand in South Africa?

NPOs depend mostly on donor funding and these donations may come from local and foreign governments, individuals, foundations, or businesses. The Resource Dependence Theory (RDT) suggests that organizations are not able to generate all the resources they require to remain viable, therefore, they are dependent on external relationships (Choto et al, 2020). NPOs often operate with limited financial resources. They rely on grants and donations to cover their operational costs (Choto et al, 2020). However, the uncertain and irregular funding of grants makes it difficult for NPOs to plan for the long term, which inhibits their ability to expand their services and become financially sustainable.

Reliance on grants and contributions can lead to financial insecurity, particularly when external funding sources diminish or don't get renewed. In South Africa there are a significant

number of NPOs competing for limited resources (Sanders et al, 2014). This competition can make it challenging for smaller or newer organizations to establish themselves and gain access to funding and support. This puts further pressure on organizations like MusicWorks as they do not receive the necessary grants to sustain the organization and must compete with other NPOs for funding.

## **2.2 MusicWorks Background and Context**

MusicWorks is one of many non-profit organizations based in Cape Town, dedicated to providing childhood development experiences that encourage psycho-social development and community engagement to the children of these marginalized communities. The organization was founded as the Music Therapy Community Clinic by Kerryn Torrance and Sunelle Fouché, two music therapy graduates from the University of Pretoria, in 2003. The programs originated at the Heideveld Safe Room and gradually expanded its reach to various under-resourced communities across the Cape Flats. Fouché served as MusicWorks' Executive Director until 2020 until she stepped down and was replaced by Raymond Schuller who currently runs the organization alongside Operations Director, Alexanne Tingley.

### **2.2.1 MusicWorks Mission and Programs**

Today, MusicWorks employs a team of dedicated music therapists and community musicians. This team works together to provide programs to dozens of schools throughout Cape Town. MusicWorks operates through invitation, traveling to communities who request their classes and therapies. The current programs run by MusicWorks are the Creative Resilience Programme, one-on-one music therapy, Music for Life, and the Early Childhood Development Programme, which all cater to a variety of specific needs of a school or individual.

The Creative Resilience Programme is the flagship program of MusicWorks. It takes place within the classroom for over 10 months. Founded in response to the COVID-19 pandemic, the Creative Resilience Programme aims to assist children struggling during the lockdown period and promote a positive mentality and adaptation skills in the face of adversity. While there is no specific curriculum for these classes, every session runs with four pillars in mind: independence, generosity, mastery, and belonging. These values incorporate the Circle of Courage model; a philosophy which emerged from two professors studying the cognitive development of children in Native American cultures. This model was implemented in South Africa in 2005 through the

Response Ability Pathways (RAP) curriculum during the administration of Nelson Mandela. These classes incorporate singing, dancing, song writing, and use some instruments of African heritage, at the end of the year the skills acquired through the year are showcased in a final performance. MusicWorks also offers training for care workers such as teachers and social workers through the Creative Music Facilitation training to assist them in gaining the skills needed to conduct music classes.

MusicWorks also provides music therapy to individual children. Music therapy allows these children to express their emotion through song, which is useful for children with disabilities and children who have experienced trauma. With an accredited music therapist, children can work through their trauma and develop healthy coping mechanisms that they can use outside of therapy. When children develop healthy coping mechanisms, they can build up a sense of belonging, empathy, and self-regulation.

The Music for Life program offers in-school and after-school classes which utilize the Circle of Courage Model. Through rehearsals, students are encouraged to provide input on the final performance, so they feel a sense of ownership to the product. Students are validated through the process while also experiencing belonging to a group and the enjoyment of music. By the end, the students can share what they have been working on with a sense of pride while bringing their community together through music.

While all MusicWorks' programs vary slightly, they all contribute to the same goal of using music to support cognitive and emotional development, healing, and community engagement. With the context of Cape Town's highly unequal wealth distribution, MusicWorks aims to combat the potential results of childhood trauma, such as violence and drug abuse, by fostering a safe environment where children can develop resilience and strength to overcome hardships.

### **2.3 Measuring Success of a Non-profit Organization**

An understanding of financial strategies employed by all NPOs is necessary when discussing how NPOs become financially sustainable. Therefore, financial models of NPOs have been researched to identify which is the most reliable. The team also sought to identify how an NPO progresses throughout its history. Due to this, we introduce the Non-profit Life Cycle of an NPO. The section concludes by posing the team's research questions.

### **2.3.1 Financial Models**

An effective financial plan is necessary for any non-profit organization to succeed. Financial models are a “methodical and institutionalized approach to build a reliable revenue base to support an organization's core programmes and services” (Ayinkamiye & Spencer, 2021). In other words, if an organization is using a financial model that fits their needs, the organization is likely to succeed in its mission. Many organizations do not have knowledge of what a financial model is, but even without an understanding of financial models, their organization still follows under the category of one, this includes NPOs. The suggested funding models for South African NPOs, found through a research study, are a combination of Big Bettor, Public Provider, Beneficiary Builder and Member Motivator (Ayinkamiye & Spencer, 2021). All four financial models target different revenue-generating ideas. Big Bettor focuses on gaining large donations from organizations, Public Provider describes a model in which organizations work with government agencies to provide essential social services, Beneficiary Builder is a model where NPOs are reimbursed for services provided to specific individuals but are reliant on donations from people who have benefited from these services in the past, and lastly the Member Motivator model focuses on receiving donations from individual donors who are afflicted by the problem the NPO is attempting to resolve. Obviously, not every model can be applied to all organizations. Depending on an organization's resources, a certain model may be more or less effective, but an understanding of financial models is helpful for understanding which income generating strategies may work best for NPOs. This is important for MusicWorks as new income generating strategies could be suggested based on differing financial models. This would further move the organization toward becoming financially sustainable.

### **2.3.2 NPO Life Cycle**

An NPO lifecycle theorizes that depending on the growth, size, and current financial state an NPO is in, differing strategies can be used to improve the financial sustainability of an NPO. The financial model of an NPO is influenced by where that organization is in the Non-profit Lifecycle. The Non-Profit Life Cycle is used as a diagnostic tool to identify what an NPO needs to focus on during organizational challenges (Stevens, 2001). *Non-profit Lifecycle: Stage Based Wisdom for Non-profit Capacity*, by Susan Kenny Stevens, utilizes the framework of Erik Erikson’s Stages of Psychosocial Development to organize how NPOs change over time

(Stevens, 2001). Each phase presents unique challenges and opportunities, requiring different strategies and approaches. Continuous assessment, adaptability, and strategic planning are essential for the sustained success of non-profit organizations throughout their life cycle. Understanding what lifecycle stage an NPO is in can contextualize their challenges, enable positive change, and ease the organization to the next cycle.

Stevens' Non-Profit Cycle Stages are idea, start-up, growth, maturity, decline, turnaround, and terminal (Stevens, 2001). The first is the idea stage; this is when someone identifies a social issue or gap in the community, but there is no formal organization (Stevens, 2001). The start-up stage is where organizational operations begin and there is a sense of passion without any governance (Stevens, 2001). Growth is where the non-profit programs have launched and there is high demand for the programs. The maturity organization is well-established and produces high quality programs (Stevens, 2001). The decline stage is where the programs are no longer relevant to the community; there is an established status quo hindering significant change (Stevens, 2001). The turnaround stage is where the organization is forced to change their programs based on the marketplace to go back to the growth stage (Stevens, 2001). If the turnaround stage is unsuccessful, the non-profit will enter the Terminal Stage where the organization has no purpose nor energy to continue operations (Stevens, 2001).

Stevens proposed that organizations move from one stage to the next by aligning five capacity builders: programs, management, governance, financial resources, and systems (Stevens, 2001). Stevens utilizes a table analogy to describe the role of the capacity builders. Think of each capacity builder as a leg on a table. If one leg is structurally unstable then the entire table is unstable. If one of the legs is unstable you would have to fix it by giving it support so the entire table does not collapse, the same goes for NPOs (Stevens, 2001). If one of the capacity builders is not aligned with the others, the NPO needs to give that capacity builder support to sustain the organization (Stevens, 2001).

Stevens' Non-Profit Lifecycle shows that non-profits have different solutions to similar problems depending on where they are placed in the lifecycle and how organizations moved through the lifecycle historically. This raises the question: depending upon where an organization is within the life cycle, which financial strategies should that organization use and how did the organization move through the life cycle historically? This question was answered along with several other pertinent research inquiries. Through our research, an understanding of

the effects of differing financial strategies dependent on where an NPO is in the life cycle will be established. Depending on how developed or underdeveloped an organization is, specific financial strategies can be applied to efficiently progress towards the goal of financial sustainability.

## **2.4 Summary**

To support MusicWorks to continue to make an impact in the lives of children the following research questions were created to promote sustainability in the organization: How do the financial practices, growth, marketing, and other strategies found to be effective for other NPOs in South Africa differ from MusicWorks to improve financial sustainability? What strategies can MusicWorks currently implement to help them become financially sustainable?

These research questions were given context through our background chapter. Then our team resolved these questions through our data collection conducted via our established methods. The team investigated and profiled several other NPOs in Cape Town as examples. This allowed us to gain insight into different NPO's financial strategies and how they relate to their current state of financial sustainability, and what MusicWorks might do to become more financially sustainable and promote future growth of the organization.

### **3. Methodology**

The goal of our research was to learn what strategies would allow Cape Town NPOs to become financially sustainable and to recommend new strategies MusicWorks could implement for their organization based off of the data collected. Through interviewing directors and other employees of NPOs in Cape Town and using the comparative case study model to analyze the data collected, we identified common themes which helped us to develop strategies that MusicWorks can implement in their organization. To achieve this goal, the team devised the following steps/objectives:

1. Collect data on MusicWorks' finances and governance to gain a greater understanding of the challenges, structure, history, and overall background of MusicWorks.
2. Collect data on the finances, governance, challenges, structure, history, and overall background of other Cape Town NPOs to conduct a comparative case study between NPOs interviewed.
3. Analyze the collected data to report our findings and suggest strategies for MusicWorks to implement.

#### **3.1 Objective 1: Collect Data on MusicWorks' Finances and Governance**

The team's initial objective was to gain an understanding of MusicWorks' administration, the finances of MusicWorks, and to identify concerns that MusicWorks wanted us to address within our research. This was achieved by conducting a financial review of MusicWorks' past finances as well as a semi-structured interview with the directors and financial officer of MusicWorks. We carefully considered the overarching objectives of the programs, their present financial status, strategies employed in the past, and the successes and challenges they identified. With this data collected, the interviews of other NPO's could be conducted to generate comparable data to MusicWorks.

To understand MusicWorks' financial history, we conducted a financial review of MusicWorks and interviewed the members of the MusicWorks staff. By analyzing their past audited financial statements which are publicly available on their website, we compared the revenue of MusicWorks year by year, as well as reviewing the current and past donors of MusicWorks to allow us to find trends in their financial history. This data was compiled into a

graph displaying the revenue and expenditures of MusicWorks from 2014-2022 (located in Appendix A). After analyzing the audited financial documents, we added questions about the organization's finances that were not answered from our initial data analysis to the interview guide. After finalizing our interview questions to target the data needed from MusicWorks, we were able to conduct our interview with Raymond Schuller and Alexanne Tingley, directors of MusicWorks.

MusicWorks' current organizational hierarchy places all financial upkeep and administrative tasks under the authority of the directors of MusicWorks. Therefore, the directors were the primary points of contact to understand MusicWorks' struggles. The initial interview with MusicWorks was meant to clarify our understanding of MusicWorks finances, history, as well as formulate the questions for the interviews with other NPOs. We decided to conduct an interview with both directors of MusicWorks to gain as much data as possible. The interviews clarified the primary issues that MusicWorks' directors felt most affected the organization and finalized our overall understanding of MusicWorks' financial trends. Clarifying our questions with MusicWorks also allowed us to rewrite our interview questions for representatives of other NPOs to collect the data we needed to better understand how NPOs function and what might contribute to their sustainability (located in Appendix B). The consent form for our interviews is in Appendix C. We determined that semi-structured interviews would be the best approach for data collection. Interviews, in general, were found to be the best data collection method as we could get a deeper look into what we had found in our preliminary research and learn information from a primary source. Semi-structured interviews were chosen because we could prepare questions to gain the data we required, but there was no need to follow a specific order. Furthermore, from preliminary research we found that semi-structured interviews tend to flow naturally as a conversation (George, 2022). This was more incentive to use this interview style to create a natural conversation between interviewer and the interviewee. For our interview format, we had two group members engaged in the conversation and asking our prepared questions, while at least one other group member took notes for future reference.



### **3.2 Objective 2: Collect Data on the Finances, Governance, Challenges, Structure, History, and Overall Background of other Cape Town NPOs**

After researching NPOs in the Cape Town Area, we initiated contact with them via email and extended invitations to participate in our research. Our goal was to speak with directors and other staff of ten to twelve other NPOs of varying sizes and ages, to obtain the information we needed for our study. It was important to collect information from NPOs that are at different stages of the NPO Life Cycle to understand what factors might have contributed to their longevity or success. In the study's context, the size of NPOs is determined by examining key factors. The size of an NPO considers the number of employees, annual revenue and expenses, total assets, and the size of the NPO's client base. This study found that larger NPOs had a larger workforce, greater financial indicators, considerable asset values, and a large client base. In comparison, smaller NPOs have fewer personnel, lower financial numbers, lower asset values, and a smaller client base. This definition of size allows for a more detailed evaluation of an NPO's scale and impact, which takes into consideration the quantitative and qualitative aspects of its activities and reach. Upon agreement from program directors or other personnel to participate, we provided them with a consent form, and, in certain cases, the interview questions were sent beforehand. The interviews were conducted at the time and location most convenient for the interviewees or over Zoom if they were unavailable to meet in person. We also took an audio recording of each interview for future reference in our study.

Before the Interview, the team analyzed publicly posted financial statements of each NPO to understand their financial history. If an NPO did not publicly release their financial data, the team asked for them once the interview concluded. With this data, the team was able to go into these interviews with the knowledge of the NPOs financial history. If the NPO gave the team their financial after the interview, we were able to contextualize what the interviewee said about their organization's financial history with the data provided. The data was organized into revenue vs expense graphs (located in Appendix F). The team decided to analyze each organization's revenue and expenses to see where the organization had a surplus or a deficit for the year.

The NPOs that responded and contributed to our study were Dwyn Griesel the Director of Kronendal Music Academy, Eric Atmore the CEO of Centre for Early Childhood Development, Feryal Domingo the Acting Executive Director Inyathelo South African Institute for Advancement, Jane De Sousa the Executive Director of Butterfly Arts Project, Johann Opperman

the Center Manager at Friends Day Centre, Leigh Morrison the Director of True North, Louisa Freiter the Director of Samara Foundation, Lyn-Maree Shaw the ECD Program Manager at The Pebbles Project, Marlize Swanopoel the Co-Founder of SPIEEL, Stephen Underwood the Fundraising Officer at U-Turn. Once the interviews were confirmed, the team analyzed publicly posted financial statements of each NPO to understand the financial history before each interview. If an NPO did not publicly release their financial data, the team asked for them once the interview concluded. With this data, the team was able to go into these interviews with the knowledge of the NPOs financial history. If the NPO gave the team their financial after the interview, we were able to contextualize what the interviewee said about their organization's financial history with the data provided. The data was organized into revenue vs expense graphs (located in Appendix E).

Our questions were categorized into two groups: historical and financials. For our historical questions, we asked for a general overview of the NPOs background, and what role the interviewee has played in the organization and for how long. This allowed us to better understand their financial model, board structure, and leadership roles have changed throughout the years. We also included questions about how the organization has changed since it was founded and what strategies have worked in the past vs what has not worked. We also asked about how they market themselves and if they have a designated person hired for website management and social media.

Regarding finances, we created a list of questions to investigate where the NPO's funding comes from, along with how that revenue stream may have changed over time. Most NPOs' income comes from grants (Sanders et al, 2014). , so, the team asked who is involved in the grant writing process. For example, if the organization employs an individual specifically for grant writing or not. It was also important to ask about the sources of these grants and if there were any personal connections to people on the board, directors, or other individuals involved with the NPO. Lastly, we asked about budget allocation, such as salary for employees, program costs, grant database fees, etc.

### **3.3 Objective 3: Analyze the Collected Data to Report our Findings and Suggested Strategies**

The data collected from the previous objectives provided the team with an understanding of how NPOs at different stages and with differing strategies function. We used a comparative case study to analyze the data collected from MusicWorks and the ten other NPOs we interviewed. The comparative case study adopts a process orientation approach. This approach is based on an examination of how certain circumstances and events affect other circumstances and events (Bartlett & Vavrus, 2017). The comparative case study allowed us to use the data collected from the interviews and cross-reference them for similarities and differences between the methods used to reach financial sustainability. From this, we identified seven key themes which helped us to conclude recommendations that would benefit MusicWorks.

Through inductive and deductive coding of the NPO transcripts, we were able to understand the patterns within the data to develop strategies for MusicWorks. Inductive coding begins with observations and measurements before identifying patterns and themes in the information (Soiferman, 2010). This permitted the team to formulate a preliminary hypothesis that could be investigated. Deductive coding involves working from the top to the bottom, starting with a theory and moving through hypotheses and data to support or refute the theory (Soiferman, 2010). Deductive coding assisted the team to assess whether these existing theories were supported by the data and provided confirmation or refutation.

Two members of the team were tasked with the inductive coding. This was completed by using direct quotes from the transcripts and categorizing the quotes into different themes. These quotes were laid out in a spreadsheet that used color coding to find themes within the data collected. After color coding all the data, it was compared and analyzed to understand the benefits and weaknesses of differing financial strategies and the differing methods utilized (this spread sheet is in Appendix G).

The other two members of the team were tasked with the deductive coding. This half of the team created codes that were based on the questions asked during interviews. These codes focused on recommendations and quotes containing specific data needed from the interviews. This allowed us to categorize what is similar and what is different between the differing NPO data (the deductive coding document is located in Appendix H).

We then cross-analyzed the findings from the inductive and deductive data by having all the team members look at the data collected. We then used that cross-analysis to obtain the main themes and recommendations present from the inductive and deductive coding. Seven key themes were derived that summarized the data efficiently, listed and the primary layout in our findings section. The data from our inductive and deductive coding methods were displayed and analyzed using Google Sheets. With a side-by-side comparison of the data from all interviews for both coding methods, we were able to identify and illustrate the differences and similarities between each interview of all NPOs interviewed.

The team then created a success rubric to determine how MusicWorks was doing in comparison to the other nonprofits we interviewed. The scoring we gave MusicWorks in the rubric allowed us to clearly identify any problem areas and tailor our recommendation to their specific needs.

From the rubric, we came up with strategies that MusicWorks can implement and utilize to improve the financial sustainability and future growth of the organization. To do this, we used a flow chart to create a synthesis of our findings and recommendations. A synthesis is defined as “the composition or combination of parts or elements so as to form a whole” (Merriam-Webster, 2023). Using this idea, we sought to combine our findings and recommendations into a chronological guide for MusicWorks to follow if they choose to implement our suggestions. Altogether, this data will be utilized to create a presentation of our final recommendations for MusicWorks.

The methodology was completed in the three main steps listed above as the data collection was built from each previous step. This was effective in reaching our goal of collecting data from each NPO in order to find relevant and useful strategies for MusicWorks. We describe our findings in the next section by utilizing the data collected through our methods.

## 4. Findings

In this chapter, we discuss the data analyzed from the initial interviews with MusicWorks and the data collected from ten interviews from the other Cape Town NPOs. First, we will present the findings of Financial Analysis and interviews in Finding 1. Then we will describe the seven themes developed by inductively and deductively coding the ten interviews from other NPOs in findings 2-8. These seven themes include: diversified revenue sources, building and maintaining donor relationships, mission visibility and marketing, planning with future sustainability in mind, leadership roles and responsibilities, expense management, and evolution of an NPO.

### **Finding 1: MusicWorks Financial Analysis**

It was important to gain a background understanding of the funding strategies and general financial history of MusicWorks through an analysis of their audited financial statements. Prior to the interview with MusicWorks, our team did research into MusicWorks' current financial strategies to get a better understanding of how MusicWorks is operating. With an analysis of MusicWorks, we gained a better understanding of the organization's financials and strategies that are currently helping the organization grow and areas that can be improved.

#### **Finding 1.1: Financial Overview**

MusicWorks has maintained operations to ensure beneficiaries, which include children and their parents, as well as schools, receive the programs they offer. Most individuals were not charged for services, eliminating a potential income stream that other NPOs had to bring in self-generating revenue, the schools were charged R177,005, or 5.7% of the coverage for the costs of MusicWorks services for the year (MusicWorks, 2022). Beneficiaries and schools could not afford the program cost because they were in impoverished communities. Families within these communities spent most of their funds on necessities, so they could not afford the full cost of MusicWorks' programs. To sustain its programs, MusicWorks relies on receiving funds from grants, donations, and the government. Usually, receiving grants allowed MusicWorks to expand into more communities; however, MusicWorks does not receive the necessary funds to sustain their existing programs, let alone grow to different communities (Interview, Raymond Schuller).

### **Finding 1.2: Government Funding**

MusicWorks also receives government subsidies through the Department of Social Development (DSD) and The National Art Council (NAC) (MusicWorks, 2022). According to MusicWorks 2022 Audited Financial Statements, the National Art Council gave R58,100 in 2021 and R0 in 2022 (MusicWorks, 2022). Although individuals from other NPOs who were interviewed identified that aligning yourself with government organizations enhances the credibility of your non-profit (Griesel, Kronendal Music Academy Interview Transcript), this funding is not assured. MusicWorks' audited financial statements reflect the lack of consistency and unreliability of government subsidies as a revenue source.

### **Finding 1.3: Revenue and Grants**

According to the MusicWorks directors, 90% of their funding comes from grants given by philanthropic organizations (Schuller and Tingley, MusicWorks Interview Transcript). Retention of these donors was essential to keep a consistent revenue stream. The most notable donors of MusicWorks were SONY Music, The ELMA Foundation, and anonymous individuals (MusicWorks, 2023). MusicWorks does not receive enough funds to cover program costs from fees and government subsidies, so they receive most of their funding from these large donors.

In 2014, MusicWorks' grant revenue was R1,772,319, increasing to R2,846,066 by 2022 (MusicWorks, 2015; MusicWorks, 2022). A graph of MusicWorks income and expenses can be located in appendix A. Over those eight years, MusicWorks expanded its programs and adapted to the COVID-19 pandemic by implementing the Creative Resilience Programme. Despite the increase in overall revenue, though, they still ended 2022 with a deficit of R244,421 (MusicWorks, 2022).

### **Finding 2: Diversified Revenue Sources**

NPOs generated revenue differently depending on their size, maturity or how long the organization has been around, and mission. However, almost all of our interviewees discussed the importance of having multiple income streams. Furthermore, it has been suggested that NPOs require a funding model to be financially sustainable (Ayinkamiye & Spencer, 2021). Based on a study conducted to identify financial models in South African NPO's, it was discovered that, "the more diverse sources of funding an organization has, the more financially self-sufficient and

sustainable it will be” (Ayinkamiye & Spencer, 2021). The authors of this study suggest that all NPOs should diversify their portfolio of funding methods. All NPOs we interviewed utilized grants from philanthropic organizations, individuals, trusts, endowments, and other resources. These grants were valuable for all NPOs and were a significant part of their revenue stream. However, these NPOs also utilized government subsidies, self-generating revenue, and occasionally in-kind donations. In this section we will describe which funding strategies are most often used by the NPOs we interviewed, and this may lead to better financial sustainability.

### **Finding 2.1: Self-Generating Revenue**

Non-profit organizations can generate revenue by selling goods and services and reinvesting those funds into the NPO. This revenue source is referred to as self-generating revenue. The only two NPOs interviewed that utilized self-generating revenue strategies were U-turn and Inyathelo. U-Turn used self-generating revenue because they found a way to align it to their mission. U-Turn manages to have this self-sustaining revenue by having charity shops where homeless individuals can exchange coupons for clothing and other donated items, other people can also go to these places and buy items. The money they collect from these charity shops help to finance their program. This revenue generation method could be difficult for other NPOs to establish (Underwood, U-turn Interview Transcript). The reason it becomes difficult is because owning a charity shop may not coincide with the mission of the NPO and may have little to no effect with their target audience. U-Turn can open these shops because they help the homeless and need basic needs like clothes. However, an organization like MusicWorks would struggle to do this because they mainly help children with service to the community, which is not something physical they can put in a charity shop. Feryal Domingo, the Acting Executive Director of Inyathelo The South African Institute for Advancement, shared that Inyathelo ‘s self-generating revenue comes from renting out the building they own to other NPOs or people who need the space to organize an event or fundraiser. (Domingo, Inyathelo Interview Transcript). U-Turn and Inyathelo created self-generating revenue since they had the facilities, available resources, and the need from their respective target audience. By having the resources and time, they could reinvest that into their organizations to increase their revenue. Furthermore, since U-Turn receives a lot more in-kind donations in their charity shops since they accept donations like cloths, this helps to maintain their charity shops since they sell donations to the public or have homeless individuals use vouchers that the organization distributes. Another source of revenue

for many NPOs is fees for service. These fees were viewed as a symbolic gesture of appreciation towards the NPO. When asked about fees for service Dwyn Greisel, the CEO of Kronendal Music Academy, stated, "...we don't believe in free things. We just feel that it doesn't work So our families do pay 150 Rand a term, which they struggle with most of the time. Yeah, but they do take it seriously." (Griesel, Kronendal Interview Transcript). Not all NPOs charge their beneficiaries for their services, however based on the data collected that could be a good way to get more revenue, this can even diversify the revenue stream. Musicworks has started to do this by having the schools pay the service fee. Self-generating revenue was an important strategy for some organizations and could only be accomplished due to the specific recipients or approach of the organization.

### **Finding 2.2: Government Grants**

All the individuals interviewed said their NPO relied on grants and government subsidies as a revenue generation strategy. However, some indicated that government funding was not always the most reliable resource. Johann Opperman, the Centre Director of Friends Day Center, stated that government subsidies were about 50% of the grants they received; he also stated, "I would like to dilute that to be down to about 25% or less if I could, which means we just got to make more money to dilute that" (Opperman, Friends Day Centre Interview Transcript). Due to the government's lack of consistency in their funding of non-profits, the Friends Day Centre wanted to find other revenue streams so as not to be reliant on the government. However, they do not want to eliminate all of their government grants; as previously stated this is due to the credibility that government grants bring to an organization, "something I would highly recommend any NGO ever does is align themselves with the local government, you know, the applicable government department because you're not going to get lots of money out of them, but it's huge credibility" (Griesel, Kronendal Interview Transcript). Even if they do not receive any funds from the government, which most organizations do not desire due to the limited and inconsistent number of government funds, there is still an aspect of credibility when an NPO aligns itself with the government. Having that government affiliation and credibility can show donors that your organization is reputable, therefore, making them more likely to provide funding.



### **Finding 2.3: Diversifying Funding**

From the interviews it was determined that NPOs succeeded by diversifying grants from different donors: local, international, trusts, endowments, individuals, companies, and other organizations. The question then becomes, what mix of these differing donors leads to the most successful outcome? Individuals interviewed suggested that the organization should not rely on one donor or one type of donation. For example, the Samara Foundations Louisa Feiter, the Director of the Samara Foundation, stated, “It's never good to be reliant on one single source, no matter how connected one is, and it might also fall away because, I mean, there's no guarantee” (Feiter, Samara Foundation Interview Transcript). The Samara Foundation was reliant on one central organization, but if that donor were to withdraw funding, then there would be no other significant sources of income. To avoid these issues, many NPOs utilize a mix of various types of funding. MusicWorks has already found some success in this area as they have multiple local and international funders, along with receiving funds from government organizations and program fees.

Many NPOs expressed that having a mix of local and international funding helps diversify and secure their revenue. Individuals we interviewed shared that having a diversified funding mix is one of the main strategies that they use when diversifying their revenue mix. A way that a diverse funding portfolio can be achieved is by having credibility and an impactful mission. This can often help to receive funding from both local and international donors. Obtaining a combination of both is necessary for sustainability due to the difference in giving cultures in other places in the world, “For several reasons, I think in the States is a lot more, much bigger culture, giving culture” (Griesel, Kronendal Interview Transcript). Interviewees expressed that companies and individual in countries like the USA and Europe, were more likely to donate. However, reliance on overseas funding was also a risk in case of an international economic crisis, “donor funding declined from 2008. I think the world, you know, the, the issues started in 2008, 2010, 2013, [international] donor funding became less and less available. American Funding also became less accessible” (Domingo, Inyathelo Interview Transcript). As Inyathelo experienced, international funding could change due to economic crisis. Therefore, NPOs should strive towards having a mix of local and international donors to avoid those financial challenges.

#### **Finding 2.4: Corporate Social Investments**

Corporate social investment (CSI) grants were utilized by 2/10 NPOs interviewed, Kronendal Music Academy and Friends Day Centre. Many NPOs had difficulty receiving primary funding from a corporation; however, for organizations that succeeded, CSI was a beneficial income source to have, Dwyn Griesel of Kronendal Music Academy, stated, “CSI is a part of every organization; this is a post-Apartheid change, every business must give 2% of the profits to some social investment. So, most companies choose something...two days or two minutes before their budget closes like oh, what are you going to spend on CSI budget?” (Griesel, Kronendal Interview Transcript) NPOs become aligned with companies through CSI, if an opening is available, an NPO can apply and receive CSI from a corporation. Even though CSI grants were an outlier, they proved to be a steady source of income for an NPO.

#### **Finding 2.5: Synthesis of Finding 2**

Obtaining primary funding from corporations can be challenging. Our data suggests that for an NPO to acquire a diversified revenue stream, an NPO should align itself with multiple funding sources. This is supported by our interviews as every NPO had at least one donor from two differing revenue streams. To do this NPOs must foster relationships with donors to build a diverse revenue stream by expanding upon already established relationships. However, for those that succeed, CSI grants prove to be a beneficial and stable income source.

#### **Findings 3: Building and Maintaining Donor Relationships**

There are many strategies that can be used to build and maintain donor relationships. These strategies differ depending on the NPO but are typically reliant on networking and grant writing. Through an analysis of which networking strategies work best to foster donor relationships, recommendations were made to improve the financial sustainability of an NPO.

#### **Finding 3.1: Networking**

Through our interviews, we found that networking with potential and current donors is how NPOs gain and retain grant funding. All interviewees expressed that having a connection with a potential donor can increase their chances of receiving funding from said donor. All interviewees said they made a conscious effort to expand their network by attending conferences, writing grants to possible investors, or emailing potential donors and requesting them to meet in person. Individuals shared that it is crucial to focus funding organizations that support NPOs

with similar missions and values. Stephen Underwood, the Fundraising Officer at U-Turn, stated, “Think of who your ideal donor is - trying to profile that person. And then try to segment the market ...if it's a music program, you want to be reaching out to musicians and reaching out to people in the arts” (Underwood, U-Turn Interview Transcript). Much of U-Turn’s success was achieved by being able to profile their donors and appealing to them individually by broadening their mission. From our data NPOs could receive and maintain a broader range of donors by doing this.

Building positive donor relationships could also lead to new, unexpected connections with other potential donors. Dwyn Griesel said, “We acquired a patron... he kind of created our connection with Germany. He didn't donate much money to us, but he created many connections for us. And that, I'd say probably out of all the networking he did on our behalf, we've probably maintained about 80% of it” (Griesel, Kronendal Interview Transcript). Fostering these relationships is important because it broadens a nonprofits network of potential donors, leading to new chances to increase revenue.

Once these connections are made, it is also important to maintain these relationships to retain funding from them in the future. “Once you've got the ground [with a donor] and you're reporting on it, steward that relationship” (Domingo, Inyathelo Interview Transcript). This can be accomplished through various means, the most prominent form of donor retention was sending out thank you letters to all donors, “So someone donates to us, I get a notification for that, and the email comes up. I then respond to that email... with a personal thank you” (Griesel, Kronendal Interview Transcript). A “thank you” could go a long way in retaining a donor network because each note had a personal touch. For example, Kronendal Music Academy would attach a handmade drawing from one of their students in their ‘thank you’ emails to donors.

Many interviewees also discussed the importance of ensuring that donors can see how their donations positively impacted the organization. “Yeah so, we're on Instagram and Facebook every day. Things we post every single day, something. So, it's for marketing, or it's just, it's just so that anyone donors or potential donors can go and have a look and see we're active and what we do, all our posts about what you just did yesterday, or what we're doing tomorrow, or who's doing what for us, and what our perspective is on that.” (Griesel, Kronendal Interview

Transcript) When donors saw the impact they were making on an organization, they were more likely to continue funding for longer.

### **Finding 3.2: Grant Writing**

Grant writing is one of the most used strategies to bring in donors and was mentioned by all ten interviewees. However, the interviewees shared that grant writing should be done strategically to maximize revenue streams. Five of the interviewees shared that sending out unsolicited grant proposals was not productive- instead, similarly to the networking advice, they recommended building up a relationship with a potential donor before asking them for a grant. Eric Atmore, the founder of the Center for Early Childhood Development, stated, “Cold calls, they do work, but they work in 2% of the cases... we will be doubtful to do a cold call” (Atmore, CECD Interview Transcript). Atmore stressed the importance of building a relationship with a potential donor, which can be done by sending out an email or a virtual meeting so the potential donor can get to know the organization better.

Another way to reach out to potential donors is through grant databases. However, our interviewees had conflicting opinions on their effectiveness. According to the NPOs interviewed, 4 out of 10 claims not to use databases, and 3 out of 10 effectively use grant databases (the remaining three did not mention the use of grant databases). For the data that we collected, the most effective way to use a grant database was to get the subscription to the database and use it for a bit of time to see if it had a positive return on investment (ROI) or not. If using a grant database did not return a positive ROI, then the NPO could cancel its grant database subscription so as not to waste funds. Leigh Morrison, the Project Director of True North, explained that using a grant database should not lead to dismissal of other strategies. The databases have been proven to work for NPOs using the suggested strategies; connecting with people is the primary way to network (Morrison, True North Interview Transcript).

Lastly, some NPOs created their donor databases to keep track of previous, new, and potential donors. This involved having a person or team of people gather data on a spreadsheet for past and current funders and grants to keep track of when contracts that will expire so NPOs can plan accordingly for the revenue. This way they can renew the contract or find a new grant. The NPOs described this as an effective way to maintain a record of who has funded the organization in the past, and as a way to keep track of potential grants they can contact in the

future. The CECD, Pebbles Project, and U-Turn all have their own donor databases and have found it efficient in retaining important donor data.

### **Finding 3.3: Synthesis of Finding 3**

To establish positive relationships with donors, a number of strategies can be implemented. Assuming an organization starts with no leads or connections to possible funding sources, then a donor database could be used to locate possible networking connections. Once donors that align with the mission of the NPO have been identified, then a relationship can be fostered. This can be accomplished by emailing or calling a person at the targeted organization; however, it has been found that the most effective way to foster donor relationships is by meeting them either in person or at a donor conference. Once the initial relationship has been established, an NPO can then send a grant proposal to the targeted organization. Then organizations can meet new potential donors through donors they already know. Through the synthesis of differing strategies within the same theme, a donor relationship can be fostered and maintained.

Building relationships with donors is of importance for all NPOs to diversify their revenue stream, which the data collected supports as a factor that leads towards financial sustainability. Therefore, the strategies implemented to acquire new donors will lead to a diversified revenue stream. However, if targeting donors from a specified region, local or overseas, it may be appropriate for NPOs to filter for their desired donor through grant databases. Once a donor is found that complies with the addition to a particular revenue stream, strategies can be implemented to foster a relationship with the donor. Many strategies can be used to build and maintain donor relationships, which leads to a diversified revenue stream.

### **Findings 4: Mission Visibility and Marketing**

Marketing and proper mission visibility are important to reach a large donor pool. Without a defined mission, donors may lack clarity or awareness about whether the mission or goals of the non-profit organization (NPO) they are supporting align with their own personal mission or values. Therefore, proper marketing of the mission and other aspects are necessary for reaching out potential donors.

#### **Finding 4.1: Mission Visibility**

The mission of an NPO plays a crucial role in shaping donors' perceptions of the organization. A consistent theme within the interviews is that an NPO mission must prove it causes an impact on the beneficiaries of the organization.

For an NPO to maximize the funds received from donors, it is important that their programs genuinely contribute to the well-being of the community they aid in in a way that can be seen and appreciated. “Kazim has really done a sterling job with making sure that we get the right fit for the center and the center is the right fit for the kids” (Opperman, Friends Interview Transcript). The director of friends ensures that the center is well-suited for its intended purpose, and that it aligns well with the needs and preferences of the children involved. NPOs adapt to the strategy that they should affect people who would completely benefit from the mission of the NPO.

When NPOs select donors to apply to, the donor should be aligned with the NPOs mission. This will be further expanded upon within the Networking Initiatives section of the analysis, but the mission of the NPO must align with the donor's goals as well, “So it's finding the people [donors] who your cause resonates with” (Underwood, U-Turn Interview Transcript). If a donor resonates with and supports the NPOs cause, they are more likely to donate to the NPO. What truly matters is that the donors see the mission they support truly benefiting the community they sought to impact. With a concise and impactful mission established by an NPO, the organization can then market itself to target donors that would support their mission.

#### **Finding 4.2: Efficient Marketing Strategies**

Marketing and networking are vital for bringing in initial donors. The most impactful ways NPOs have found to get their name out is through social media, networking at conferences, writing grants, and other miscellaneous methods to ensure suitable donors see their name.

All NPOs interviewed use some form of social media. Our interviews found that all ten NPOs use Instagram and/or Facebook as one of their primary social media forms. Through these social media platforms, NPOs can reach a wide variety of viewers and stay relevant to potential donors. However, there are other social media sources that many NPOs do not use that could further their outreach. For example, few NPOs use LinkedIn, but it could be used as a professional platform to connect with donors. A wide variety of social media use is recommended as more publicity is advantageous for these organizations, rather than missing out on what could provide an opportunity. However, instances do occur in which social media should not be a priority, such as if an NPO is struggling financially or must allocate time to more pressing matters. Given the time and funds, NPOs should use a large variety of social media; they should also “post every single day, something. So, it's for marketing, or it's just so that

anyone donors or potential donors can go and have a look and see where active and what we do” (Griesel, Kronendal Interview Transcript). When used frequently and consistently, a variety of social media can amplify the number of interactions donors have with the NPO. Posting can also act as evidence of the impact current donors' money is going towards. The one downside is many NPOs interviewed do not have the staff to establish a social media manager. Due to this, smaller NPOs may need to build up their social media platforms as the NPO increases in size. This is not a huge issue as, while the NPO expands, its marketing presence will as well. Furthermore, if an NPO is smaller, they can use one social media platform and develop increase to more later, “we've chosen one social media, and we do it every week” (Morrison, True North Interview Transcript). Even smaller NPOs can and should get involved in regularly posting on social media to improve publicity. However, social media is not the only relevant marketing use. The websites of all organizations were designed to be easy to use and attract donors, “It's been amazing how many people have come to us through our websites” (Morrison, True North Interview Transcript). An appealing website has led, for some NPOs, to improve viewership, which can cause an increase in donations. The following marketing techniques are not followed by all NPOs, but they can be effective. The CECD interview was the only NPO to establish that getting on the radio and expressing their NPO’s mission is an excellent form of marketing (Atmore, CECD Interview Transcript). This method appears to be a successful marketing method that the CECD utilizes. The use of social media, websites, and radio have been established as an impactful method to attract donors. However, as individuals we spoke with suggested grant writing and networking with donors is the most direct way to bring in donations.

#### **Finding 4.3: Synthesis of Finding 4**

Without a clear and defined mission, NPOs can struggle to market towards donors, this causes an inability to foster relationships, and can lead towards a lack of revenue streams. Due to this, a concise mission should be identified prior to marketing. The mission of an organization should be easy to identify, as it describes what the NPO accomplishes through their work. Once that has been established by the NPO, marketing strategies can be targeted and implemented to bring in donors. With the mission of the organization marketed, donors can learn about the NPO through the differing marketing strategies utilized. A mix of the marketing strategies that have been suggested, such as using multiple social media sources, are recommended, however all NPOs have different priorities and resources, so dependent on that, the most productive

marketing methods can be implemented. Once there is a defined mission and the NPO is marketed, donors can be researched through grant databases, and reached out to via donor conferences or by using other strategies previously established, to foster donor relationships. This synthesis is meant to describe the interconnection between the previously defined themes, however it is emphasized, by the data, that without an established mission, there is less of a chance that a donor would be willing to foster a relationship.

### **Findings 5: Planning with Future Sustainability in Mind**

Planning for the future is necessary, especially when it comes to reaching financial sustainability. Without proper contingency and succession planning, an NPO can become vulnerable due to sporadic leadership change, a loss funds from a donor pulling their donation, or other unpredictable influences. To plan for events such as these, a proper reserve fund and succession plan should be established.

#### **Findings 5.1: Contingency Planning**

All of the interviewees stated their respective nonprofits have a reserve fund or are actively starting to build one, including MusicWorks. The reserve fund is an important part of being financially sustainable because if a donor ever pulls their funding, the NPO would still be able to stay afloat. The best advisor on the reserve fund was Inyathelo, as the NPO advises other NPOs on how to become sustainable. From working with their clients, Feryal said, “We see quite a lot of clients. And at most, some of our clients tell us that they've got between three to six months of operating budget in a reserve” (Domingo, Inyathelo Interview Transcript). This is consistent as smaller NPOs interviewed tend to have a reserve of this magnitude. Some organizations have small reserves, and some have more, “Inyathelo has about 72 months, six years of reserve for a rainy day. So that was deliberate strategy” (Domingo, Inyathelo Interview Transcript). However, attaining the revenue to place in the reserve fund is difficult for NPOs as donors do not necessarily donate to have their funds placed in reserves, “No [donors] will give you reserve funds” (De Sousa, Butterfly Arts Project Interview Transcript). Although it may be challenging to build reserves, it is possible, “It's got to be those small independent donations. You know, that's where you start gathering it in. So having those relationships with people who give you 2000 and 5000 [Rand], and bits and pieces” (De Sousa, Butterfly Arts Project Interview Transcript). The Butterfly Arts Project uses one-time donations from individuals to bulk up their



reserve fund. This can be accomplished by any NPO that does not immediately need to use on-time donations for urgent issues or projects.

### **Finding 5.2: Succession Planning**

The founder, CEO, or Director of an NPO leaving can be detrimental to the sustainability of an NPO, especially if no succession plan has been put in place. There should be a plan in place before the resignation of the head of an NPO. A founder sporadically leaving an organization can cause distrust from donors. This occurred within an organization interviewed, Inyathelo, when the CEO resigned without any plan set in place, “So, she resigned in 2015... because of the leadership leaving, the founder, director, and so donors they just didn't renew” (Domingo, Inyathelo Interview Transcript). With the founding member leaving, donors did not renew, leading to a financial crisis for Inyathelo. Adding on to this, with no plan set in place, turnover of the director position began to increase, “and so we had a turnover of four executive directors in five years, which was detrimental to the sustainability of the organization” (Domingo, Inyathelo Interview Transcript). Learning from Inyathelo, leadership should leave their organization to ensure its financial sustainability.

### **Finding 5.3: Synthesis of Finding 5**

Most NPOs do not have assurance on donations, meaning a donor can pull their funding at any point in time. This places high importance on planning for financial sustainability by creating a reserve fund. However, NPOs typically do not have the financial capacity to put money in a reserve fund unless they achieve a diversified revenue stream. Therefore, an NPO should prioritize implementing other strategies, while simultaneously slowly allocating funds towards the reserve. While donations are slowly accumulating, a portion of donations can be allocated towards the reserve fund, and this will allow the fund to grow as the NPO increases overall funding. At times, this is difficult as donors tend to send donations with a specific purpose. However, the data identified that individual donors often do not have specified projects or items that their donation should be allocated towards. Therefore, if an organization can acquire enough donors to reach financial sustainability, then individual donations can be allocated to the reserve fund. This synthesizes that improving the reserve fund of an organization can lead to proper contingency planning, in case of a financial emergency.

## **Findings 6: Leadership Roles and Responsibilities**

Depending on the success of an NPO, which is measured by the organization's size and financial security, the roles of the leaders and other staff members differ. The roles of leadership may alter depending on the NPO, but the priority of a leader should always be bound to networking and overseeing the organization. After those responsibilities are established, other tasks can be assigned to the leader and all employees. With this structure understood, the analysis of the roles of leaders and employees within differing size NPOs can be carried out.

### **Finding 6.1: Effective Leadership**

Through our interviews, we found that leadership from CEOs/Directors was essential for keeping an NPO afloat. However, effective leadership looked different depending on the size and age of the organization.

For smaller NPOs, CEOs/Directors tend to manage the administrative tasks, marketing, grant writing, and keeping in touch with donors; this was on top of running programs for the community they are impacting. Thus, these CEOs/Directors cannot complete all necessary objectives, unlike larger NPOs. For example, Jane De Sousa, Executive Director of the Butterfly Arts Project, stated, “To be effective, you've had to do a hell of a lot of [grant writing]. That's not an effective use of time and energy. You know, not in a non-profit. So, If I don't do a lot of that if I do send something off, that's cold, I've done a lot of research” (De Sousa, Butterfly Arts Project Interview Transcript). De Sousa had carefully selected where she sent out grant proposals to ensure she had time to manage other aspects of the NPO. Rather than sending fewer proposals, De Sousa only sent applications to donors whose mission aligned with Butterfly Art Project. An example of an NPOs leader being tasked with too many responsibilities would be Feiter, Managing Director of Samara Foundation, who stated, “We don't do very outward marketing. I don't really get around to the social media stuff. I put us on Facebook and Instagram, but I haven't kept it up. We've got a website that we keep, that we changed relatively recently. There's also our main funder, they have a yearly sort of evening with and just invite everyone like employees and everyone associated with the project. And it's kind of awareness raising and fundraising simultaneously, and we always have a video that we send them that gets shown there” (Feiter, Samara Foundation Interview Transcript). The director was unable to accomplish posting on social media due to the number of responsibilities she was facing. This demonstrates

that a director taking on too many responsibilities can lead to less tasks being accomplished that otherwise would benefit the organization.

Based on our data, CEOs/Directors at larger NPOs can disperse administrative responsibility because of scale; the NPO manages a large number of staff and broader range of operations. Due to their number of employees, larger NPOs can delegate tasks to specific people or teams. The role of a CEO/Director at a larger NPO is to make sure operations at all levels are working together. Eric Atmore, Director of the Centre for Early Childhood Development, who leads a team of 26 staff, stated, “But it's my job to see that the front door opens every day. If the front door doesn't open, then it's my responsibility. So basically, keeping the organization afloat. But most of my work is in visibility, meaning writing things being interviewed on radio, on television, and then guiding on programs and fundraising” (Atmore, Centre of Early Childhood Development Interview Transcript). Due to the size and success of the CECD, Eric Atmore can take on an administrative and networking focus. He can then extend other necessary tasks to other staff members. This is far more effective than smaller NPOs, as directors are given the time to focus on the most prevalent projects and issues within the organization.

### **Finding 6.2: Change In Leadership**

From the data collected, 4/10 interviewees mentioned how a leadership change was important to bring in new ideas and perspectives. Changing leadership brings new experiences and advice to the organization, especially when an NPO gets past the start-up portion of the life cycle. The three notable instances of successful leadership changes were U-Turn, Friends, and True North.

Throughout its history, U-Turn has had three CEO/Directors: Collen Lewis, Sam Foss, and Jean-Ray. Stephan Underwood, Fundraising Officer at U-Turn, stated, “So Colleen Lewis, she was the heart of U-Turn. She was the love; she was the compassion. She cared for people. That was woven into us. Sam Foss, the industrial engineer, created the systems... to help [the beneficiaries] efficiently... Our new director Jean-Ray who works now, he's been the scale, like I said, the accelerator pedal” (Underwood, U-Turn Interview Transcript). Each of these CEO/Directors were able to make meaningful changes that grew the organization. Depending upon the stage of the life cycle that an NPO is within, differing leadership perspectives can lead to necessary improvements for an organization that were previously not prioritized by past CEO/Directors.

Before Johann Opperman took over as Centre Manager of Friends Day Centre, the role of Centre Manager was “all-encompassing” (Kazim, Friends Day Centre Interview Transcript). The previous Centre Manager was too involved with everything happening in the organization. Opperman states, “In hindsight, it was people focusing on the wrong things. When I interfere [with Kazim’s work], that will be counterproductive to his initiatives and what [Kazim] is supposed to be doing. I just think people focused on the wrong things.” (Opperman, Friends Day Centre Interview Transcript). When leaders in larger NPOs attempt to get involved in their employee's work, rather than letting employees do their work, it leads to incomplete initiatives. When Opperman was named Centre Manager, he had to transform how the NPO was run to save Friends from being shut down due to inadequate leadership (Opperman, Friends Day Center Interview Transcript). With a change in leadership and a push in the proper direction, Friends, and any other NPO, can survive by having employees prioritize their responsibilities, rather than focusing on unproductive tasks.

Another leadership change is to have a successful succession plan, where leadership changes based on their plan, this allows the organization to gain new perspectives. “... Giving back is very important because of our 21-year plan. So, like I said, our 21-year plan was broken up into seven years, seven years of implementation, and the last seven years, 2021 to 2027, is the handover, where we are working towards handing over [the organization] to a local group of leaders. Using this model [the succession plan] will be carried out forever, but through local leadership, which is the goal” (True North Interview Transcript). Once someone has handed over their position, they become a member of the board so they can still be a part of True North. Some might view a change in leadership as a hindrance to an NPO; a change in leadership could bring in new ideas and elevate an organization.

### **Finding 6.3: Board Involvement**

Data collected from our interviews showed that the boards of each NPO ranged from moderate involvement in the management of the nonprofit, too little to no involvement at all. Feryal Domingo, Executive Director of Inyathelo, stated, “Boards in South Africa think the role is to fly 30,000 feet above sea level, simply look out the window, and okay, we’re still flying on the right path” (Domingo, Inyathelo Interview Transcript). Members of the board are updated regularly on significant aspects of the organization, but they do not interfere in the day-to-day tasks of the organization. Depending on the NPO, the board members were encouraged to help

fundraise, network, and provide their expertise to benefit the organization. For example, Kronendal Music Academy's board organized and assisted in funding a fundraising event at a yacht club, which provided an opportunity to market the NPO, a space to network with other NPOs and potential donors, and a great fundraising opportunity (Kronendal Music Academy Interview Transcript). An essential aspect of an oversight board are the members who make up the board; they usually tend to be professionals in other industries who had great network connections and expressed a need to give back by using their skills. Board members could also be asked to tap into their professional network to find more funders. An example of this comes from Friends Day Centre as they have board members with professional connections. Johann Opperman, Centre Manager of Friends Day Centre, stated, "Our treasurer on our board is also a partner in one of the largest accounting houses in South Africa. So, she's an appraiser and she's a parent in the school" (Opperman, Friends Day Centre Interview Transcript). These connections are valuable to NPOs as they can lead lead to new donor relationships.

Some NPOs interviewed have board members that are leaders of their communities. Community members provided context for the NPO to ensure their programming was making change in a respectful way. Lousia Feiter of The Samara Foundation stated, "Because she's living in the Eastern Cape. She's grown up there, she you know, she just knows the context so much better than I do, and the other one was more of a strategic choice. She's the wife of a chief. So, she also is supportive, but she's also very busy so we don't really see much of her" (Feiter, The Samara Foundation Interview Transcript). Furthermore, many founders and previous leadership on the NPOs interviewed serve on the board to provide insight to current leadership. Former leaders were asked to serve on their respective boards because they understood the day-to-day responsibilities of the NPO. Leigh Morrison of True North stated, "Our board is made up of the two people that handed over their positions. So, the founding directors, our chair on the board, and then Anthea handed her position to Peter is also the secretary" (Morison, True North Interview Transcript). Board members in some of the NPOs we profiled play a crucial role by contributing community or non-profit knowledge for context and ensuring that programs facilitate positive change.

#### **Finding 6.4: Staff Responsibilities**

According to our interview data, NPOs that were larger in scale could write more grants, post more on social media, and maintain more relationships with donors because they had dedicated people or teams doing those jobs for the organizations. Stephen Underwood, Fundraising Officer at U Turn stated, “So as part of the communications team, we would have one staff member that's dedicated to thanking our donors when making donation, and then also what we call upgrading them, which is building that relationship towards more engagement.” (Underwood, U Turn Interview Transcript). The communications team of U Turn were able to maintain relations with donors of all sizes; something smaller NPO were not able to do. This is because they could disperse the work between people and teams, NPO leadership are able to handle bigger picture operations as stated before.

Smaller NPOs expressed that having dedicated paid staff to fundraise and market did not have a good return on investment. For example, Friends Day Centre hired an employee to fundraise for the organization. However, they also had to gain revenue for their salary for the job to have a positive impact, “And then we had another one in 2022. She lost four or five months...that big amount of money, we're expecting that plus more” (Opperman, Friends Day Centre Interview Transcript). In the case of the Friends Day Centre, they hired a fundraiser in 2020 and only lasted for 4-5 months because they were not fundraising enough to bring value to their position. Hiring a staff member for running the social media can be counterproductive for a small NPO because they are most likely not involved in the groundwork or running of the organization. Jane De Sousa stated “We tried hiring someone, it was a complete waste of time. We spent most of our time writing the content for them and sending the photos” (De Sousa, Butterfly Art Project). Having someone from the outside working on social media was found to be counterproductive in the case of Butterfly Art Project because they are not involved in the NPO other than posting on social media. Smaller NPOs utilize younger existing staff who run their social media. SPIEEL had one of their young practitioners run their social media (Swanpoel, SPIEEL Interview). This worked out great because the practitioner had groundwork experience for SPIEEL but also hand knowledge on how to run a social media account for a brand.

To take some workload off leadership, NPOs interviewed expressed having the people running project fundraise for their project instead of having leadership look for funding for the

whole NPO. Eric Atmore from the CECD stated “I’ve announced to all our program managers: you are responsible for raising your own funding for your program... we’ll provide the sort of making a cake you make the cake, we’ll put the icing on top, we’ll use the emotional words, you know that excite people and that works really well” (Atmore, Center of Early Childhood Development). This approach worked well for the CECD so leadership could focus on other things but also because the project director was passionate about the work they were doing. Project directors knew more about the project they were running, and they had to fundraise to keep their project going.

### **Finding 6.5: Synthesis of Finding 6**

The roles of leaders and responsibilities of all staff members should be established for an organization to reach financial sustainability. Without employees and leaders achieving their respective goals, an organization cannot properly function. The CEO/Director should take on a leadership role, establishing the objectives of other employees and ensuring that the board properly supports the organization. Without the leadership of an NPO, actively directing responsibilities and identifying what tasks must be accomplished, then there is less likelihood of an organization accomplishing its mission. Therefore, the leader should bring structure to a nonprofit to ensure staff and board members accomplish their objectives, and from there the mission can be accomplished. The importance of leadership is a cyclical process, as strong leadership is necessary no matter how successful an organization has become. When beginning, an NPO needs strong leadership to establish the mission, locate donors to network with, and then foster those relationships to bring in a revenue stream. When an organization has become successful, leadership is necessary to retain donors, and to ensure the mission has continued to be accomplished by the NPO as mission drift can occur to a nonprofit overtime. The data analyzed recommends that strong leadership is always necessary for an NPO, and without strong leadership, the mission of the NPO could cease to be achieved. As previously established, the mission of an NPO is a focal point to bringing in donors, with this lacking, an NPO could fall short of financial sustainability. Furthermore, it has been previously mentioned that sporadic leadership changes can lead to mistrust from donors. Due to this, it falls on the founder's responsibility to layout a succession plan before their retirement from the NPO. This should be accomplished early on within the organization's birth to ensure if at any time leadership does change, there is no mistrust between donors and the leadership of the NPO. This synthesis

identifies the importance of the role of leadership in starting an NPO, ensuring an NPO continues to thrive after reaching financial sustainability, and establishing a plan to build trust between donors and the future leadership of the organization.

### **Findings 7: Expenses Management**

The expenses of every organization differ depending upon the size of the organization as well as the supplies needed to accomplish the mission of the NPO. The most prominent cost for all NPOs interviewed were employees' salaries, Marlize Swanepoel, the co-founder of SPIEEL Creative Arts Therapies Collective, stated, “but generally, the salaries or rates, facilitators fees, that's the highest expense” (Swanepoel, SPIEEL Interview Transcript). The only issue with salaries being the highest cost is donors tend to view that factor with skepticism. Raymond Schuller confirmed this in our interview with MusicWorks, “If you show a donor that 90% [of costs] is spent on salaries under just the salaries budget line item. They don't know the extent of your involvement in the programs. They might think that organizations only exist to pay salaries, so I think we're on the right track with how we're portioning [the budget]” (Schuller, MusicWorks Interview Transcript). In fact, all organizations interviewed explained they tend to “hide” their salary costs. rather than giving salaries a separate section of the budget, NPOs tend to put the salaries within the cost of their respective program. This improves donor relations as from the donor's viewpoint, the NPO’s costs are spent on programs. This allows for NPOs to properly budget without creating hesitation in donors due to their salary costs. When it comes to expenses, this was the key advice given to ensure a proper budget. Other advice from interviews suggests that NPOs need to budget wisely and conduct budget checks to ensure their expenses will not exceed the budget for the year.

### **Findings 8: The Evolution of an NPO**

Throughout their histories, nonprofits can experience a lot of challenges, a key example from recent years being the effects of the COVID-19 pandemic. An NPO’s “evolution” is a way to describe the changes and adaptations that a nonprofit makes to adapt to these challenges.

When searching for NPOs to interview, we focused on organizations with similar missions to MusicWorks. There are some outliers, such as U-Turn whose mission is aligned with supporting homeless individuals. However, most of the interviewed NPOs missions are related to



the arts. This is beneficial as MusicWorks is also an arts-related organization. This data was useful as it gave insight on the differing strategies used by small and large sizes of NPOs. The data on the evolution of NPOs advises MusicWorks on what to do depending on where their organization currently stands. Understanding the evolution of an NPO becomes increasingly essential when comparing the size of each organization and how successful they have become due to differing strategies.

Depending on how successful an NPO is, there are differing steps the organization could take to expand its impact. When starting, an NPO has minimal income, but as it grows, it should increase its total revenue and impact on the community. "What it took us one year to raise in our first year, we now raise every day of the year." (Atmore, CECD Interview Transcript). Some NPOs, such as the CECD, begin as small organizations with minimal revenue and impact. However, an NPO can grow into a highly successful organization through steady progression and differing strategies. The most prevalent factor that alters due to the evolution of an NPO is networking the mission of an NPO. "And again, coming back to impact investment, you have to broaden your horizons. You cannot just be a little music school" (Griesel, Kronendal Interview Transcript). It is difficult for NPOs to grow if their mission's impact does not align with many donors. From our data, it is consistent that donors tend to invest in NPOs that align with their mission goals. Therefore, an NPO's mission impact should align with an increased number of donors' respective missions. "NGOs have gotta start thinking, so we cannot just say: we just do music therapy with kids. If you want to, big money, and consistent big money, you must show a way that their money is an investment." (Griesel, Kronendal Interview Transcript). Once an NPO reaches the threshold of its current impact, the organization must emphasize its mission to align with more donors. This can be accomplished through differing methods, such as altering wording in grant writing, going after donors that realign with the new mission's impact, and rebranding aspects of the organization to showcase this mission change.

Depending on an organization's success and where it is in its evolution, rebranding can be viewed from differing perspectives. 5/10 organizations interviewed reported for rebranding. Rebranding can differentiate between changing the name of the organization, which MusicWorks has previously done, altering the tagline, or simply changing one's logo in some way, "I would say the brand has evolved more than like a very distinct change" (Underwood, U-Turn Interview Transcript). A brand change does not necessarily need to be a considerable alteration but can be

a simple change as U-Turn has done in their history. Simple changes have been proven to be beneficial to organizations; brand alterations have also been found to be successful when implemented on a scheduled basis; depending on if a change was deemed necessary, “In terms of rebranding, I remember five years ago, we had a different look. Our logo specifically so I think we do it. Every five years we look, and we review if this is still what we want” (Shaw, Pebbles Project Interview Transcript). As an NPO grows and can dedicate time to slight alterations in the logo or other aspects of the branding, it can be viewed as helpful if it benefits the organization to keep up with current times. However, a significant change must be thought out with care and expertise to ensure it is the correct move for an organization. One circumstance in which this should be attempted is due to a poor design of the initial brand logo, “I don't want to show you what the old [logo] looks like. Probably going to have a heart attack. God, it looks awful” (Opperman and Kazim, Friends Interview Transcript). Friends altered their logo due to a poor initial design, and the organization found it to be a better alteration with minimal pushback. The second circumstance we found in which major rebranding should be attempted is due to the evolution of an NPO, “Your programs change, and your focus changes, and like our focus changed, we only taught music for a good ten years. And then our focus has changed more on youth development, and we're now a youth development program, we're not a music program” (Griesel, Kronendal Interview Transcript). As an NPO evolves, its mission may change, which must be reflected in its branding. When an organization attempts to alter its focus on its mission, the branding must reflect that. It can be a change as simple as the organization's tagline or a more involved alteration of the entire branding scheme. However, once an NPO begins to alter the mission's focus, a portion of the branding may need to follow. The evolution of an NPO and slight or significant branding alterations may be enacted together to ensure that the alteration of a mission is indeed demonstrated to all donors: current, future, and past. With an in-depth understanding of the data collected from our interviews, the concluding recommendations could be made based on the organization's status within the evolution of an NPO.

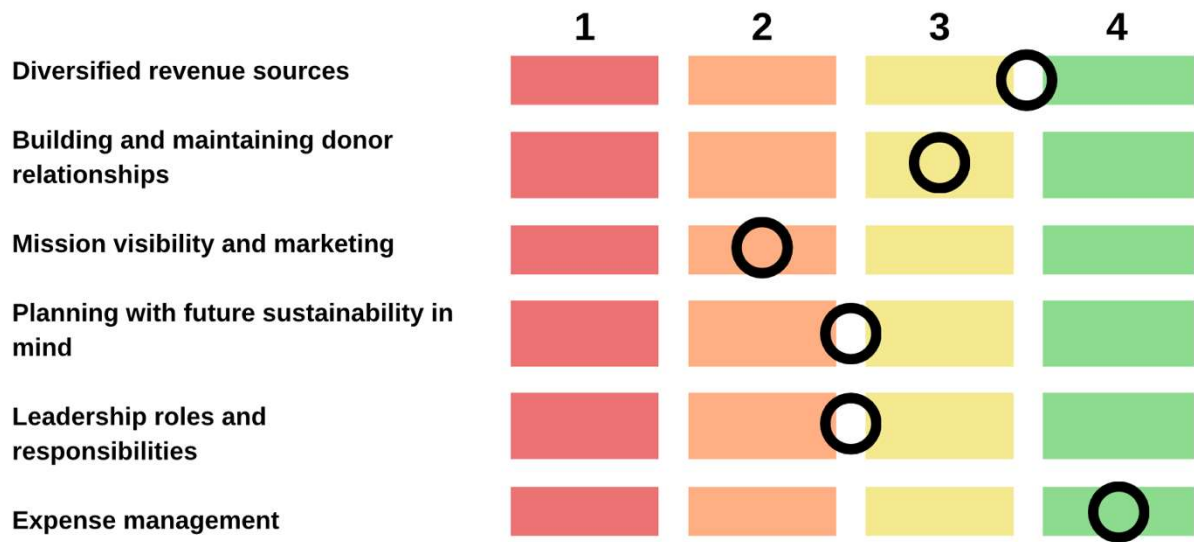
### **Findings 8: Success Rubric**

To evaluate MusicWorks’ current strategies in comparison to the other NPOs interviewed, we created a rubric based on the themes (Figure 1). This allowed us to identify areas where they were struggling the most so we could tailor our recommendations to their specific needs. For our

scoring of MusicWorks (shown in Figure 2), we used a scale from 1-4, with the first category being 1, and last being 4. We kept space in between the highest and lowest scorings because we acknowledge that these are not set scorings and success in these categories are often more of a spectrum. We also made the decision to leave out the seventh category: ‘Evolution of an NPO’. The ‘Evolution of an NPO’ can be described as a scale and needs further research and development. Due to our limited time frame for interviews and small sample size, we were unable to evaluate the successes of a nonprofit in regard to their evolution throughout the years. This is addressed as a limitation and future research possibility in our conclusions.

<b>Diversified Revenue Sources</b>	<p>One or two funders per year</p> <p>Heavy reliance on government subsidies</p>	<p>Multiple consistent funding sources (both local and international)</p> <p>Alignment with government organizations without reliance on subsidies</p>
<b>Building and Maintaining Donor Relationships</b>	<p>Little to no post-donation outreach</p> <p>Few networking attempting</p>	<p>Email list with past/potential donors</p> <p>Creation of own grant database</p>
<b>Mission Visibility and Marketing</b>	<p>Overspending on grant databases</p> <p>Mission is unclear to potential donors</p> <p>Lack of online presence/social media usage</p>	<p>Personalized ‘thank you’s’ to donors</p> <p>Mission is clear to both the donors and the nonprofit itself</p> <p>Branding reflects mission</p>
<b>Planning with Future Sustainability in Mind</b>	<p>Little to no reserve fund, contingency planning, succession plans</p>	<p>Consistent social media schedule and designated staff</p> <p>Reserve fund for at least one year</p>
<b>Leadership Roles and Responsibilities</b>	<p>High amount of pressure and responsibilities placed on CEO/directors</p> <p>Little to no board involvement</p>	<p>Detailed succession plan</p> <p>Even distribution of work for leaders and staff</p> <p>Board actively involved with organization operations</p>
<b>Expense Management</b>	<p>Operating in a deficit</p>	<p>Necessary distribution of revenue to the different branches of the organization</p>

*Figure 1: Detailed success rubric*



*Figure 2: MusicWorks scoring*

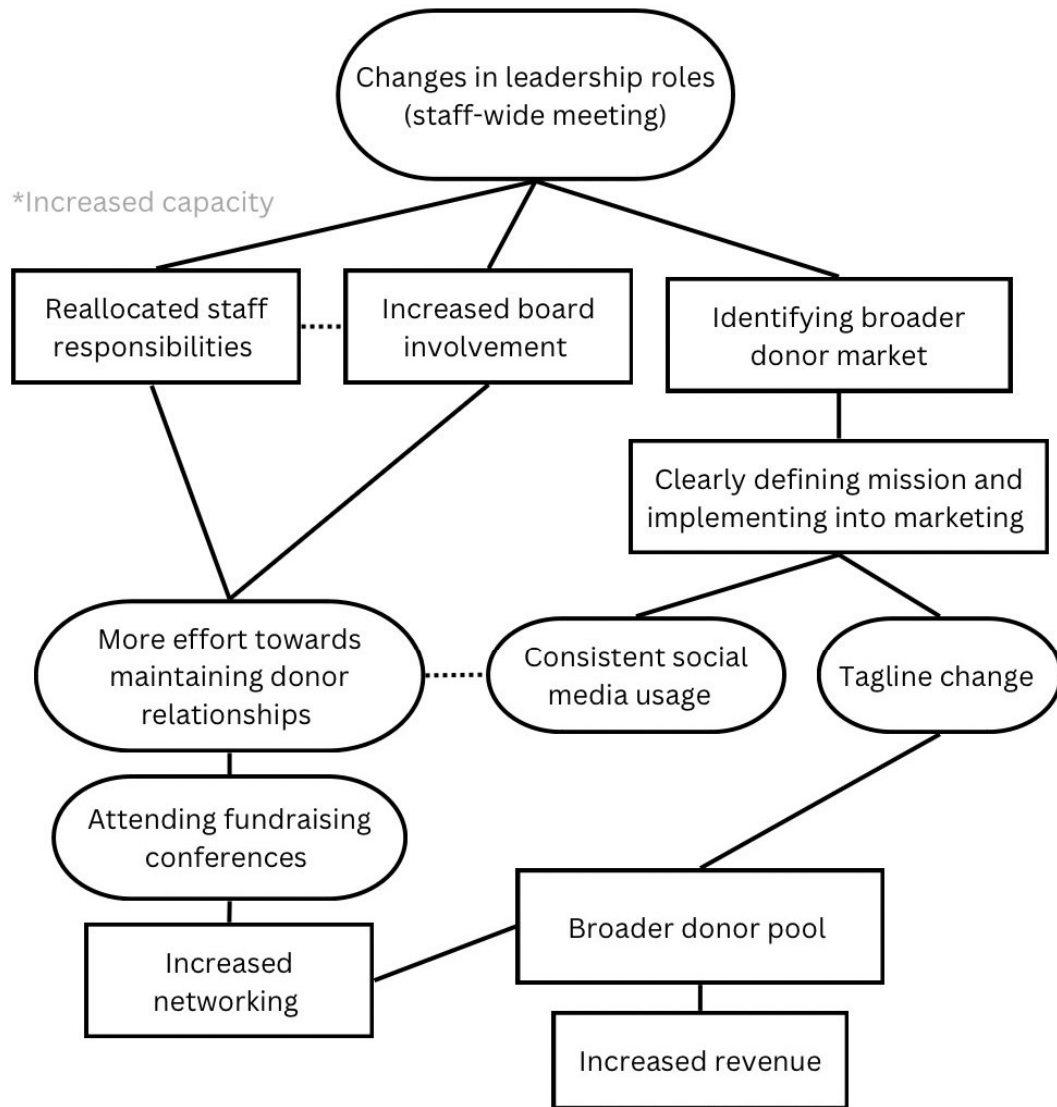
## **5. Conclusions**

This chapter will focus on our proposed plan and suggested recommendations for MusicWorks, addressing our project limitations, and future research opportunities. The proposed plan was made after the interview process by bringing together our findings into an organized sequence of events. Then the specific recommendations are split into three categories, Primary Recommendations, Secondary Recommendations, and Future Recommendations, which we then used to create a plan for MusicWorks. This plan was made based on connections that were identified in the findings section.

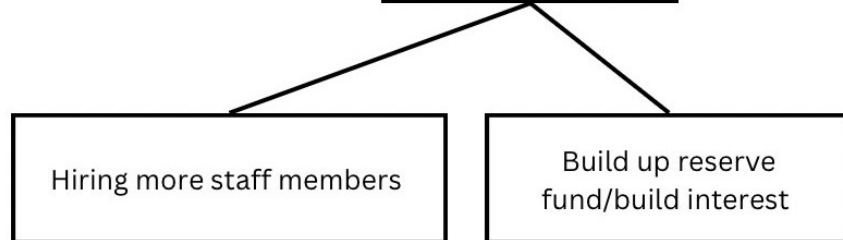
### **5.1.1: Proposed Plan for MusicWorks**

To bring together our findings from the interviews and our recommendations for MusicWorks, we created a synthesis of our recommendations in the form of a flow chart (Figure 3). This provides MusicWorks with a chronological view of how each of our suggestions are interconnected if they choose to implement them.

**Present**



**Future**



**Figure 3: Flow chart synthesis of recommendations**

After forming our recommendations, we organized them into chronological order so MusicWorks could implement them effectively. The suggested sequence is increasing the capacity for MusicWorks directors to network, getting advice from donors, alter the tagline based off donor advice, increase social media presence, network with potential donors, increase staff and build up the reserve fund once revenue increases. First, MusicWorks could benefit from reallocating the Directors' responsibilities to other staff members. This would give the Directors the capacity to increase their networking with potential donors. During the networking process, Directors could seek advice on branding to appeal to potential donors. By implementing these recommendations, MusicWorks has the potential to modify its branding strategy and attract a broader donor pool. More specifically, a strategic rebranding could help MusicWorks resonate with donors in the education and childhood development sectors. With the combination of the rebranding and reallocation of tasks, MusicWorks could also enhance its social media presence. Consistent posting on social media platforms would convey to potential donors that MusicWorks is actively engaged in its mission.

Incorporating childhood development into the mission and altering the tagline can also broaden MusicWorks' donor base. By gaining data on what language attracts donors aligned with childhood development, MusicWorks could create a new tagline that ensures they are addressing the interests of donors. Through meetings with potential donors aligned with the mission: childhood development, MusicWorks could gain information on what donors like to see, and possibly develop relationships with some of these donors. Once potential donors have been interviewed and MusicWorks has established a new tagline, then MusicWorks can attempt to reach a broader donor pool. If this plan is followed, the Directors can then use their newly established mission and increased capacity for networking to bring in new potential donors. Not only this, but MusicWorks could go back to donors interviewed for advice on their tagline, and requesting funding because a relationship has been established and most likely those organizations will support MusicWorks mission. Through this plan, MusicWorks can address improving their capacity to network, alter their mission to align with more donors, and possibly establish relationships with donors interviewed.

## **5.2 Recommendations**

The recommendations were categorized into three sections based on the urgency of the recommendation with regards to MusicWorks current priorities. Our primary recommendations cover strategies that MusicWorks could implement in the next few weeks or months to help with the future development of the organization. Our secondary recommendations are strategies that MusicWorks does not have to address immediately, and in some cases, can only be addressed once the primary recommendations are implemented. The final category is future recommendations, which can be addressed when MusicWorks has the necessary time, funding, and have grown to a point where they will be able to accomplish them. We recognize these are recommendations, and that MusicWorks can utilize them as they see fit. These suggestions were created based on the team's understanding of MusicWorks' current financial state and the data collected in our interviews.

### **5.2.2 Primary Recommendations**

#### **Redistribution of Responsibilities**

MusicWorks currently places a lot of pressure and responsibilities on the directors of the organization, Raymond and Alexanne. These responsibilities include but are not limited to working on getting donations and keeping track of current donors, managing staff and scheduling classes, being onsite at programs and schools, managing presence in the NPO district, and making annual reports. However, they may benefit from redistributing some of these responsibilities so they can focus on their main priorities as directors. To accomplish this, we suggest that the workload be redistributed between staff members to give the directors more time to fundraise and network. This could be achieved through having a staff-wide meeting to discuss which roles and responsibilities can be shifted. At this meeting, all staff members, beginning with Raymond and Alexanne, could explain their roles within the organization and what they accomplish daily, weekly, or monthly. This way, all the tasks that it takes to run the organization are communicated and can be redistributed as they see fit. A specific recommendation that we came up with was reestablishing which staff members are responsible for MusicWorks' website and social media pages. From our research, we found that there is a benefit to consistent use of your organization's website and social media, both for search engine optimization and donor retention. Currently, social media is something that falls under Raymond and Alexanne's



jurisdiction, but many of the interviewees suggest having other staff members take on that role. Some NPOs encourage staff-wide involvement and have a schedule outlining who would oversee posting for a certain period of time. This would allow for less strain being placed on Raymond and Alexanne and encourage more staff involvement within MusicWorks.

### **Altering Networking Strategies**

At MusicWorks' current state, the organization's networking strategies could be altered to create a wider donor network. According to our findings, MusicWorks may benefit from meeting potential donors in person, through Zoom, or even over a phone call to build rapport with donors. The primary strategy MusicWorks could implement is to attend donor conferences consistently and have those necessary conversations before applying for grants. Many interviewees encouraged having conversations that are less targeted towards donation, and more focused on MusicWorks' mission and goals. The primary attendees of the conferences would most likely be Raymond and Alexanne, however other employees should also be encouraged to attend. This alteration can lead to more donors understanding what MusicWorks is and from that initial contact that can spark new donor relationships.

### **Displaying the Scope of MusicWorks' Impact**

Currently, MusicWorks primary donor pool falls within the arts, as they are a music focused NPO. By altering the branding of their mission to emphasize their impact on childhood development, though, they could expand into a wider range of donors. The two primary ways in which MusicWorks could accomplish this goal are through their wording when discussing their organization (particularly with donors), and through changing their tagline. MusicWorks' current tagline is "Music Intervention for Children and Young People". The organization's name and tagline both emphasize the medium through which childhood development and psycho-social support is accomplished. However, by altering the tagline to showcase childhood development and their theory of change, it would allow donors to understand further the organization's use of music to support children in marginalized communities. Some suggestions our team came up with are, "Allowing Children to be Children" and, "Promoting Childhood Resilience through Music." The rest of the MusicWorks staff/board can also share ideas to change the tagline of the organization. These are not definitive alterations MusicWorks must make but based on our research, a slight change in the tagline could prove to be very beneficial for future donor outreach. MusicWorks has a clear impact on the lives of the children in their programs, and it is

important to reflect that in their marketing. It would also be beneficial to talk to donors in these broader areas to understand what language attracts donors to donate to an NPO.

### **5.2.3 Secondary Recommendations**

Our secondary recommendations for MusicWorks are things that we feel would be beneficial to implement based on our research but are not as high of a priority as the primary recommendations. We acknowledge that many of these suggestions will come after the primary recommendations but are still important to mention for the scope of our study.

#### **Board Involvement**

Currently, MusicWorks' board does not have a large role in the organization, which is consistent with the data collected from many other nonprofits. We have found that MusicWorks could become successful through increased board involvement and support within the organization. The board is not involved in day-to-day tasks of the organization, but they could potentially contribute to increased networking. The board's primary objective, as found in the interviews, could be to utilize their personal networks to improve MusicWorks' donor outreach. This can be accomplished through encouraging peers to donate to MusicWorks or identifying additional potential funding sources and donors. Another way in which the board could impact MusicWorks is by setting up a fundraising event and inviting their connections so that MusicWorks can network with them and possibly receive a donation. The fundraising event does not necessarily need to lead towards individuals donating, but there could be raffles, and the proceeds go towards MusicWorks. It could also potentially lead to networks being created that allow for other donors to be reached.

#### **Diversifying Revenue Streams**

The next recommendation is increasing MusicWorks' total number of diverse donors. This would mean targeting more overseas donors, local donors, government subsidies, and individual donors. This will occur by focusing on targeting and reaching out to donors, this is also affected by the organization as it grows and possibly as the primary recommendations are implemented. Consistently obtaining new revenue streams is a key factor in achieving financial sustainability and is something that all nonprofits would be able to benefit from.

#### **5.2.4 Future Recommendations (With Additional Time and Funding)**

Our future recommendations are suggestions for MusicWorks to consider in the future once the growth of the organization allows for it and more resources are available to them. These recommendations came up at various points of our data analysis but cannot be applied at this stage of MusicWorks' development.

#### **Supplemental Staffing**

The directors of MusicWorks currently have a lot of pressure placed on them because of their responsibilities within the organization. Once they have the necessary funding, we believe they would be relieved from many of these pressures by hiring more staff. Specific examples of this may be a designated grant writer, a fundraising consultant, and more community musicians/music therapists so they can expand their programming and outreach.

#### **Reserve Fund**

To further MusicWorks' sustainability, funding can be allocated towards a reserve fund. This ensures higher chances of survival in the case of financial emergency, along with having more money to put towards a 'rainy-day' fund. With an increase in donors and funding, MusicWorks could work towards reallocating individual donations into a reserve fund; something that would also help them build more interest and improve their overall financial sustainability.

### **5.3 Limitations**

A main limitation of our study would be the lack of a longitudinal sample of the NPOs that we interviewed. Due to our time constraints, we were unable to attain the entire history of the NPO. In our interviews, we asked questions about the past and present success strategies of each nonprofit, but that only provides us with a limited perspective. To achieve more accurate and in-depth data, we would have benefited from taking a more longitudinal sample by re-interviewing the NPOs a number of years after initially interviewing them. This would provide a full scope of how NPOs evolve and change in both a positive and negative direction.

Another limitation recognized is the small sample size collected. We selected our interviewees based off MusicWorks recommendations, and based off which NPOs we thought would have goals and challenges most similar to MusicWorks. Because of this, we focused on

arts and childhood driven NPOs. For more comprehensive research, we would suggest broadening this focus and interviewing a broader range of nonprofits.

The final limitation recognized would be survivor bias. Survivor bias is “an error produced by focusing on data from subjects who proceeded past a selection or elimination process while overlooking those who did not” (Elston, 2021). This creates limitations on understanding the most unsuccessful strategies and causes an NPO to reach a state of financial failure.

## **5.4 Future Research**

We acknowledge that due to our time constraints, our research is still limited. Due to these limitations, we have devised two proposed continuations of our data collection.

### **5.4.1 Evaluate the effectiveness of our recommendations once implemented**

One future addition to this research could be to evaluate the effectiveness of our recommendations, if implemented by MusicWorks. This would involve a more focused study of MusicWorks itself in order to determine if our implemented suggestions were helpful or not. This could also involve assisting MusicWorks in the implementation of these strategies.

### **5.4.2 Continue researching how to improve the financial sustainability of NPOs**

Another future research suggestion would be to continue the data collection on NPOs in Cape Town to improve the sample size of the data collected further. This would expand the scope of the collected information and potentially validate or challenge our previous findings. To aid our ‘survivor bias’ limitation, this future research could also include interviews with people involved in nonprofits that are no longer operating to get a wider range of perspectives for the study.

## **5.5 Conclusion**

The process of understanding the proper recommendations for MusicWorks to improve financial sustainability was found through data received from interviews with other NPOs. This data led to an understanding of the complexity of how an NPO functions in Cape Town based on differing strategies they implement. The data also showed how reaching financial sustainability is not a straightforward process because all the themes that we found are interconnected in some way. This requires an organization to devote time and Resources to every aspect of the organization. However, through this analysis we have identified and recommended the strategies

that could improve MusicWorks' financial sustainability based off the corroborating advice from differing organizations. This data was used to make recommendations for MusicWorks, if applied, will hopefully positively impact the organization. With more research on NPOs reaching financial sustainability, this data could be applied to many organizations that require support.

## References:

- Ahmed, F., Bahoo, S., & Ayub, A. (2019). *Accountability, Governance, and Structure of Non-profit Organization: Evidence from Ghana, South Africa, and Zimbabwe | New Horizons*. <http://www.greenwichjournals.com/index.php/NH/article/view/290>
- Ayinkamiye, E., & Spencer, J. (2021). An Investigation of Funding Models that Influence the Sustainability of Selected Non-Profit Organizations in Cape Town, South Africa. *African Journal of Public Affairs*, 12(3), 62–90. [https://doi.org/10.10520/ejc-ajpa\\_v12\\_n3\\_a5](https://doi.org/10.10520/ejc-ajpa_v12_n3_a5)
- Bartlett, L., & Vavrus, F. (2016). *Rethinking Case Study Research*.
- Blalack, H. (2016). The Financial Stability of Nonprofit Organizations. *Finance Undergraduate Honors Theses*. <https://scholarworks.uark.edu/finnuht/29>
- Butterfly Art Project. (2013). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2013*.
- Butterfly Art Project. (2014). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2014*.
- Butterfly Art Project. (2015). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2015*.
- Butterfly Art Project. (2016). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2016*.
- Butterfly Art Project. (2017). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2017*.
- Butterfly Art Project. (2018). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2018*.
- Butterfly Art Project. (2019). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2019*.
- Butterfly Art Project. (2020). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2020*.
- Butterfly Art Project. (2021). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2021*.
- Butterfly Art Project. (2022). *The Butterfly Art Project Annual Financial Statements for the Year Ended 31 December 2022*.
- Choto, P., Iwu, C., & Tengeh, R. (2020). Non-profit Organizations and the Socio-economic Development in South Africa: A Literature Analysis. *Humanities & Social Sciences Reviews*, 8, 689–600. <https://doi.org/10.18510/hssr.2020.8267>
- Elston, D. M. (2021). Survivorship bias. *Journal of the American Academy of Dermatology*, S0190962221019861. <https://doi.org/10.1016/j.jaad.2021.06.845>
- Friends Day Centre. (2018). *Friends Day Centre Annual Financial Statements for the year ending 31 December 2018*.
- Friends Day Centre. (2019). *Friends Day Centre Annual Financial Statements for the year ending 31 December 2019*.
- Friends Day Centre. (2020). *Friends Day Centre Annual Financial Statements for the year ending 31 December 2020*.
- Friends Day Centre. (2021). *Friends Day Centre Annual Financial Statements for the year ending 31 December 2021*.
- Friends Day Centre. (2022). *Friends Day Centre Annual Financial Statements for the year ending 31 December 2022*.

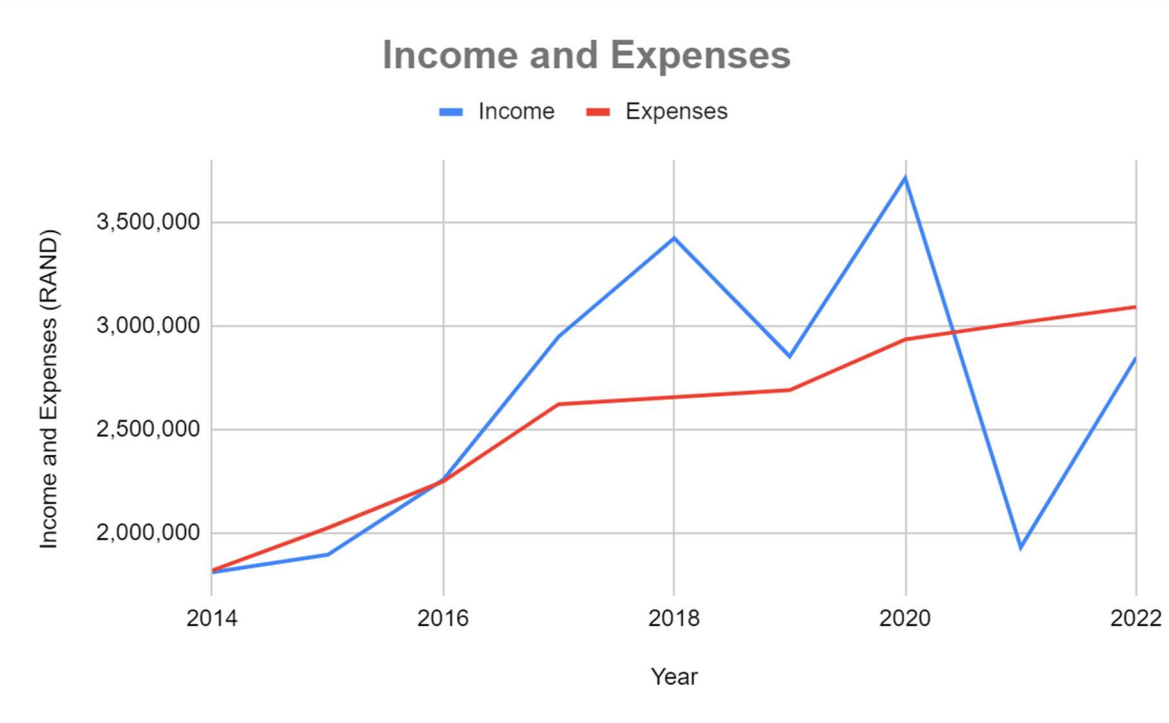
- George, T. (2022, March 10). *Types of Interviews in Research | Guide & Examples*. Scribbr. <https://www.scribbr.com/methodology/interviews-research/>
- Jagwanth, S. (2023). *Democracy, civil society, and the South African Constitution: Some challenges—UNESCO Digital Library*. <https://unesdoc.unesco.org/ark:/48223/pf0000129557>
- Kaunda, N. J. (2022). *Downward accountability and value creation: An examination of two Non-Profit Organizations in South Africa*.
- Kronendal Music Academy. (2008). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2008*.
- Kronendal Music Academy. (2009). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2009*.
- Kronendal Music Academy. (2010). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2010*.
- Kronendal Music Academy. (2011). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2011*.
- Kronendal Music Academy. (2012). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2012*.
- Kronendal Music Academy. (2013). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2013*.
- Kronendal Music Academy. (2014). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2014*.
- Kronendal Music Academy. (2015). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2015*.
- Kronendal Music Academy. (2016). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2016*.
- Kronendal Music Academy. (2017). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2017*.
- Kronendal Music Academy. (2018). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2018*.
- Kronendal Music Academy. (2019). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2019*.
- Kronendal Music Academy. (2020). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2020*.
- Kronendal Music Academy. (2021). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2021*.
- Kronendal Music Academy. (2022). *Kronendal Music Academy of Hout Bay Annual Financial Statements for the Year Ended 31 March 2022*.
- Maboya, M., & McKay, T. (2019). The financial sustainability challenges facing the South African non-profit sector. *The Journal for Transdisciplinary Research in Southern Africa*, 15(1). <https://doi.org/10.4102/td.v15i1.693>
- Merriam-Webster. (2023). *Synthesis Definition & Meaning—Merriam-Webster*. <https://www.merriam-webster.com/dictionary/synthesis>
- MusicWorks. (2015). *Annual Financial Statements for the Year Ended 31 December 2015*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2016/10/MUSICWORKS-2015-AFS-signed.pdf>

- MusicWorks. (2016). *Annual Financial Statements for the Year Ended 31 December 2016*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2014/02/MUSICWORKS-2016-Audited-Financial-Statements.pdf>
- MusicWorks. (2017). *Annual Financial Statements for the Year Ended 31 December 2017*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2014/02/MusicWorks-2017-Audited-Financial-Statements.pdf>
- MusicWorks. (2018). *Annual Financial Statements for the Year Ended 31 December 2018*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2014/02/MusicWorks-2018-Audited-Financial-Statements.pdf>
- MusicWorks. (2019). *Annual Financial Statements for the Year Ended 31 December 2019*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2021/07/MUSICWORKS-2019-AUDITED-FINANCIAL-STATEMENTS.pdf>
- MusicWorks. (2020). *Annual Financial Statements for the Year Ended 31 December 2020*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2021/07/MUSICWORKS-2020-AUDITED-FINANCIAL-STATEMENTS.pdf>
- MusicWorks. (2021). *Annual Financial Statements for the Year Ended 31 December 2021*. <https://musicworks.org.za/wpmusicworks/wp-content/uploads/2023/02/AFS-2021.pdf>
- MusicWorks. (2022a). *Annual Financial Statements for the Year Ended 31 December 2022*.
- MusicWorks. (2022b). *MusicWorks – Music Interventions for Children and Young People*. <https://musicworks.org.za/wpmusicworks/>
- MusicWorks. (2023, January 25). *MusicWorks Facebook Cover Photo*. Facebook. <https://www.facebook.com/musicworkssa>
- Omotoso, K. O., Adesina, J. O., & Gbadegesin, T. F. (2020). Children on the Edge: Estimating Children’s Vulnerability to Multidimensional Poverty in Post-Apartheid South Africa. *Child Indicators Research*, 13(4), 1155–1174. <https://doi.org/10.1007/s12187-019-09677-9>
- SaferSpaces. (n.d.). *Gangs and youth – Insights from Cape Town*. SaferSpaces. Retrieved October 6, 2023, from <https://www.saferspaces.org.za/understand/entry/gangs-and-youth-insights-from-cape-town>
- Samara Foundation. (2018). *Samara Foundation NPC Annual Financial Statements for the Year Ended 30 June 2018*.
- Samara Foundation. (2019). *Samara Foundation NPC Annual Financial Statements for the Year Ended 30 June 2019*.
- Samara Foundation. (2020). *Samara Foundation NPC Annual Financial Statements for the Year Ended 30 June 2020*.
- Samara Foundation. (2021). *Samara Foundation NPC Annual Financial Statements for the Year Ended 30 June 2021*.
- Samara Foundation. (2022). *Samara Foundation NPC Annual Financial Statements for the Year Ended 30 June 2022*.
- Sanders, B., Phillips, J., & Vanreusel, B. (2014). Opportunities and challenges facing NGOs using sport as a vehicle for development in post-apartheid South Africa. *Sport, Education and Society*, 19(6), 789–805. <https://doi.org/10.1080/13573322.2012.711304>
- Schuller, R. (2023). *An exploratory study into the experiences and challenges of founders of non-profit organization in the Western Cape with specific reference to fundraising*. <http://hdl.handle.net/11427/38140>



- Soiferman, L. K. (2010). Compare and Contrast Inductive and Deductive Research Approaches. In *Online Submission*. <https://eric.ed.gov/?id=ED542066>
- SPIEEL. (2018). *SPIEEL NPO Annual Financial Statements for the Year Ended 30 June 2018*.
- SPIEEL. (2019). *SPIEEL NPO Annual Financial Statements for the Year Ended 30 June 2019*.
- SPIEEL. (2020). *SPIEEL NPO Annual Financial Statements for the Year Ended 30 June 2020*.
- SPIEEL. (2021). *SPIEEL NPO Annual Financial Statements for the Year Ended 30 June 2021*.
- SPIEEL. (2022). *SPIEEL NPO Annual Financial Statements for the Year Ended 30 June 2022*.
- Stevens, S. K. (2001). *Nonprofit lifecycles: Stage-based wisdom for nonprofit capacity* (1st ed). Stagewise Enterprises.
- The Pebbles Project. (2021). *The Pebbles Project Trust Annual Financial Statements for the Year Ended 28 February 2021*.
- The Pebbles Project. (2022). *The Pebbles Project Trust Annual Financial Statements for the Year Ended 28 February 2022*.
- The Pebbles Project. (2023). *The Pebbles Project Trust Annual Financial Statements for the Year Ended 28 February 2023*.
- True North. (2013). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2013*.
- True North. (2014). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2014*.
- True North. (2015). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2015*.
- True North. (2016). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2016*.
- True North. (2017). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2017*.
- True North. (2018). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2018*.
- True North. (2019). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2019*.
- True North. (2020). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2020*.
- True North. (2021). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2021*.
- True North. (2022). *True North Consulting Non-Profit Company Annual Financial Statements for the Year Ended 31 December 2022*.
- U Turn. (2018). *2018 Annual Report*.
- U Turn. (2019). *2019 Annual Report*.
- U Turn. (2020). *2020 Annual Report*.
- U Turn. (2021). *2021 Annual Report*.
- U Turn. (2022). *2022 Annual Report*.

**Appendix A: MusicWorks Income vs Expenses Graph**



**Appendix B: Interview Questions**

<p><b>History of NPO</b></p>	<p>Tell us a little bit about yourself and the NPO that you work for.</p> <ul style="list-style-type: none"> <li>- What role do you play and what responsibilities fall under your authority?</li> <li>- How long have you had this position/how has the leadership changed throughout the years?</li> </ul> <p>How has the NPO changed since it was founded?</p> <ul style="list-style-type: none"> <li>- How has the leadership and board structure changed? What has worked and what has not?</li> </ul> <p>How does your organization market itself?</p> <ul style="list-style-type: none"> <li>- What social media are you active on which ones are more effective?</li> <li>- Is there a designated person hired to oversee social media?</li> <li>- How do you generate content?</li> <li>- How to get keywords about organization out there?</li> <li>- Any re-brands, logos, taglines, or name?</li> </ul>
<p><b>Finances of NPOs</b></p>	<p>What does the revenue mix look like for your organization (rough percentage)? Why? What has it been like historically?</p> <ul style="list-style-type: none"> <li>- Does it come from the corporate sector, individuals, legacies, or bequests?</li> <li>- Have you been able to tap into the corporate sector?             <ul style="list-style-type: none"> <li>o Anonymous donors- what sector does this come from? Are they an individual, trust, foreign, domestic, or corporate</li> </ul> </li> </ul> <p>Who oversees finances in your organization?</p>

	<p>How much do you spend generating revenue? (This includes paid staff for grant writing, <a href="#">etc.</a>)</p> <p>- How has this changed over time?</p> <p>Does your organization use grant databases/paid software to find grants that can be applied to?</p> <ul style="list-style-type: none"><li>- Have you used grant databases in the past? Do you still use these databases? Why or why not?</li></ul> <p>What role does the board of directors play in the organization? Are they involved in financial matters and decision-making?</p> <p>Do you (or does anybody else in the organization) have any personal connections to the source of any received grants? Can you discuss any partnerships or collaborations that contribute to your financial sustainability?</p> <p>Do you fundraise internationally? Where overseas do you receive these funds?</p> <ul style="list-style-type: none"><li>o How many organizations do you receive grants from outside of South Africa? Where are they from?</li><li>o Do they outsource fundraising? Commission?</li><li>o What kind of in-kind donations have you gotten before?<ul style="list-style-type: none"><li>▪ Do you seek them out?</li></ul></li><li>o Longevity of fundraising and grants? Are they long-standing or short-standing grants?</li></ul>
--	--

	<p>What does the organization's expense mix look like (rough percentage)? Why? What has it looked like historically?</p> <p>Do you have a reserve fund, or any other contingency plans in case of a financial emergency?</p> <p>Have there been any economic hardships in the history of the organization and how did you overcome them?</p> <p>What advice do you have for other NPOs?</p>
--	---

## **Appendix C: Consent Form Documents**

### **Informed Consent Agreement for Participation in a Research Study**

**Investigator:** Ellie Ungashick, Esha Bajwa, Max Cisneros, Evan Driscoll

**Contact Information:**

Email: [ecdriscoll@wpi.edu](mailto:ecdriscoll@wpi.edu), [emungashick@wpi.edu](mailto:emungashick@wpi.edu), [macisneros@wpi.edu](mailto:macisneros@wpi.edu), [ekbajwa@wpi.edu](mailto:ekbajwa@wpi.edu)

**Title of Research Study:** Improving the Financial Sustainability of MusicWorks

**Sponsor:** MusicWorks; located: Cape Town, SA

### **Introduction (recommended)**

You are being asked to participate in a research study. Before you agree, however, you must be fully informed about the purpose of the study, the procedures to be followed, and any benefits, risks, or discomfort that you may experience as a result of your participation. This form presents information about the study so that you may make a fully informed decision regarding your participation.

**Purpose of the study:** The purpose of this interview is to learn more about successful financial models in non-profit organizations located near Cape Town, SA. This collected information will be compiled and added into a SWOT analysis which will be in the final IQP report. This report will be used by MusicWorks to improve the financial sustainability of the organization.

**Procedures to be followed:** This procedure will take up to an hour. We will be recording and taking notes during the interview unless consent to record is denied, then we will only take notes. We will simply ask about ten questions. These questions will be on the topic of the subjects' financial model successes as well as some local outreach methods to bring in donors. This is the extent of the subject's participation in the project.

**Risks to study participants:** There should not be risks to the study participant as all financial data is already published annually. There should not be any direct risk to the study participant.

**Benefits to research participants and others:** One benefit for the participants would be a better understanding of their own financial model and possibly insight into revamping their own financial objectives.

**Alternative procedures or treatments available to potential research participants:** An alternative procedure could be conducting the interview on zoom rather than in person to benefit the subject.

**Record keeping and confidentiality:** Records of your participation in this study will be held confidential so far as permitted by law. However, the study investigators, the sponsor or its designee and, under certain circumstances, the Worcester Polytechnic Institute Institutional Review Board (WPI IRB) will be able to inspect and have access to confidential data that identify you by name. Any publication or presentation of the data will not identify you.

2

**Compensation or treatment in the event of injury:** There is minimal risk of injury, however you should know that you do not give up any of your legal rights by signing this form. statement.

**Cost/Payment:** none

**For more information about this research or about the rights of research participants, or in case of research-related injury, contact:**

- IRB Manager: Ruth McKeogh, Tel. 508 831- 6699, Email: [irb@wpi.edu](mailto:irb@wpi.edu)
- The Human Protection Administrator: Gabriel Johnson, Tel. 508-831-4989, Email: [gjohnson@wpi.edu](mailto:gjohnson@wpi.edu).

Your participation in this research is voluntary. Your refusal to participate will not result in any penalty to you or any loss of benefits to which you may otherwise be entitled. You may decide to stop participating in the research at any time without penalty or loss of other benefits. The project investigators retain the right to cancel or postpone the experimental procedures at any time they see fit.

By signing below, you acknowledge that you have been informed about and consent to be a participant in the study described above. Make sure that your questions are

answered to your satisfaction before signing. You are entitled to retain a copy of this consent agreement.

\_\_\_\_\_ Date: \_\_\_\_\_

Study Participant Signature

\_\_\_\_\_

Study Participant Name (Please print)

\_\_\_\_\_ Date: \_\_\_\_\_

Signature of Person who explained this study



## **Appendix D: MusicWorks Interviews Transcript**

### **Appendix D.1: Musicworks Interview #1**

# MusicWorks interview #1

Mon, Dec 11, 2023 3:56AM • 1:07:44

#### **SUMMARY KEYWORDS**

board, work, funder, organization, music, years, npo, funding, programs, raymond, money, ngos, due diligence, foundation, board members, good, fundraising, rebrand, thinking, question

#### **SPEAKERS**

Raymond Schuller, Alexanne Tingley, Ellie Ungashick, Esha Bajwa, Evan Driscoll

#### **Ellie Ungashick**

Could you guys both tell us a little bit about yourselves and your involvement in MusicWorks?

#### **Alexanne Tingley**

Okay, so I came to music works in 20, no 2009. So I've been here for 14 years now. And I came from another large Child Welfare nonprofit, and was there for seven years or so. And before that I was in the performing arts. So a big leap into the nonprofit sector. But, yeah, I mean, basically, I've been here is Operations Director in all that time. And I've seen many incarnations of MusicWorks. I think we touched on a lot of them. But we went from being a primarily music therapy organization into what we are now, which is just this big, wonderful, diverse place. Yeah. So yeah, I don't know what else you want to know about me.

#### **Ellie Ungashick**

What does Operations Director do specifically, like as a role?

#### **Alexanne Tingley**

Pretty much everthing. Work very closely with the executive director, oversight of finances, marketing, fundraising, staff recruitment and retention, policies, procedures, budget planning, writing of proposals, reports, donor retention, on site work, along with Raymond oversight of programs. It just sticks.

#### **Raymond Schuller**

So I joined the organization as Executive Director. In March it will be four years next year. Yeah. But before that actually served on the board of MusicWorks for about 10- Yes, So when Sunelle, who was the founder, decided to see wants to pursue PhD full time in music therapy, the obviously the vacancy. The position became vacant. And I think you've you initially empathize with them. And then they asked me if I would consider coming on board in an executive position. And then I gave it some thought and decided, okay, I don't know something about the organization, I served on the board. So, you know, at least in terms of the transition that won't be that complex and difficult. So I joined as Executive Director, three and a half years ago, before that, I was the fundraising manager at another big nonprofit organization called LEAP Science and Maths Schools. And before that, I mean most of my roles has been in fundraising at the university level. So two of the Western Cape universities, I did fundraising for the University of Cape Town and University of the Western Cape.

#### **Alexanne Tingley**

10-12 years?

**Evan Driscoll**

And during that time, while you were on the board, what was your role? Like before becoming an executive?

**Raymond Schuller**

Yeah, so the board, I mean, the role of the board is to provide strategic direction for the organization, to oversight of the problems and, but I mean, it's never really panned out that way. And maybe we should address the question about what does the Board of Directors you know, have a significant kind of role? So, so we have a board. And many of the people have been serving on the board for many, many years. Okay, it's, it's severely stale. Okay. If you can put it that way. The founders also scattered the serving on the board. One of the co founders, Kerry, and sees is the only one who was actively trying to, you know, tap into a professional and personal networks for support and funding. She's also currently, the lead facilitator on early childhood development program. Okay, that's a paid for service. Obviously, she, because she's doing (unintelligible). But she is the I would say that only active board member that's, fundraising always checking in, are we doing funding wise, and who is always tapping into her network. [Kerry] quite happy to speak to all sorts of people about the organization.

**Evan Driscoll**

So is the board more meant to act as like a support network? But they're not really supporting very well?

**Raymond Schuller**

Yes. They're not supporting very well. And we've had, we've had good conversations with the current board about the need to get new and face ideas or perspectives onto the board. And they all agree, I think some of them would be relieved once we able to recruit new people because I think they, they know they're not really adding any value currently.

**Alexanne Tingley**

We have also given people option to leave.

**Evan Driscoll**

No one wants to leave, but they don't really contribute, either. Are they on- or if you're on the board, are you on salary?

**Raymond Schuller**

No.

**Evan Driscoll**

Okay. So it doesn't hurt?

**Raymond Schuller**

Yeah, hasn't hurt, but it's a voluntary position, okay. And in terms of the composition, it's just one male or the other.

**Alexanne Tingley**

One apart from you.

**Raymond Schuller**

Apart from me. The woman, one is in education, she works in the Education Department. And she was a previous teacher at one of the schools we worked at.

**Alexanne Tingley**

She's the first person that approached Kerryn and Sunelle to do work in the Heideveld Safe Room. So we really came about because of her.

**Raymond Schuller**

She had been on the board ever since. But as a board, we've identified the gaps. And, you know, we think someone with, with commercial business skills, would be useful/ To join the board, you know, someone that's very intrapreneurial has those kinds of networks, able to reach out to people in industry. I think that's, that's what we're lacking. We also looked at someone with marketing and PR experience, we had one very good person, but she moved on to head up the marketing department for private school called Kira.

**Evan Driscoll**

To join the board?

**Alexanne Tingley**

They're all across the country.

**Raymond Schuller**

All across the country. Diane is-

**Alexanne Tingley**

is she's trained chemist. But yeah, she headed up the public relations unit of Red Cross Children's Hospital, which is the biggest Children's Hospital on the continent. But she's retired. She retired many years ago. And there's also been a very long standing board member. Then we've got Titialyo, who is- she's the one who lives in Germany now. And she's actually an opera singer and a performer storyteller. Which is great. And then we've got Hilton, who is also in chemistry department at UCT, University of Cape Town. And he also runs a choir, a community based choir, and he's a musician in.

**Raymond Schuller**

Yeah, so that's really the kind of-

**Alexanne Tingley**

Oh and we've got Melody was who's a chartered accountant. Then our treasurer, named Kerryn, of course, he's a music therapist and musician.

**Raymond Schuller**

Yeah. So I think we generally have a good balance of artists and people in education. I think it's the business side of things that that we're testing.

**Ellie Ungashick**

I was just wondering what's kind of the like incentive to be on a board, like not if its not a paid position, just walking about?

**Raymond Schuller**

Yes, that's a generally it's about, most board members would think about in the context of them giving back to the community. But the nonprofit sector has also been mired by corruption. Yeah. You know, I mean, we kind of not immune to what's happening politically in the country. So a lot of our high profile cases of NPO corruption and so people are very careful not to associate with risks involved. Also, our new legislation makes it, there's there's a big focus on due diligence and there's anti corruption legislation. And

you know, sometimes board members must declare interests and it can become very personal. For every funding application, for example, we need to get a certified copy of their identity document. Okay. And then, you know, there's some hesitancy there, because you do get the sense that some people might have the perception that there's some prying happening into their personal lives as part of the due diligence. So, So I think people are more cautious now than 10 years ago to serve. I think 10 years ago, it was it was a nice thing. And it was a good thing and a good feel thing. But now, it's becoming a huge responsibility. And there is some risk associated to it. I think.

**Evan Driscoll**

So if it was what was it like 14 years ago, when you were gonna join MusicWorks for-

**Raymond Schuller**

Oh, yes, I volunteered. I met, I met the founders at the conference. And I was so impressed with them. And I stepped up and I'm like, you know, they talked about Heidefeld. I said, I know family there, I know the community, if you did, how I was really into your sector. And a couple of months later, they called me but let me know. So previously, people would want to be associated with an organization. Yeah,

**Evan Driscoll**

Like, would you join a board? If it was like that, when you were going to join MusicWorks or no?

**Raymond Schuller**

Probably, I wouldn't I can understand the caution, obviously, understand the caution. And so our thing was, we want to renew the board that needs to be renewal. But we also didn't want to bring in new people, when financially we it's such a weak position. Because the first thing that person is going to come in, check our books, and like, "Guys, do they have money for six months, you know, you want me to come serve on the board?" Six months close down, my reputation is down the drain. So we thinking, let's try and stabilize the ship, and let's improve our finances, and then try and get implemented get new people on board.

**Evan Driscoll**

Are you currently actively searching for those new board members?

**Raymond Schuller**

So we've identified the sector's there was even a couple of names proposed already. But we haven't been actively recruiting.

**Alexanne Tingley**

We need to just have a firmer footing. In terms of moving forward. Yes, before we can act.

**Raymond Schuller**

I think we're in a good position. I mean, we've you know, all since inception, we've we've had clean audited independent audited financial statements. So there's never that kind of issue. But we just want our income to improve.

**Evan Driscoll**

And then when you do recruit, how will you go about that? Is there a certain process?

**Alexanne Tingley**

Yes.

**Evan Driscoll**

Okay, is it similar for all NPOs, that process?

**Alexanne Tingley**

It should be but I'm not sure if that's necessarily the case. So someone on the board, or we would identify a potential board member, we would then take it to the board, we would discuss them. And they would then say yes or no present their credentials to us, we would then go back and do that at a meeting. And they would then want to meet the potential person, the board, and then they would join a board meeting, and then it would be- our board are very often swayed by what we think. Because they are very respectful of the roles that we have here. And feel that we are the ones that are best placed. But they're also very vocal if they don't agree on something.

**Ellie Ungashick**

I'm sure there's an aspect of you guys are here on the ground doing the work, and a lot of them are not.

**Alexanne Tingley**

And I mean, what is lovely, you do get a lot of boards that want to micromanage, we understand why, but it's not an ideal scenario. And I think our funders as well don't want that kind of helicopter board. But that comes over time, you know, that is developed through trust and longevity, and to see that we do run the organization with clean audits and very strong attention to human resource retention, how we retain staff.

**Evan Driscoll**

I'm guess- just one more question about this. Does the size of the board fluctuate at all, or is it pretty consistent with-

**Raymond Schuller**

Its consistent.

**Evan Driscoll**

And then once you go for the marketing, it'll increase by one or two?

**Alexanne Tingley**

I mean, we have currently seven board members, which when you consider the size of the organization, it offers to have as many boards produced but it's overkill, but okay, it's a good sized demand. Okay. So we will I want to drop below that. And I think what Raymond said is right that there might be a little bit of fall off of the long standing board members.

**Evan Driscoll**

If you brought someone who might be like, Okay, well, yeah, drop it back to seven.

**Raymond Schuller**

Yeah

**Evan Driscoll**

Alright that makes sense. That's great.

**Ellie Ungashick**

The next one is just looking to the future. What would you guys say your key financial goals for the next like 5-10 years are from these things?

**Alexanne Tingley**

I don't even think we dare to think about it.

**Evan Driscoll**

You could, you could say the next year, two years. That could change it up. Yeah.

**Alexanne Tingley**

Go first. Yeah,

**Raymond Schuller**

I think we- Yeah, I think we kind of like, we've got a three year budget, right. So we able to see- Yeah. Okay. So we know, we know, we've been no, we deficit throughout that period. We certainly know that. So our main goal is first and foremost, to ensure that we are able to roll out our programs to current communities and organizations we serve. Yeah. I think throughout our lifetime, we've tried never to have the beneficiaries impacted by our financial situation. Which I think and I think we've achieved that very, very well. The fact that we, in fact, in some instances, were able to increase the number of beneficiaries, even though our budget was reduced, just because of how we've restructured the program and conceptualized one of the programs. So we remain committed to achieving the maximum impact possible with the limited resources. So that's the principal is enough money every year to continue running the programs. And then, obviously, we've started thinking about the long term sustainability of the organization two years ago, we adopted what we call a reserve policy, reserve fund policy. And we got the board to commit to investing R75,000 in a separate ring fenced account. Because we thought, even though we don't have money, let's change our mindset and say, we want to put something away for the rainy day. So it's a small amount, it's really a token. But it's there, it's in a separate account, you know, managed separately. And we have over the two years, invested small amounts into it like with via book sales, or one of the donors made an unrestricted donation. So now it's almost at R100,000. So you know, 25,000 more since we opened it. So we really want to grow that. And some, for some people, that would be a contradiction, because they're like, you don't have money, but you're looking long term. So we are trying to do both at the same time. Yes, we are struggling, but we are going to overcome this. Let's, you know, let's be prudent, put away some money. And so we're trying to grow that, we've now, for the first time, I was one of the big donors if they would consider maxing the 75,000 that the board has put in. And we don't know how they're going to, they're going to take it because again, they have a preference for putting the money in the project where there's direct beneficiaries. And we are saying "no, that's fine, but we need to consider the long term." So we then it's like a savings account savings.

**Evan Driscoll**

Three years ahead? Yeah, and then so you're not expanding at all correct. You're just trying to keep the programs that are currently open, open.

**Raymond Schuller**

Yes

**Evan Driscoll**

So you just want to make that much money and then you can put it all on the rainy day account.

**Raymond Schuller**

Yes, yes.

**Alexanne Tingley**

That's pretty good. It's about expanding exponentially. So as we get more money in and we first have to stabilize the ship. So that's gonna take a while. And then we can look at bringing in new people. But I think it's always to expand according to what you think you're going to be able to support. HR wise in the next year. Even although we've had a bumpy year. This year?

**Raymond Schuller**

Yes.

**Alexanne Tingley**

We wouldn't suddenly double our on site work force, because next year, the year after we know what it looks like, yeah, there's no security. So no, we wouldn't I mean, in fact we scaled down. So we've we used to have a lot of music therapists included, I think, as we explained to you, it's not, it's not a retainable resource. So we contract that. Yeah. But yeah, we operate from a position of caution. Because, yes, that long goal is more important. We also try not only to not impact the beneficiaries, but we also try to not impact our staff. So that's really important for us to make sure that we always have enough money to keep them.

**Raymond Schuller**

Yeah. And our staff, yeah, so the idea is to retain to retain our staff, do I have enough funding so that they get paid every month? Yeah, well, we get paid every month. But it's also to get to a position where we can pay them well. And where they, you know, where, yeah, they find value for the expertise and the service in the organization. And I mean, Alexanne and I was so ambitious. At one stage, we looked at the simple thing, like a funeral policy for them, you know, and I mean, because we had a colleague who passed on. It was so sad, there was there was nothing the family could do. And so we stepped in, but so we want, we want an organization that's sustainable, that can do quality work, but also-

**Alexanne Tingley**

Because we don't, I mean, we do the best we can. Yeah. But we, if we had the money, we could definitely be looking. Yeah. significant increases.

**Raymond Schuller**

Yeah. Because I mean, the our economy has been so bad. I mean, everything increased, and we haven't had, we didn't increase salaries for two years now. So that's how they have the same salaries as petrol went up electricity went up, transport costs. So so so we're very we're very fortunate to have Yeah, it was Yeah. I don't know if our long because you thinking, you know, if it stays like this, then they would want to look for greener pastures, maybe. But they've been very committed.

**Alexanne Tingley**

We don't lose people. He left because he passed away. But we don't. We just staff don't leave, which is amazing. Yeah. So they definitely.

**Evan Driscoll**

Do they work other jobs as well?

**Raymond Schuller**

(nods yes)

**Evan Driscoll**

So how many hours would you say they give to MusicWorks a week?

**Alexanne Tingley**

Well like the community musicians our site team who you meet next week. So there are three who work four days a week. One works three days a week, but he comes in on the fourth day. Yeah. And Mark works four and a half days a week. So that's kind of we five days a week, series Roma, who you'll meet,

she's on contract. And she's also been with us for 14 years. Okay. And then Kerryn, is on the number of hours, actually. So three, she's on about two days, two full days. For music, music therapy.

**Evan Driscoll**

How many hours does a day come out to you usually?

**Raymond Schuller**

Typically, will be a 40 hour week. So there's, obviously like you would see some of our programs end at 2 in the afternoon. Okay, so sometimes, the community musicians might have another gig, a private gig, we would let them do it. So had a contract with another school to teach marimbas. So that flexibility is crazy. They, we're there for opportunities to supplement the income.

**Alexanne Tingley**

We actually encourage that, because it also, we then know that they're generating more income on the therapist, obviously has their own private practice and looks at other NGOs. So

**Ellie Ungashick**

Plus I'm sure that does help a little bit with like, getting the name out there.

**Raymond Schuller**

Yeah, yes, absolutely.

**Ellie Ungashick**

Very cool. Question about that, but totally blanking. I mean, you kind of talked about this before, but can you think of any specific examples of like, a successful financial management practice or initiative that is like, benefited MusicWorks in the past?

**Evan Driscoll**

Possibly delving into the restructure a little?

**Alexanne Tingley**

I'm not sure if it'll answer your question, though. But in terms of restructuring or rebranding MusicWorks, that I think we told you the funder was like "the names got to go." And they'd funded MusicWorks for several years, many years, actually, probably about seven or eight years by that point, which is rare, in the fundraising world. Generally, you'll get a one year, maybe a two year, I mean, long term funding is gold. So if you can find that you have taught really tight really, and she hated the name, and she came back and she said, "Look, we want to rebrand." We were chatting about a dream one day, and we were speaking to her about community of practice and convening of things. And the conversation expanded, and then she was like, okay, she loves that idea. But if we're going to do that, we really do need to change our mind. She then said to us "put a proposal together, including the Community of Practice convening of other NGOs", which we did, which was hugely ambitious, but they came back and said, yes.

**Evan Driscoll**

So with that restructure, they then became one of your donors, basically, or

**Alexanne Tingley**

They were always one of our donors, had been for about 7 years, but they funded the rebrand once, wanted no recognition. They were an anonymous funder. So they never ever got any recognition.

**Evan Driscoll**

Do you know how much that cost them?



**Alexanne Tingley**

No, it was about half a million to rebrand which is a lot to rebrand.

**Raymond Schuller**

Significant for an NGO to rebrand. Yeah. We actually struggled to spend time on it. A new website, pop up banners, sweaters, bennies, pamphlets.

**Alexanne Tingley**

So that was amazing, that was over a couple of years that we did that. Took a long time, a lot of effort. But that was amazing to do. And to be able to manage that process. Yeah, we were so committed to it not just being us around the table making these decisions. So we consulted with the kids, we had all these names up all over the rooms, "what names do you think?" It was just, they felt so much a part of the process and that sense of ownership was amazing.

**Raymond Schuller**

And then I think, kinda cold. But also, this forced us to think differently about, especially about our programs, because now we were dead in the woods, our schools at some of the most draconian COVID regulations, you wouldn't, nonprofit organizations weren't allowed.

**Alexanne Tingley**

Raymond never worked a day in the office.

**Raymond Schuller**

I just started as we went heavy lockdown on the 26th of March. So it was crazy. And then, you know, so we have to really think about our programs. And I think that piloting the Creative Resilience Program was a game changer for us. And we could, we could do it because we then we could demonstrate to the schools our aligns to their orientation goals. And then they we some buy in. And through what we've been able to reach much larger numbers of children, which also obviously up.

**Alexanne Tingley**

So what was amazing about that time, though, is that we did have a series of long term funders who have done these things. And then of course, as Raymond said, we couldn't, and we just told them, we're shifting this focus, this kind of funding, we're moving at now into the creative, it was the COVID response program when we launched. And credit to the donors, there was not a single one of them that came back and said, "We need you to return that money. We're only committed to funding this program, this number of issues", every one of them, including the government funder, which was unusual. In fact, they were probably one of the most expensive.

**Ellie Ungashick**

And the Creative Resilience Program, I feel like that is one of the staples of MusicWorks now.

**Alexanne Tingley**

Now, yes. And that really was all done online. I mean, fortunately, actually, you were appointed as executive director because Raymond was known to us. We already had working relationship. You knew the organization, you knew the team. So for somebody that knew nothing, it would have been impossible. They would have done. But to everything was done online because we couldn't leave our homes. You couldn't even stand on the pavement, you were going to be- I mean there were police

[Interruption]

**Alexanne Tingley**

Yes. But But So yeah, that helped us kind of forced us to rethink a little bit. And then we obviously have to think about if this thing lasts much longer, then it's going to impact our finances. So we eventually moved into cheaper rental space because- You weren't allowed to move premises.

**Evan Driscoll**

So when you were allowed to-

**Raymond Schuller**

Yeah. We move to a smaller house, it saved us about 50% on rental. We now realize we we don't need to be in the office every day. And we could save on all sorts of other costs related to renting space.

**Alexanne Tingley**

Everyone was really efficient online. Yeah. And still at least half our week is online. Yeah.

**Evan Driscoll**

So that that helps. And then, going back to the rebranding, I'm wondering, so since becoming MusicWorks, have you noticed the trend of your finances improving? Or has it just stayed the same?

**Alexanne Tingley**

I don't know if that had such a huge impact. I think what it did was solidified people's minds what it was we did. Music works. Yeah, that's why you'll see the works is in bold. Now. It's all one word. And yeah, I don't know that it I think it did away with a lot of confusion. I think we used to get, so if it impacted at all it would be through, we used to get funding from a couple of foundations that funded specifically health based services. So and that was easily recognizable in our name. Previously, when we became MusicWorks, not so much. So a lot of that was some of that funding fell away, really. But I think because Music Therapy Community Clinic first he was to where to do you didn't know what we used to have at one of our previous offices, people knocking on the door, because we have community clinics here, thinking we were connected. So that kind of confusion, I think also spread into into funders. So I think clarity was probably the big tech work on things that there was a shift specifically in donor funding.

**Evan Driscoll**

So now so there was no real shift at all.

**Alexanne Tingley**

But it's a really interesting question. And I've actually never paid attention to that. I don't recall that as being a, we had a few dips across the years. But that was because of crashes in the economy.

**Evan Driscoll**

Do you think with the, not the name change, but with the sub caption or whatever it's called.

**Alexanne Tingley**

The tagline.

**Evan Driscoll**

Do you think would that change? The finances would improve? Or no, you're unsure?

**Alexanne Tingley**

I don't know, I would be unsure. I think I think the reason that we're thinking of changing the tagline is that it's "music interventions for children and young people" is our focus has shifted a little bit, because

still music, but there's also other aspects of our work that I think could be highlighted. Also, we work with women throughout early childhood development training programs. So I don't think we can bring all of that together. But maybe something that was easy to clarify, if somebody looks at our name that maybe brings in the other aspects. I think we still really thinking about that. So that's why I think it'd be really useful to brainstorm with all of you around. How do you feel about our tagline, for example? Would be really interesting to get that feedback. Does it take you down a path? In your thoughts around that? We're a different kind of organization.

**Raymond Schuller**

What is meant by intervention?

**Ellie Ungashick**

Yeah. When I feel like when I think intervention, like, something a little more aggressive.

**Alexanne Tingley**

I think it was because it was music therapy. It was ECD. It was Music for Life.

**Evan Driscoll**

Because you have "MusicWorks" then you dive into music again. Maybe a different aspect of MusicWorks. More therapy focused?

**Alexanne Tingley**

I mean that social emotional learning, as Raymond was talking about. It's really powerful for us. Yeah. So yeah, I think social emotional, whatever.

**Raymond Schuller**

So now we I mean, we've we've, we've done a new graphic where we have our programs and then like, what we say is what keeps all of the programs together is music as a psychosocial resource. Because it's a psychosocial resources, in early childhood development for the teachers and how to use music for children as a psychosocial resource for school children. For children learning to play marimbas, yeah. So I think the next step is then to say now what do we mean by psychosocial resource? Yeah, how can we get that to our context? I think that's my view. But I like the DNA is the music as a psychosocial resource. So that's the common thing.

**Alexanne Tingley**

Would it be helpful to share the theory? Yeah, it's a really wordy document. I

**Ellie Ungashick**

I've seen it. On the website. I'm pretty sure some Yes, it is.

**Alexanne Tingley**

Yes. And I say Would it be helpful to have an email? it's really wordy. And we're looking at changing this as well. And just simplifying it right.

**Ellie Ungashick**

There's a lot of good information in there.

**Alexanne Tingley**

I'll send it on to you.

**Evan Driscoll**

Does it take a lot? I know the rebrand costs R500,000. But um, does it take a lot to change the tagline, or no?

**Alexanne Tingley**

We could do it. We can generate it, come up with the logo online with a program.

**Evan Driscoll**

Then just the next time you send out-

**Raymond Schuller**

Stationary-

**Alexanne Tingley**

We just change the stationary, so that is not a big deal

**Raymond Schuller**

The name would be more difficult. We are registered with the department.

**Ellie Ungashick**

I feel like "MusicWorks" works though.

**Evan Driscoll**

You know that music works.

**Alexanne Tingley**

It took months. Anyway, we couldn't agree. And really, we're all very, very verbal and opinionated about the name. And then we got to a place where, I love the story, but we got to a place where we had musical-Music exchange, music, no, no, no.

**Raymond Schuller**

Yes. And it became [unintelligible].

**Alexanne Tingley**

But somehow there was an S somewhere. Something "exchange" and then one of our board members walked in, we had it up and she said, "Music [unintelligible]". We never loved it. Yeah, it was kind of the best of a mediocre bunch. Our co founder who maybe you should meet chairperson of our board, currently. Her ex husband, it was marketing manager or director of big apparel company in South Africa. And she was [unintelligible] "music works"? Because music works. Yes. We were just overthinking it. She told us I was like, there it is. And then it was another three months of how do we write it? How do we spell it? But then we got to what it is now. And I love that. So yeah, to change the name as Raymond was saying as well, we were just sort of the NPO Directorate and it just becomes to have another name change-

**Evan Driscoll**

I don't think so either. But I definitely the tagline.

**Ellie Ungashick**

This is backtracking a little bit. But I was just curious about you said that the grant for the whole rebrand was from an anonymous donor. Is that usually like an individual? Or is that like a company that doesn't want their name on it?

**Alexanne Tingley**

It be a combination of those. Okay, so often individuals don't want NGOs here, and I'm pretty sure worldwide, scour people's websites and annual reports to get so people don't-

**Ellie Ungashick**

They don't want just fan mail.

**Alexanne Tingley**

This was a huge international foundation based in the Netherlands, it is a family foundation, who just, no unsolicited funding at all, they had to approach you. They did not want anything to do with the [unintelligible], which is pretty amazing. Yeah. But they have unfortunately, so we got an extra grant from their three year exit grant from them. And they are unfortunately have shifted their focus completely away from what we do. Which was really sad.

**Raymond Schuller**

That's quite an interesting observation now because, I mean, we spend hours and hours on doing prospect research trying to identify new donors that aligns with our vision and mission. But our two largest or two most recent largest grants, companies that found us that contacted us and said "you know, we see what you're doing, would you be interested to submit a proposal?" And, you know, that's for me, it's like, okay, so how did they get that?

**Ellie Ungashick**

That was my next question.

**Raymond Schuller**

And then like one was also on a website, one did a website search.

**Alexanne Tingley**

They looked for music.

**Raymond Schuller**

So I think there's some work for us there in terms of when you do a Google search to get us higher up. I know you guys are the first one. Yeah. You know what I mean, what do they call it?

**Esha Bajwa**

SEO, search engine optimization.

**Raymond Schuller**

Most of it we are first. Not anymore. So, other organization are coming up.

**Alexanne Tingley**

There's another music works in New Zealand.

**Ellie Ungashick**

I did find that.

**Raymond Schuller**

So we need to do something about optimization.

**Alexanne Tingley**

Can I think you pay for it?

**Raymond Schuller**

But it's also about how you the keywords you use?

**Alexanne Tingley**

Definitatly look into that.

**Raymond Schuller**

So for a lot of US based companies, there's this they use the services of what's called NPO Cause, right. And so the NPO cause would do due diligence on organizations. So if an American company organization wants to invest in the country, they would ask NPO cause, can you check this organization out? Then we get to do a whole due diligence, shoot, because of the anti terrorism legislation in the US, all of that. So So that's, that's a now with whether one is now second, they've just invited invited to submit another proposal, which I did. And then Sony Music is the other one that we're hoping will invite us again.

**Alexanne Tingley**

But the due diligence was next level due diligence. Yeah,

**Raymond Schuller**

Over Easter weekend, we were like-

**Alexanne Tingley**

till one in the morning? Because they gave us virtually no notice.

**Raymond Schuller**

But so I'm thinking about how do we, how can we, how can we quantize the American market that we exist? And because they obviously want the tax write off, then the NPO cause? Is that good a good vehicle because it means you know, we don't have to give the tax write off, that's being given in the, in the US for them. So yeah, so that's quite a cool model. And I'm thinking, yeah, if we have another tool like that, then

**Alexanne Tingley**

And they wer big sums. So I know about the 501, C # three, I think it is

**Esha Bajwa**

Its usually called 501C.

**Alexanne Tingley**

So there are conduit organizations like [unintelligible], where you can register another due diligence, and they provide you with that. So I think the money gets

**Raymond Schuller**

There is Calf America, which is also based in America, it's also provides the same service to American companies.

**Alexanne Tingley**

But they take a percentage. So expensive.

**Evan Driscoll**

So allows companies to find NGOs to invest in is what it does, is-

**Raymond Schuller**

so if there's American companies that's interested in funding that they will, they will donate via-

**Evan Driscoll**

through this, and then we'll give you the donation?

**Raymond Schuller**

So, they will give us the donation and give the tax break to the donor.

**Ellie Ungashick**

Waves for Change has something similar.

**Raymond Schuller**

Yes, they established something called Friends of Waves for Change they got in the US.

**Alexanne Tingley**

And I don't know how that works. I mean, that could be interesting for us, to see how-

**Ellie Ungashick**

Especially if it's something that we find that a lot of other NGOs are doing. Yes.

**Raymond Schuller**

So it would be it was maybe one of the questions is how they fundraise internationally?

**Evan Driscoll**

How did it differ?

**Alexanne Tingley**

I mean, I looked at fundraising, or being registered in the UK, because there's quite a lot of funding within the UK for the work that we do. But you have to be registered with the UK charities commission. And the majority of your work cannot take place out of the country. Okay. So there I think is well, they don't have something that's 501. But you'd need to be aligned with the UK based charity who would then funnel all the funding to you today. But that could be because they're not I mean, we do have some, every now and again, money will come from the UK, but it's not. It's not substantial. And I think it's just about gatekeeping

**Evan Driscoll**

They want to make sure they support their communities.

**Alexanne Tingley**

We're not a corrupt organization money isn't going into Mercedes-Benz

**Ellie Ungashick**

No MusicWorks Tesla.

**Raymond Schuller**

If we can get to Elon Musk, I mean, he's from South Africa.

**Ellie Ungashick**

Email him back.

**Raymond Schuller**

One check, and we're set for life.

**Alexanne Tingley**

How difficult would it be to pump? \$100,000? Yeah,

**Ellie Ungashick**

it'd be like pocket change. Yeah.

**Evan Driscoll**

So I just I was wanting to go back to those two large NGOs that reached out to you. One was through an online source. They just Google searched?

**Raymond Schuller**

Yeah.

**Evan Driscoll**

And then the other one was through the-

**Alexanne Tingley**

-they found us after we'd gone through this hellish due diligence. They did not have a register a database. And they then found us through that on.

**Raymond Schuller**

On NPO Cause, the American American companies would then go there, they would do their sets. Music, South Africa, The second one found us [unintelligible], we were now fully compliant.

**Evan Driscoll**

So are you on NPO Cause?

**Raymond Schuller**

Yes.

**Evan Driscoll**

Still?

**Raymond Schuller**

Yes

**Alexanne Tingley**

We knew the due diligence.

**Raymond Schuller**

And we just got confirmation. So we compliant now until the end of next year.

**Evan Driscoll**

Are you on any other programs like that? Are there any other like-

**Alexanne Tingley**

US based ones?



**Raymond Schuller**

The other one is a [unintelligible] foundation. But that's a more simpler one. And we've just asked, emailed them actually to ask for that we can renew our-

**Ellie Ungashick**

Have there been any other instances where organizations that want to find you guys have found you instead of you guys reaching out and like applying for grants?

**Alexanne Tingley**

The anonymous one did, okay, that was how they got to us.

**Ellie Ungashick**

Do you know how they found you?

**Alexanne Tingley**

Through another funder. And we had tried for a long time to get on to them, but they just they weren't. So they then found us or another funder who recommended us. So they finally made contact. And then there's another funder is a current funder. Who found us we tried for years, including the foundation that gave us the money to rebrand. They also said to the armor foundation, you need to speak to music. They never did. And then we got a new funder, called the Otto Foundation. And they have they worked closely together. And they then recommended they said we want to work with organizations that do ECD primarily, the other work, and they said you need to speak to MusicWorks. I didn't realize it was such like a network. And they I mean, when I got that call that came through. This is surely just a joke, because I've got two calls on the same day, one for health, and one for ECD. So both Elma, so obviously that had gone around and then without talking to each other they called and then we met with both and they decided which [unintelligible] so I mean that was an that was also big funding. We've just entered into a three year grant with them. Very tough funder, very tough to get into I mean, their their due diligence was they came to the office, and they were there for three weeks. They went through every single piece of paper we had. And then they score you much like the NPO Directorate, the auditor general, they also do those audits on us sort of every two or three years. And that's the same thing. It's, your exhausted. Because they want to know, well, everything.

**Evan Driscoll**

everything that's that specific funder did that? They wanted all that. So they basically put you through NPO cause?

**Raymond Schuller**

No, they- Elma

**Alexanne Tingley**

They had all these experts, and then they'd send this expert, this expert, this expert, okay. I mean you sweating because you got all these questions, but truly by the time they walked away, that was all for them to know that what we're dealing with here is a legit organization, because I mean, it's a huge foundation, international foundation. They want to know that there is no possibility of corruption, no possibility of funds being siphoned off and they still do every year. Every year, two years, maybe they will come back and they will do another but that's just today.

**Ellie Ungashick**

I'm sure that other org physicians know that the Elma Foundation does that whole vetting process. So they trust anybody who there.

**Alexanne Tingley**

It opens doors.

**Raymond Schuller**

It's always very long term. So it's nice to see. I was going to ask you guys, the Hard Rock Cafe in the US. Yeah. What kind of, I know this casinos?

**Evan Driscoll**

Hard Rock Cafe restaurant.

**Esha Bajwa**

It's a restaurant chain that's kind of like, does all sorts of things. They have a hotel in Florida, they do a whole lot.

**Evan Driscoll**

There is one in Johannesburg.

**Raymond Schuller**

They have a Healing Foundation. And one of the focus is music. Wow. So I actually wrote to them to find out whether they will fund us. They are trying to fund projects in South Africa. And he said that they call for proposals opens now on the first of November and just check their website. I think

**Evan Driscoll**

it's just a restaurant. Yeah, they're basically restaurants.

**Alexanne Tingley**

We used to have them in South Africa

**Evan Driscoll**

Everywhere you go anywhere, you like any major city in any state, you could probably find Hard Rock Cafe.

**Esha Bajwa**

There's a Hard Rock Cafe my favorite baseball team stadium?

**Evan Driscoll**

Enormous. Yeah. I just kind of backtracking it, but on NPO cause when a company is looking to invest, what do they see? Are they scrolling through a list? And all they see is MusicWorks, and then the next organization organization, and they click on it, or is it like

**Alexanne Tingley**

I think they have keywords?

**Evan Driscoll**

So you look up?

**Raymond Schuller**

Yes, but once you go into the profile, then you get then you get information about the vision, the mission programs, we could we could even upload videos on the volunteer work, anything.

**Evan Driscoll**

So do you have like a proposal on there? It's not a proposal. No proposal, just information? And you just search.

**Raymond Schuller**

Yeah.

**Alexanne Tingley**

And the second, the second funder we got from the US is specifically around music based NGOs. So whatever keywords, obviously searching every now and again to see new prospects, and then we popped up within that same year? Yeah, that came through. Okay,

**Ellie Ungashick**

Is the Hard Rock Healing Foundation, something that you've kind of applied to before?

**Raymond Schuller**

I've identified it as a prospect. [unintelligible] I would, I would send in an initial email inquiry to say, "you know, see on the website, you guys and this one, they sent the lines to the work we're doing." And so yeah, it came back and say, they'll post a call for proposals on that website.

**Evan Driscoll**

And when reaching out to an organization, who do you typically reach out to? Just whoever's listed on the site? Pretty much?

**Raymond Schuller**

Yeah, they would normally have a contact person. But that's becoming rare. Now. A lot of foundations don't accept unsolicited applications anymore.

**Evan Driscoll**

Sometimes you sit and wait?

**Raymond Schuller**

Exactly.

**Alexanne Tingley**

Which makes raising money really difficult.

**Raymond Schuller**

You can understand why you don't need to, request for support.

**Alexanne Tingley**

I mean, South Africa alone, haven't checked recently, but has around 160,000 nonprofit organizations that that are registered, which is a lot. I mean, that's, and everyone competes for the same slot.

**Evan Driscoll**

And is NPO cause specifically for American companies and businesses or?

**Alexanne Tingley**

Yes.

**Evan Driscoll**

So is there a version of it for like Canada as well? Or something? - a benefit?

**Alexanne Tingley**

I acutally don't know. We could look into that. That could be could be-

**Raymond Schuller**

Yeah.

**Alexanne Tingley**

I think any of those.

**Evan Driscoll**

Yeah. If you could sign up for a bunch of different countries, so they put in music, you know, something like that.

**Alexanne Tingley**

That's a very good idea.

**Evan Driscoll**

Yeah, sure. I'm sure. What are other other interviews?

**Raymond Schuller**

You like? Should I note that or will that be part of your of your recomendations?

**Evan Driscoll**

What I think yeah. It might be great, because I think now a new question for interviewing would be, how many NPO causes are you involved with? Yeah, how many countries are you in?

**Ellie Ungashick**

It might be, we'll find out. Middle man organization.

**Evan Driscoll**

Yeah, exactly. Because that would increase, you know, if you got two from the US and then two from Canada and then two from

**Raymond Schuller**

Scandinavia also inquired.

**Evan Driscoll**

Because you said Britain doesn't allow or the UK doesn't allow to outsource. But if you find a bunch of countries that don't let you do whatever you want.

**Ellie Ungashick**

What are those kind of like databases called?

**Evan Driscoll**

Yeah. Do you know the name for that? Or we could look what is NPO cause?

**Alexanne Tingley**

Yeah, well, that will come up as a website. NPO cause?

**Evan Driscoll**

We can look into that. Yeah, this is this is side conversation.

**Esha Bajwa**

So to go back to your question, is this going to be recorded? The recording right there? We're going to transcribe it.

**Raymond Schuller**

Yeah.

**Alexanne Tingley**

Hopefully you've got software.

**Evan Driscoll**

Yeah, we'll figure that out.

**Ellie Ungashick**

The last one on the list was just asking about other NGOs that, you know, but we we've talked about,

**Evan Driscoll**

Yeah, I feel like, this is great.

**Ellie Ungashick**

If guys have any, like, final points on that?

**Raymond Schuller**

No, I think I think that's it. Yeah

## Appendix D.2: MusicWorks Interview #2

# MusicWorks Interview

Mon, Nov 13, 2023 7:36PM • 1:03:43

### SUMMARY KEYWORDS

program, year, funders, salaries, funding, expenses, organization, called, fees, ecd, email, financials, music therapists, nonprofit, school, donors, budget, costs, music, reports

### SPEAKERS

Alexanne Tingley, Evan Driscoll, Raymond Schuller, Esha Bajwa, Roma Nathan, Ellie Ungashick

#### **Evan Driscoll** 00:00

Tell us a little about yourselves and the organization that you work for.

#### **Roma Nathan** 00:05

Okay, I have worked for MusicWorks' since 2009, I think. So what is that like? 10 plus four? Yes. So 13 years with MusicWorks, I'm working, I'm working at home, I'm working online. And your sense, I do the bookkeeping. And, and I do one funding report for one of our big funders, our biggest funder. And I keep paper trails, to prepare for the audit. And then I need to, I start to do transparent admin so that anybody can get a look at the paperwork and can see what's going on. And the way we work because we work with funders money, there has to be three people have to sign off for our set up Alexanne and Raymond will, they will sign off for release. And we especially when it comes to payments. So no one person is control over making payments, things like that. And we've got it, we've got an audit, obviously, once a year. We send out paperwork to them. And they need to see that all the controls are in place we've got we've got nice tight controls. So on every page where there's a transaction, there's more than one signature. And we work on, a bit on Excel. Love Excel. And the accounting package that we use is Pestle.

#### **Evan Driscoll** 02:26

Yeah, I guess we already have input from them [Raymond and Alexanne]. So I guess we can move into how's the NPO change since it has been founded? So like leadership roles, or even the board structure at all.

#### **Roma Nathan** 02:38

Okay, so yes, um, there have been changes. When we started, when I started, there were music therapists-qualified music therapists were mostly doing the work in the field with some community musicians supporting them. So how it has changed, especially since COVID times because seeing the need in the community. So they actually work hand-in-hand and they play, they work as supportive role to one another. And it's actually working very well. The person Sunelle, one of the partners who started it up, she had a very good head for finance. So set up a lot of when I came to the office, a lot of controls were set up already, which I just had to continue or improve. But I could I could maybe just add my touch to it a bit with Excel, Excel spreadsheets and things like that. But I must say MusicWorks. It's always impresses the people coming from auditors, firms that is quite impressive. They are always very happy with the controls that we have in place and the transparent admin and the funders that we work with. I think I think the fact that that we get funding and the funding gets renewed I think that's a testament to the paperwork and controls that we have in place financially. Yes. What more can I add? But yeah, so Alexanne and Raymond they I mean they've also got a good head for seeing how much funding yeah for the year sustainability. So that is something we'd also is that MusicWorks always looks ahead for sustainability of the financials. And we've got a reserve account now, which is also another support Obviously the market is taking, the market is taking a knock I think worldwide somehow we seem to beat into self- we seem to survive. We survived. When the World Trade Organization when that in that fell apart somehow we managed to survive and we saw, yeah.

**Ellie Ungashick 05:27**

You guys put in a lot of work.

**Roma Nathan 05:31**

And and the atmosphere I think with a staff is amazing because people take accountability for themselves. And while I've been working here, I even went to work for the chartered accountant to look over the top work. So I actually went to work in other NPO. And once I, I wanted to come back to me, I just want you to stick with MusicWorks because the setup is very good. That is that is quite impressive. I've seen what it what it is like out there also. So I was- I had a new understanding of MusicWorks' financials when I- because I worked in corporate before. And then MusicWorks' was the first NPO that I- and nonprofit organization that I work for. And I was once I went to go work somewhere else, I was really impressed with MusicWorks.

**Alexanne Tingley 06:30**

And I'm wondering would it be useful to just explain the funding schedule.

**Roma Nathan 06:34**

Okay.

**Alexanne Tingley 06:35**

That's important.

**Roma Nathan 06:36**

Yes. So we have we have, I can show it to you also, we've got this funding sheet, on Excel, the Pestle accounting package, the way the accounts are set up the order that it's set up with the income with first all the funders, that income and then the other income, and then then the expenses. So we've got this funder schedule, where we have the Pestle accounting package on the left hand side in that same order. And then we've got a column for each funder. So every funder with a funding contract, they agree to what they want to- which programs they they are supporting thier funding with an or, or they'll say its MusicWorks' discretion. So I have this funder sheet with a month by month, spreadsheets at the bottom. And as the funding comes in the on the total sheet, I've got a key at the bottom so that I know which what each funder which programs each funder funds or if it's at MusicWorks' discretion. So we are able to keep track of how we- are we are spending the money and anybody can come I send- I send the reports to Alexanne and Raymond every month. So anybody can see that the funding- every cent where every cent is going. So we know especially in a fund that comes in does monitoring and evaluation of how MusicWorks is ending the money and besides going up on site, they can see we- every cent he's coming.

**Evan Driscoll 08:30**

Seems like the way you organize your finances is already really well established than right. Okay.

**Roma Nathan 08:38**

Would you like to see the funder sheet?

**Evan Driscoll 08:40**

Yeah

**Raymond Schuller 08:40**

You can email or-

**Roma Nathan 08:45**

I can. Yes, I can email it to you.

**Evan Driscoll** 08:47

Yeah.

**Ellie Ungashick** 08:48

I was just wondering, which program do you find gets the most funding if a donor wants to like specifically fund one program instead of leaving it to your guys' discretion? Is there one that kind of gets more than the others?

**Roma Nathan** 09:06

I would think the main program is CRP.

**Ellie Ungashick** 09:08

That is what I was going to guess.

**Roma Nathan** 09:12

Yes, so we would like more funding for that program, because that is that is the strongest running program at the moment. I think since COVID times, it's been a little bit tough to get funding, especially from overseas funders. And that is- that is where we get the majority of our funding from. And it's been a little bit- it has been a little bit tough, but Raymond and Alexanne have been- they've been working hard. Sending out proposals and so, but I think that is that is we probably have asked for more funding for that program. Then second program that also, a major program, is the Early Childhood Development Program. Also, that could be another program that we need more funding for, because that program is growing. Music- Music for Life. I mean, we need we obviously need funding for Music for Life, but but I think CRP and the ECD programs are our major programs, and in this also music therapy and music therapy program. But yes, at the CRP and D- and early childhood, ECD program, that's our two major programs.

**Evan Driscoll** 10:44

I suppose in the real interview, our next questions will be more on marketing and media outlets, but I guess we could kind of gloss over that. Because its not completely relevant. But yeah, and then what does the revenue look like for MusicWorks as in like, do you receive money mostly- or funding from the corporate sector individuals legacies or bequests? Like where does the revenue usually come from?

**Roma Nathan** 11:12

Usually comes from- from charity organizations, overseas charity organizations, we do we have got, we have got some individual donors, but that is- that is a small part of the funding there are. I think this yes- there's about 22 regular donors. And we've carried on every year one, some of them have fallen away by the wayside. Last year, so we have got, we've kind of got things online in place, but it's been I think we've we are we are small organization. So-

**Raymond Schuller** 11:59

I would say 85% was maybe from international foundations.

**Evan Driscoll** 12:04

International entails US?-

**Alexanne Tingley** 12:07

US, Canada, Europe.

**Ellie Ungashick** 12:15



Is the last 15% a mix of individuals?

**Raymond Schuller 12:18**

The last 15% would consist of South African trusts, few individuals, yeah. And then one major grant maker Alma [Foundation]. And then obviously, under self generating income, we would have fees, which are some schools by a voluntary contribution. Which I think constitute probably 5% of the total cost to the run the program, and then some of them struggle. Since yesterday, we were getting excited and I wanted to go see a potential new school to work with. And first thing was we didn't have money so can we do we said, can you just paid for us to get the the instruments they

**Alexanne Tingley 13:19**

We're shocking them.

13:21

And, they said, yeah, we can do that. But so yeah. And we've only introduced like a really aggressively pursuing fees in the last few years. And like I say, it's, I consider voluntary, because, you know, if we feel there's a need and the school buys in to the concept, more often we say, Okay, make any contribution and some would do fundraising and stuff like that. So let's fees. Friends, we will be until for music therapy. They also pay fees. We've got fees from music therapy students at University of Pretoria, we generate some fees from Bergen University students coming here. Yes, annually. So there's fees individuals, local, corporate, very small and negligent. And in a big major grantmaker Alma philanthropies. That could be the balance and then a small state grant which is Department of Social Development, then you will actually listed in the project plan that they've been giving.

**Roma Nathan 14:39**

We have got to we've got to comply with them because that is covered government organization.

**Raymond Schuller 14:45**

They've been giving the same amount for the last 14 years. Despite us seeing what-

**Roma Nathan 14:51**

As opposed to sharing with so many organizations that need out the service so much they can give us

**Alexanne Tingley 14:58**

The ground for Department of Social Development from national government gets cut every year. Although the need kick grows and grows, so they really do I mean, their their language they call organizations who are not compliant a tourist thing and complete, they really try hard to not do that. But it does make it when they're having to cut budgets, it does make it easier for them to be able to let go of those organizations. So we are obsessed with stuff. Because it gives a lot of gravitas to the work we do, because a lot of potential funders want to know if you get government funding, because they know that the M&E, their monitoring and evaluation is quite ridiculous. Yeah.

**Ellie Ungashick 15:48**

What does it take to be compliant for something like that, or the guidelines?

**Alexanne Tingley 15:52**

You have to go through the NPO directorate. So to register as a nonprofit, you've got to go through the NPO directorate, which governs all nonprofit organizations across the country. So they are can actually email it to, there are quite list of strict criteria you need constitutions, policies, human resources, financial general organized.

**Raymond Schuller 16:14**

Governance, board, office address

**Alexanne Tingley 16:19**

Obviously, address a phone number, preferably in those days, it was a landline. So we fixed line, email addresses, it's it's and you've got to submit audited financials, and annual report every year that actually gets uploaded to the NPO directorates website. And if you don't do that, that especially the audited financials, that's one of the reasons that they will stop funding, you've got to be. So that's why they do the M&Es that actually come go out on site. Because a lot of people I mean, I think Raymond mentioned that there are a lot of organizations that are registered that just don't do the work, they say they're doing,

**Roma Nathan 17:06**

I think it's actually really sad. It is so great here to help people, disadvantaged people. And that has been a plus for music works is that we have all these controls and balances in place that has been- that has been our- our strength, so that we could get funding get refunded every year, being compliant with The Department of Social Development, and then so as to become ending compliant with what the funders are looking for. They want to see that- we have these controls in place.

**Evan Driscoll 17:43**

Seems like you have a solid base.

**Roma Nathan 17:45**

And of course, the need, the need, so great. So people start these little organizations, but they don't have the- they don't- they don't have the know how to set up the controls the financials, and let's really sad.

**Ellie Ungashick 18:00**

Yeah, that takes a lot of people too.

**Alexanne Tingley 18:03**

And the requirements are pretty steep. So yeah, even the report writing, and you just think smaller, grassroots NPOs don't stand a chance. Because they really, they make it really difficult. It's like applying to the National Lottery, they make it almost impossible to apply. Because their- I think their requirements are so steep.

**Evan Driscoll 18:31**

I just want to backtrack a little real quick. You said you visited a school yesterday, how did they find out about you? Or vice versa? How did that get set up?

**Raymond Schuller 18:42**

It's actually- it's through a personal connection. So I remember was teaching at the school and part of the acting club. So we had an exploring a partnership with another nonprofit called Out Cape Town. And then we shared with them thqt we'd like to, since they based in the community where we want to work next year, they can recomend a school. So I asked her because I knew she was teaching in Daft, and she said speak to this principal. So it's normally we get referrals or by word of mouth, or we identify an area where kid need this. Yeah.

**Ellie Ungashick 19:24**

Have you guys partnered with other NPOs before?

**Alexanne Tingley 19:27**

Yeah, yeah. It's interesting, because we were only able to even consider working in a new community because we were exiting one. Yeah, and it took a strategic decision to leave one of the- one of the communities that we've been in now for probably seven or eight years. Because the need is so great that funders also want to know, you know, what are you doing to actually spread your work out? Yeah, we identified Daft as one of those communities that need it, The input, amazing principal, no money, incredible school, Yeah, just doing such incredible work.

**Raymond Schuller 20:10**

She clearly understands the importance and the impact of the arts,

**Alexanne Tingley 20:15**

She was telling us before-

**Raymond Schuller 20:20**

A child in sports and art is a child out of court.

**Alexanne Tingley 20:26**

Sport and court rhyme, right? Yes. But it was beautiful. Yeah. And she'd done a study she kind of has looked over a few years have the top 10 matric students in South Africa and looked to see what is it that they have. And so it's not just the academic prowess, but they also are very active in the arts and very active in sports. So those are her drives. She wants that for these children, and she buys shoes out of her own pocket and music stands. I mean, she's amazing.

**Roma Nathan 21:04**

Obviously passionate about what she does.

**Esha Bajwa 21:07**

What's her name again?

**Alexanne Tingley 21:09**

This is Joseph, at the Hauge Primary in Daft.

**Evan Driscoll 21:20**

We were wondering, what is your- what is the expense mix look like for MusicWorks? In terms of what do you like, primarily spend your money on and why you spend money on that?

**Roma Nathan 21:33**

Okay, so the program mostly. So in some- we've got- we've got operational expenses, which is which, who would be our rent, telephone bill, WiFi, stationery, stationery and printing, though, normal operational expenses. And then we've got the program expenses, which is that- that is the main major expense for MusicWorks. So how it is set up is that each program has got facilitation fees for your funder schedule, has got expenses for the music, music therapists facilitating the project. And then I was a new boss and the on site staff the salary expenses, so when the salaries are set up at the beginning of the year, it is split up across the programs. So that we know already what percentage is what percentage of each person spends on the hours they spend in your program. So it's the facilitation fees and their travel costs of the staff. And then there's if there is any stationery specific for to that program, expenses for that program, like CRP, we'd have some different expenses because sometimes we have motivational speakers. That is motivational speakers. We arranged for them to go and speak at on site at those programs. And then there is ECD. The ECD program has got different expenses also because usually they've been traveling to the Eastern Cape to rural towns, to do training programs for the people that work at the Early Childhood Development Centers. So it would be the traveling costs. And then it is also

they've got- they've got a training manual which they use if they need to update that. But then there's also there's also a lot of admin costs for ECD because the thing is there is communication between the ECD center communication between the people who are actually doing the training program the beneficiaries of the program. So they would have that expenses but ECD program would have traveling and accommodation expenses also to go and do the programs out there. Music therapy it's- it is the music therapists fees. That's actually what music- when MusicWorks started it was started by music qualified music therapists so they, they actually train days they send University of Pretoria music therapists, they send them to Cape Town, the person who started a mother, they need to know told them about, okay, we've talked so. So she does supervision of those students practice- practice. She does- they do practice music therapy at some institutions, yeah, in Cape Town, and she supervises the material, workspace situation. And then Music for Life. Music for Life, it's got about the same expenses and Music For Life we run, often we run programs to teach them how to play marimbas. So there will be the expense of the musical instruments and repair of the musical instruments. And I don't think we are still going to do- to add, we used to do but I don't think that's happening this year, taking everyone out and- We have certificate and awards certificate, at the end of the year will sell for participating in the program attending regular attendance. So there's that expense.

**Evan Driscoll 26:24**

I'm wondering, so on this spreadsheet, your budget 2023, September, and then your actual income and expenses, but that value is larger than the budget. So are you going over budget?

**Roma Nathan 26:36**

So

**Evan Driscoll 26:38**

There and there. So that's is that and then that's larger. So I'm just wondering what that

**Roma Nathan 26:45**

In that month yest. So I've got a budgeting, Pestle split out over the year. But that month, the ECD music therapist, she gave us- they would maybe do the facilitation in one month, and we might get to that in the next one for something. Okay. So overall for the year, we actually do a budget review. We've been doing a budget review of Madeira. And then we review the budget to see if if we are still on track, that we are not overspending, but we are actually for the year, we are on track.

**Raymond Schuller 27:27**

Yeah, but it's it's quite like with nonprofits, you'll see, depending on the cash flow, there will be months where they would be a deficit. And then all of a sudden, you get a lot some in-

**Evan Driscoll 27:44**

Spikes

**Raymond Schuller 27:45**

Spikes. But even at the end of the- you'll see with many NPOs, if you look at the audited financial statements, reports, it's quite standard for them to even reflect the deficit and some donors are fine with that. So they understand the flow of the money. And others could raise eyebrows. And it's also Yeah, I mean, most nonprofits with I would say with property spend up to 90% on salaries. Like ours is labor intensive. All the work is done by people. So are we then do our budget is we do a total cost of the- to run the program. including what it costs to pay the salary. So the salary would be teased out across the four programs if the staff is involved in clustering. Somebody would apportion their salaries according to the level of involvement of a particular staff member. So for example, even in my case, so I would have a

portion in the operating expenses and the central office salaries. But then also because I'm involved in CRP, I'm tossed under CRP.

**Alexanne Tingley 29:20**

Same works for me. Sam works for Andaluia. And it actually works. Then you'll get an actual cost.

**Raymond Schuller 29:28**

Because if you show a donor that 90% is spent on salaries under just the salaries budget line item. They don't know the extent of your involvement in the programs. They might think that organization only exists to pay salaries Yeah. So I think we're on the right track with how we're portioning.

**Ellie Ungashick 29:56**

What percentage of the budget would you say goes towards salaries?

**Raymond Schuller 29:59**

I would say maybe 80%.

**Roma Nathan 30:05**

But it probably is about 70%.

**Alexanne Tingley 30:07**

Say that probably is because-

**Roma Nathan 30:10**

Because yeah, so we've- we've tried especially we've tried to keep down costs of stationery, buying office equipment, and computers and things we do the bare minimum, only when it's necessary.

**Alexanne Tingley 30:28**

But then we still wonder.

**Roma Nathan 30:33**

Like it is mostly people orientated people going out doing the work.

**Evan Driscoll 30:37**

Yeah. This sounds like a great budgeting method. This is honestly a method you could probably teach to other nonprofits.

**Roma Nathan 30:44**

At the beginning of the year, it's, I mean, Alexanne and Raymond, they have to split the budget, the salaries across the programs to be done. First, before we even look at the budget. It's got to be split across the programs, because the programs is the core of the organization.

**Alexanne Tingley 31:04**

I just want to mention, I mean, it's not just that, you know, most organizations have their- most companies as well have their audits to have their financial year running from March to February, March ending, we have ours from January to December, because we work with- within the school. It made sense. And it actually we used to do the March to February, but it just complicated our budget so much that we actually shifted that. So it just makes sense for us. And as a matter of theory, reflection on the year expenses,

**Evan Driscoll 31:40**

Is that South African, like companies do that as well, the March through to February?

**Alexanne Tingley 31:45**

Yeah.

**Evan Driscoll 31:45**

Okay, good to know.

**Alexanne Tingley 31:47**

The South African Revenue Services. And that's-

**Roma Nathan 31:50**

Something that I forgot to mention in all the programs is that there is a monitoring and evaluation expense in every program, to monitor the progress of the program and to aim at monitoring and evaluation are valuable for the funders when they come. Because we have to also know about attendance during the year. And then also-

**Ellie Ungashick 32:21**

Is that something that you guys facilitate?

**Roma Nathan 32:24**

The people that go out on site and do the work. They do, they do a bit of reporting. The music therapists also and the team and the team, the team, the on site team, they do, they also do at the end of the end of the term,

**Alexanne Tingley 32:41**

End of each term. And then we have a review session, which is also falls under monetary findings

**Roma Nathan 32:47**

What worked, what didn't work.

**Alexanne Tingley 32:49**

You will also see a big when you're speaking about larger expenses was the travel costs because that we pay for people to go on site. So if you have a vehicle, we pay you the Automobile Association has a rate which they recommend, which we would pay per kilometer. And then for staff members who use public transport, we cover those costs as well. So that's such increase that trend, gotta cover that cost.

**Ellie Ungashick 33:24**

This backtracking a little bit, but would you say that categorizing salaries underneath those program costs, like benefits you guys in terms of getting more donors, just in terms of optics?

**Raymond Schuller 33:38**

I think in terms of optics-

**Roma Nathan 33:41**

They want to know, which program I mean, what what it costs to run the CRP program, then bolted into the program is, is the salary costs and the travel costs so yeah, so that you know-

**Alexanne Tingley 33:55**

It reflects a skew otherwise.

**Raymond Schuller 33:59**

Doesn't make doesn't make sense that you have the donors who would fund a program, but insist that you can use a portion they have a salaries. Who is running the program, who's managing the program, who's evaluating the program? And so like I asked, them we just saw a big call for proposals from our city. But says you can't decode thier salaries with it now. Some people do creative accounting and they get away with it whatever it is. Because we know the majority of course is for the people doing the work.

**Roma Nathan 34:41**

The work- the work that you actually do on site working with children. I mean, its the interaction between us and the children-

**Alexanne Tingley 34:51**

That's the point.

**Roma Nathan 34:53**

The interaction, yes.

**Ellie Ungashick 34:53**

I'm sure donors see, like, that much money is better salaries and just assume the worst. It's like going in your pocket.

**Roma Nathan 35:01**

Why your feedback, Your feedback, says the work that you've done during the day.

**Alexanne Tingley 35:07**

But it's interesting because it was a problem. We never used to budget like this.

**Ellie Ungashick 35:12**

When did you start doing that?

**Alexanne Tingley 35:13**

So that funder that covered the cost of our rebranding, the person who head that up, she's the one who told us okay, and she said, "You guys are crazy". So it's obvious. Yeah, you know, how do you and she asked those those kinds of questions, and it's like, yeah,

**Ellie Ungashick 35:32**

That'd be a really interesting thing to ask about other NGOs if that's what thier doing.

**Evan Driscoll 35:37**

That's probably something they could definitely learn from you 100%.

**Ellie Ungashick 35:41**

Especially places like Waves for Change, when that also like requires so many instructors, I'm sure that it-

**Alexanne Tingley 35:47**

It would be interesting for you to find out how many of that- thier team are volunteers? How many are actually paid staff, yeah, yeah, I could I have no idea.

**Ellie Ungashick 35:57**

Do you guys have any volunteers at MusicWorks or is it all paid staff?

**Raymond Schuller** 36:01

All paid.

**Alexanne Tingley** 36:02

All paid. It's tricky. Because of the work we do. It's also all about building relationships of trust. Yeah, with the children. And so for a lot of volunteers are transient. And we we're not talking about students that come in. Yeah. So you need that stability.

**Roma Nathan** 36:19

And when you- when you- when you start working at a school, you have to get police clearance for each staff, for example, so-

**Alexanne Tingley** 36:27

and the sex offenders register now is huge. Department of Social Development have said to us, that's more important than the police clearance.

**Ellie Ungashick** 36:39

It's the equivalent to like a query check in the States. I worked at a hospital right so I had to get a query check.

**Alexanne Tingley** 36:46

And that is on an annual basis.

**Ellie Ungashick** 36:48

Oh, really?

**Evan Driscoll** 36:51

Yeah. Um, and then we touched on international fundraising. But do you ever look for in kind donations, like, musical instruments, or-

**Roma Nathan** 37:05

we have had already? I don't know, what is this is any such-

**Alexanne Tingley** 37:12

So we-

**Roma Nathan** 37:14

actually have had already.

**Alexanne Tingley** 37:17

I mean, it's because we've also applied to some funders who will only fund stuff. Only fund purchase of instruments or computers or equipment involved.

**Roma Nathan** 37:32

I see our income and expenses and our budget for the year so they can see that we do have an expense on our computers and musical instruments. Yeah, so they can see the capital expenditure. Um, so they know that there does exist any if we're lucky, then they will find the bigger and better fund- funders, bigger funders will then fund part of that.

**Alexanne Tingley** 38:00

I mean, we've applied for like, a vehicle we've planned, but we never get that. But donations, we-



**Raymond Schuller 38:10**  
got money for one, one. Yeah. But then we didn't need it.

**Alexanne Tingley 38:14**  
Back, yeah. That was a kind of big crash in the South African economy.

**Raymond Schuller 38:21**  
So we requested if we can divert the money because we had other projects now and eventually like, two years later, they came back to say it's fine.

**Evan Driscoll 38:36**  
On your website, there's no like, specific location to give an in kind donation or is there?

**Alexanne Tingley 38:44**  
There isn't. There isn't an interesting point. Yeah. Yeah. No in-kind-

**Evan Driscoll 38:53**  
specifically things but maybe like an in-kind factor,

**Alexanne Tingley 38:56**  
actually, some organizations and I think Butterfly Art Project might think they were wishlists.

**Ellie Ungashick 39:04**  
I've seen that on thier website before.

**Alexanne Tingley 39:07**  
We've not done that.

**Evan Driscoll 39:09**  
Well, yeah, we were also this kind of off topic, but we're talking the other day and we're- we're talking about like the slogan basically and kind of and we wanted to push it more towards being just about like kids like and basically came up with the idea of like, letting children be children. And like the whole concept would be like less space of around the therapy and more just like allowing kids to be kids so like maybe even in kind donation, I was noticing this at like the schools like a lot of those kids don't even have like shoes and stuff so like you could be like oh shoes so they can dance or something like in kind donations like that. I feel like any little thing could help.

**Alexanne Tingley 39:51**  
That's very interesting. I think it can-

**Evan Driscoll 39:55**  
Yeah, that was off topic. That was just like an idea we've all been having.

**Alexanne Tingley 40:01**  
Sometimes we get, like people calling us and said they've got a double- they've got a piano or they've got keyboard or whatever. Can we get it? Or can they donate it to us? Yeah. And then we take it in, and then we never use it. So we tried to be a bit more prudent. That's kind of the only .

**Raymond Schuller 40:22**  
We've always referred where we can use what other organizations like Kronendal Music Academy.

**Alexanne Tingley** 40:30

With part of kind of a little, little colab with five. You know, we'll say if someone wants to give us a piano and in those invariably always go, so it's about sharing the love.

**Ellie Ungashick** 40:43

Those are all other like nonprofits. Maybe we can talk to some of them as well.

**Alexanne Tingley** 40:47

When you're speaking to Kronendal Music Academy. I think so she, she was actually the person that drove this. So yeah, but we can share those types of things.

**Ellie Ungashick** 41:04

Where you at on the list?

**Evan Driscoll** 41:05

We were like here? I feel like oh, I guess does your organization use grant databases or paid software? Or have you ever tried to use that to in order to get grants?

**Ellie Ungashick** 41:15

We talked about this last time.

**Evan Driscoll** 41:18

Yeah, we did discuss? I don't know if you have any input on that.

**Roma Nathan** 41:22

Okay. No. I think we have subscribed to some donor databases.

**Raymond Schuller** 41:30

Yeah, yeah. Funding Finder and Funds for NGOs. But that's for that's for- like, do we go into searches, but in terms of-

**Roma Nathan** 41:44

What do you mean, putting our name out? A database just for the donation.

**Raymond Schuller** 41:45

Data management systems? No, because I mean, doesn't warrant us to have one, we only have a handful of the audience. Okay. So you'll find universities and big organizations would have this software called Dev Man, which is a local data database for managing donors. And you can use it to issue your tax receipts and invites and, you know. But for donations pop up when there's alerts that need to come out or reports that still, but it would be I think, I don't really waste for that we can manage that the 4 of-

**Alexanne Tingley** 42:30

There is a free online one that we used to use a lot called the Trello. But and that's useful because it sends out reminders and of that, it captures all of your data, but it's only as good as the information you put in. And we kind of have our own Excel system.

**Roma Nathan** 42:48

Yes, we do a monthly when we do our monthly financials. And then I do at the end of the monthly report, I have a list of the invoices that still need to be paid for the year. So there are things that that come up so that we don't lose track of money that we need to resist that we've changed that we still need to get in. there saying the SARS that return returns but yeah, so on the- we do at the end of each month we do a

monthly recon, a monthly recon of over payments we need to make to the Pay Day the day we make all of our payments. And then with the monthly report, we keep re- it's quite detailed, so I can show you. So we get this balance sheet. It gets generated with Pestle. I make another balance sheet with a more detailed balance sheet summary. So that it lists the invoices that is still due you or anything that you have notes of something that is still coming up, that we need to sort out so that doesn't get lost or forgotten about something that can be something that must be sorted out financially.

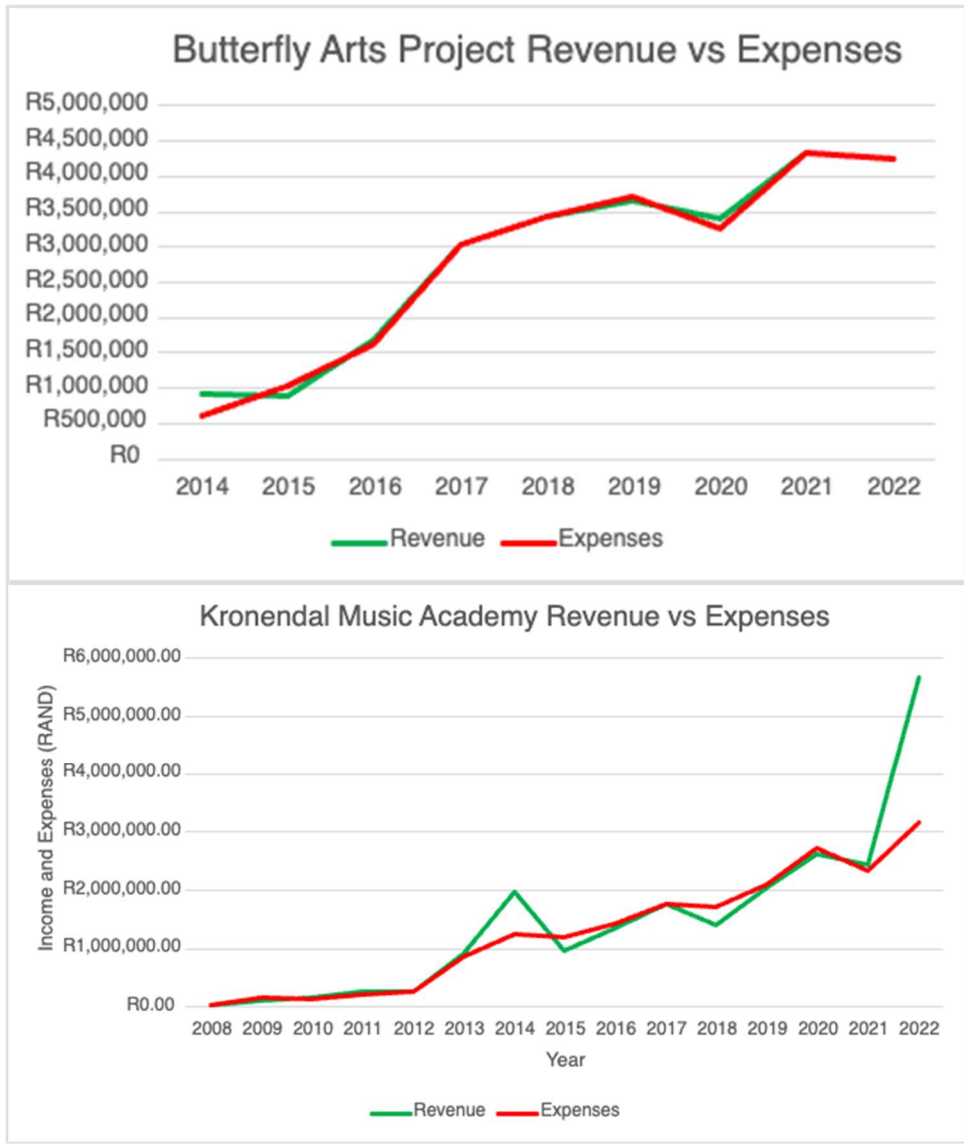
**Evan Driscoll** 44:43

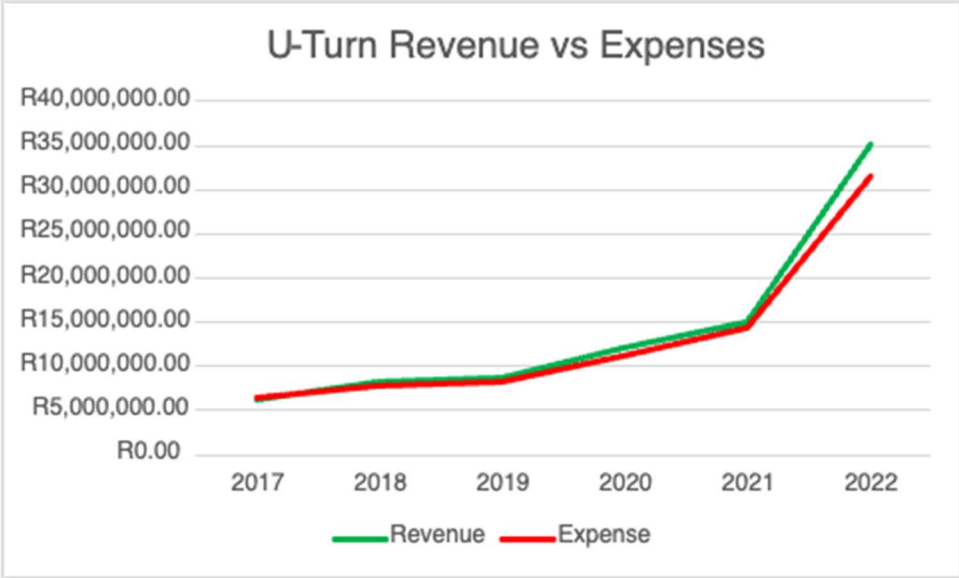
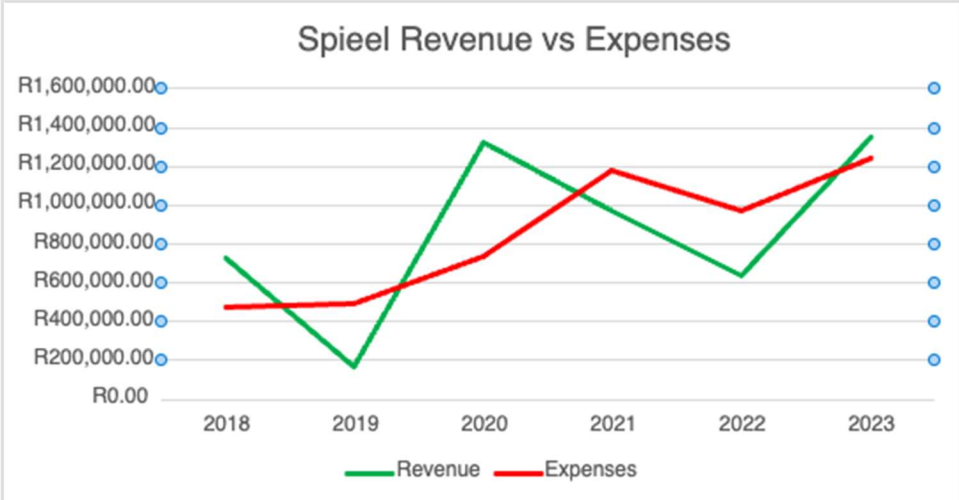
Are these the ones that are online too on the website or these reports on the website.

**Alexanne Tingley** 44:51

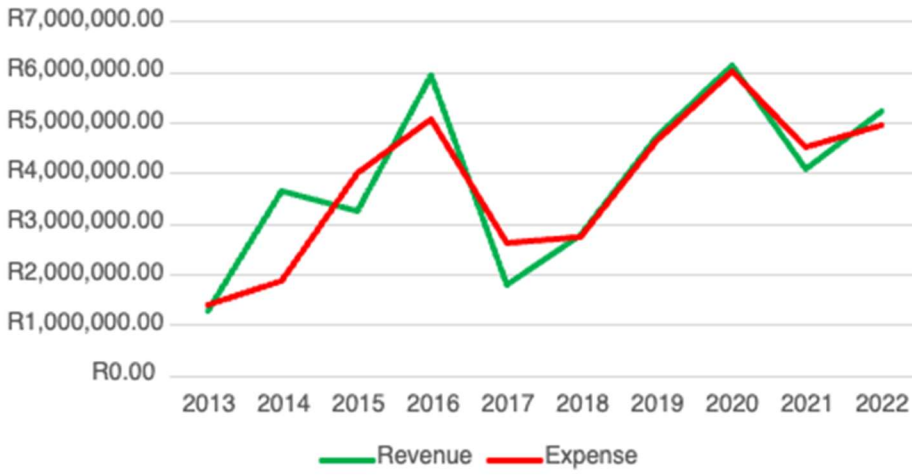
No, only the audited financial statement.

**Appendix E: Financial Analysis of NPOs**

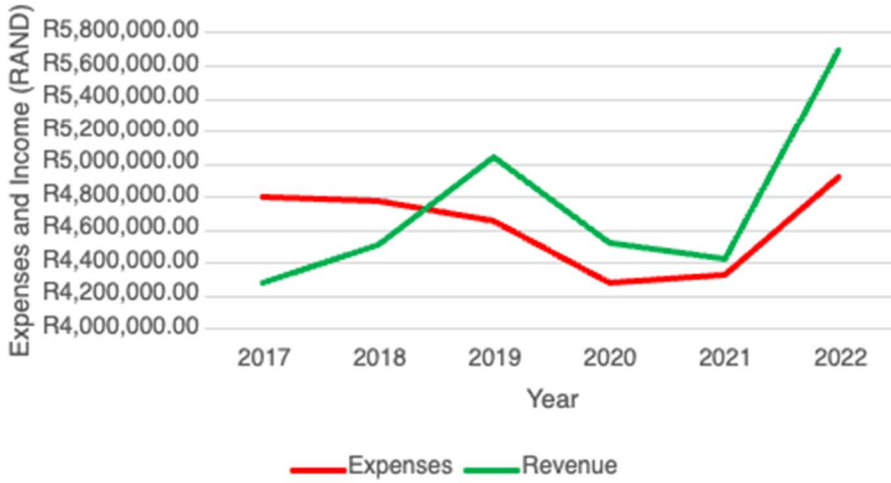




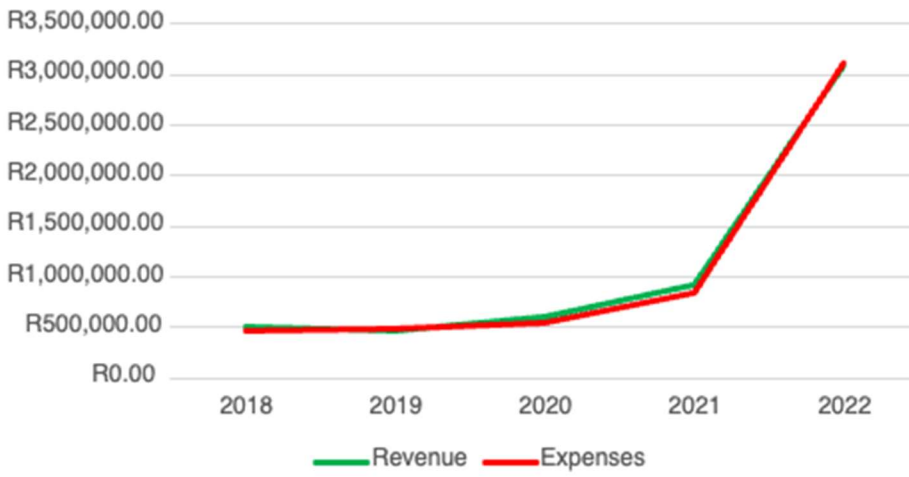
### True North Revenue vs Expenses



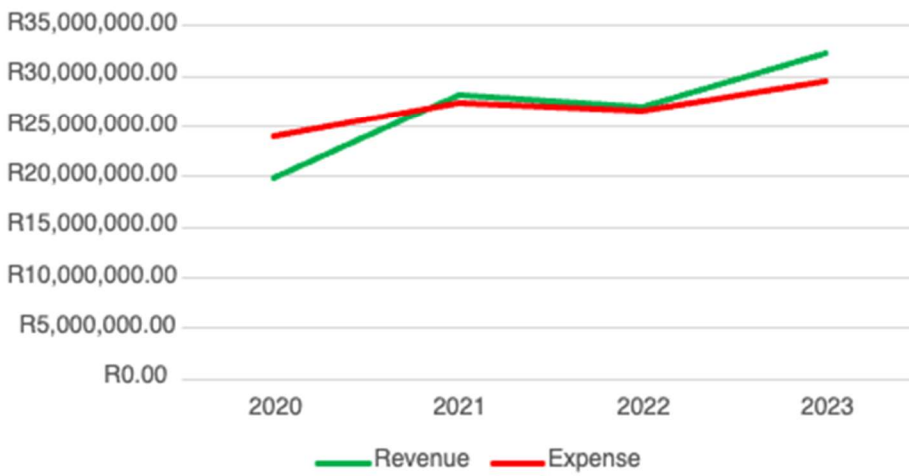
### Friends Day Centre Revenue vs Expenses



### Samara Foundation Revenue vs Expenses



### The Pebbles Project Revenue vs Expenses



## Appendix F: NPO Interview Transcripts

### Appendix F.1: Kronendal Music Academy Interview

# Kronendal Interview

Mon, Nov 20, 2023 11:42AM • 1:18:22

#### SUMMARY KEYWORDS

give, fundraiser, grant, people, year, organization, money, huge, music, work, board, corporate social investment, pay, fundraising, investment, program, children, budget, community, ngo

#### SPEAKERS

Ellie Ungashick, Evan Driscoll, Dwyn, Max Cisneros,

**Dwyn** 00:04

So we are essentially we're a nonprofit, music school, meaning that we are charity. And all funding that we receive goes towards the work that we do. And essentially, we get children here our draw card is they come to come in to learn how to play a musical instrument and do all the other things that are involved in music school. So we have that part of our school, which is a music course, and they do instruments they own an ensemble, there's multiple performances going on. Throughout the year, they do international grading we do in house assessments. We have our showcase garage interview, prize, giving certificates, it's lunchtime concerts here. So we we do a fully fledged music course, like any other music school. But what what's that we've got them here doing music, that's really when our, our work starts with the children. So as the the second part of our of our work is as pupil wellbeing program, so that consists of health and wellness. So there's the lunch club that Auntie ZZ works in, and she's our kitchen executive. She makes the delicious, nutritious meals that everybody gets every single day. Mr. Gideon is our driver and caretaker of the property and who makes sure that they get here safely from school and they get home again, after hours. And the kids often need eye tests. And we we found that and we make sure they get glasses if they need or hearing tests. Sometimes clothing or sanitary ware or a lot of our children experience very traumatic loss of household and check fires and so on. And so we have a crisis management fund, then that's our well being program. And then we've got a psychosocial department, which is quite huge. So we got a gig last night for all a bit phased out. [Background conversation] So our psychosocial department consists of our social worker in house social worker and our music therapy program. And together they work on a triage system. So children who need immediate attention on you know, it may present itself at different times or unexpectedly, or children who have been what's the word not diagnosed, but have been assessed that they need ongoing treatment. They're either in social sessions with a social worker, or they're in individual sessions with nurses, music therapists, and then post dinner music therapist she, she assesses all the children every year, children get placed into group, sometimes group therapy. Usually there are certain themes that come out from all the assessments that she can kind of group kids together, anxiety or bullying or domestic violence, or whatever it is. She she manages to group them together otherwise, the more intense therapy happens on a one to one basis with her. And then the two of them run focus groups with all our children. So every grade child is in some kind of focus group. So whether it's focusing on managing anxiety, which is our theme for this year, or they have leadership programs with the older children, and then our our high school children or peer mentors, where they mentor the younger children. And they also help us gather monitoring and evaluation information. So we have questionnaire that the children answered twice a year and we managed to get data from that for our M and E. So that's our Peer Mentor Program. And yeah, that's it for the psychosocial department, and then we've got a zero drop off. So we, especially long before COVID, but especially after COVID children were really struggling with their school homework. So we used to sit with any of us who just happened to not have any work to do at that moment. would sit and do homework with the kids and then it moved on to getting a person actual school homework assistant, and then move into us reaching out to



the community for volunteers. Those are the only volunteers we have by the way or is there a drop off program, elderly folk, people who are retired or who want to do something in the community. So we've got about reaching about 10 or 12. Now, and they do math, science, english, Afrikaans literacy reading, you know, in South Africa, about 17, I think it's gone up to about 85% of our grade four learners cannot read for me. So we are really focusing on on literacy and reading as most of the grade fours and great things. But a lot of the children are struggling with maths, and especially this time of the year, they want help with the exam work and print work, and so on. So that's what our tutors are there for.

**Evan Driscoll 05:50**

And then what exactly falls under your jurisdiction? And what role do you play?

**Dwyn 05:57**

I'm the CEO. So I do everything. And I've, I'm in charge of finding money to make sure the organization runs smoothly. We don't have an in house fundraiser, I'm a fundraiser. So I wish we did. And I am actually working towards towards that.

**Ellie Ungashick 06:18**

Have you hired one in the past?

**Dwyn 06:20**

we've tried to just before COVID. So in 2019, we, we decided we needed we needed to get fundraiser ready. And you know, everything is was in my head, we got a consultant to help me improve my fundraising strategy. And it was only towards the end of 2019, August, we decided to try it out. But it was like chicken or the egg situation because we didn't have enough funding to pay the right kind of fundraiser. So we were back at squee. We ended up hiring or working on a sort of sort of a basic and classic commission basis of a basic salary because she didn't bring any money in. And it was a complete disaster. So we got what we paid for. So we could only afford a certain amount, which we nearly nearly bankrupted us, really, because we didn't have the budget for fundraising. But she was a disaster. So we left that we tried a couple more times after that we went different routes, tried to get a consultant in who would work part time and ran a number of different programs. And he was also disaster. And it was I think it was bottom line was you need a shitload of money to get the right fundraiser to bring in a shitload of money. And we need a shitload of money. Our budget is about five, 6 million a year. And that's not a lot for an entrepreneur for an NGO of our size.

**Evan Driscoll 08:03**

So you do the grant writing mostly yourself. So what does that revenue mix look like? And are they coming from like the corporate sector foundations trust?

**Dwyn 08:15**

requests, I'd say 80% comes from foundations and trusts at preservable Foundation, about 5% or 3% from government. So government gives us at the moment we get money from. At the moment, we've been getting money from Department of Cultural Affairs and sport, which is provincial government. And then we get some money from the National Arts Council, which is national government. We've never gotten money from now from the Department of Cultural of sports and called Culture and Sport, which is national government. So Governor national government have a budget, which they funnel through various avenues and National Arts Council is just one of those government avenues. But DSAC department of sports and culture. They are the official department and they have a program called Zanzi. And Zanzi Golden economy opens once a year, I've just applied to them for the first time ever. So in that time, I've given money from them, but at the moment, it's National Arts Council and Department of Cultural Affairs and sports. So we get honestly, like half a month's worth of budget from them. So it's, it's worth nothing other than credibility. So the net, something I would highly recommend any NGO ever does is align

themselves with the local government, you know, the applicable government department, because you're not going to get lots of money out of them, but it's huge credibility. Yeah, it's very important to be able to say that you get government support, even if it's nothing that's as long as there's some connection with government. And I think that is a huge part of successful fundraising because a lot of funders seem to think that government has money. And they want to know if you're being supported by local government. And if you can't, if you say no, that raises all sorts of ridiculous questions, but if you can say yes, then that box is ticked and gives you some form of credibility. So largely funded foundations and trusts, and then I'd say about 2% government and then squarely at two has probably another 10% of corporate, but that's my fault. It's not the environment, because I haven't tapped into the corporate social investment programs. It's something I'm terrified of, and I just haven't gone that route. We've got a consultant, company, a consulting company we're working with now, which I'll tell you about. Later, hopefully, going to unlock that for me. So that's corporate and then so the rest was individual giving. So a monthly giving program, or just straight donations from people here at random. Largely, I mean, the individual giving bulk of it, the biggest amounts, and only because our exchange rate is, is from overseas.

**Evan Driscoll 11:27**

And the grants you receive as well, are those typically overseas or local?

**Dwyn 11:32**

Good mixture? Good measure between 50 50.

**Evan Driscoll 11:35**

Okay, and do you ever use any, like grat databases?

**Dwyn 11:42**

identify I used to, okay, so there are a few out there, they're not very reliable, okay. I use them until I realize they're not reliable, okay. And they are huge databases. So you can spend a years sifting through them, and they're all machine applied to this one and this one, that one, but you find that the contact number name has changed is wrong, or their focus has changed as they've changed the focus every year or so. I also encourage, you know, NGOs to do it, because it's important to at least know that you sifted through that. And then, you know, whatever you do, there's always there's always a positive to any, effort you make. So even if you're looking at 200 possible funders out of a database, you know, you should be getting at least 15 of those are going to respond in some other way. And or at least out of the 15 you're going to have at least five are going to be ongoing funders, so it's worth doing. But I don't do it anymore.

**Evan Driscoll 12:50**

So do you typically just write grants and send them out and hope people get back to you?

**Dwyn 13:04**

It's a difficult question. When people ask me know, how do you find grants it's very hard for me to say because we're, we're always living hand to mouth, okay. But something happened last year that I still can't quite put my finger on. That propelled us into the, into the social domain, people became aware of us. And grant organization in the States, got ahold of me completely randomly, I believe in them and a proposal. Wow. And I had to go through a vetting process internationally sort of vetting process. And then they gave us \$183,000, which ended up being just over 3 million Rand. Which was the biggest grant we ever received.

**Ellie Ungashick 13:55**

Can you say with organization was?

**Dwyn 13:57**

It was the Nina Simone foundation that I had, we had to work through grant like a Fiduciary Trust almost they trust, who oversees a number of different funds. So that kind of was a turning point for me, because, first of all, it helped it helped us humongously with a private financial crisis that we had lived in for 16 years. So it gave us some money to live off. I was in the middle of trying to launch a property campaign. So I could focus on that a little bit, which wasn't present and hasn't been successful yet. We managed to pay off debts that we had accumulated over that year. Fixing instruments fixing this property, I've just put us on a different level. So we were seriously lucky to receive that. But that also gave us huge credibility again. So I've found that my own thinking in terms of the programs that we run and how we want to go forward sort of something shifted in my own consciousness. So my, my grant writing changed as well, really. And I, just because I felt confident that we were doing the right thing. Yeah, even though I hadn't, I hadn't thought we weren't. But for some reason we came into their consciousness, and they found us and they liked what we are doing, they gave us a lot of money. So they've asked me to send in another proposal? To remind them, we never sent a proposal. I'm hoping they're gonna give it to us again. So I think that's also a roundabout way of saying that. I've done very little research this year. Funding research just because of because of that. So I guess I was sitting a little bit on my laurels. But this year has been quite a difficult year, organization wise, and we had a big staff turnover at the beginning of the year. Everybody's been settling in. And we've been very busy. The years just gone so fast. Yeah, so there's been a lot of new things that have happened. And we've been trying to launch a lot of a lot. And we've been trying to do things better and more efficiently this year. So I've done a lot less fundraising research, and I normally do, but I am a member of. So one thing I did do is excuse me, whatever came my way I joined every single newsletter I could possibly ever come, gave rise to new a new a new resonators, new groups and new people. And I've actually taken myself off a lot of them now that I did used to attend a lot of webinars on fundraising just to hear, I have found that the American, the American fundraising model is modalities very different to ours in South Africa. So the South Africans have very difficult to, to get money out theory difficult. For a number of reasons, I think in the States is a lot more, much bigger culture, giving culture. So no events and special giving days and you guys still get things in the mail. I mean, we didn't have a post office. So you guys don't get leaflets in the mail saying sign up to do this. Just it's unheard of here used to be here. But just so the whole modality is different. So a lot of the things that are joined were American based, and they're really, we don't really have a client relationship management system. At the moment, everything is any mailing I do is to MailChimp, which is now costing us a fortune. And I don't really, you know, our donor database, our individual donor database is small enough, that we just don't respond personally. Which another, I think that's the second thing I would highly recommend is highlighting for any organization is saying thank you and your personal, it's so important. So we, we use our children as much as we can to say thank you, whether it's a video or a written card, or a photograph as a sign or letters in letter that we scan and send to them or we make sure that we make sure that it's very personal. And we say thank you for everything. You

**Evan Driscoll 18:58**

said that all anyone who donates any company, okay?

**Dwyn 19:02**

So for example, we've got a payment gateway on our website. So someone makes a donation to pay for us, I get a notification for that, and the email comes up. I then respond to that email with that person's email address. With a personal thank you saying thanks to you this and that little little, and there's always a photograph I can I can pull up as a note saying thank you for believing in something so they always get a picture of somebody and they can see, you know, that's coming from the organization.

**Evan Driscoll 19:34**

You can see their effect. Yeah. That their money's gone. Yeah. And then you said you find internationally with the US do you fund internationally with any other countries?

**Dwyn 19:45**

Yeah, we've so another huge bonus for us, I must say was we had in 2008. Just by pure fluke. We acquired a patron who happened to live in Hebei and just happened to be one a sort of a sort of an apartheid store, antiapartheid to Denis Goldberg, and he did a lot of traveling over to Germany, he so he kind of created our connection with Germany. He didn't donate much money to us, but he did create a lot of connection for us. And that, I'd say probably out of all the networking he did on our behalf, we've probably maintained about 80% of it, he's passed away. But yeah, those those relationships have grown and become really steady. And they have resulted in other things. We went on tour to Germany in 2012. Going again next year, that's propelled that also propelled us into a new kind of sphere. That also gave us a lot of credibility.

**Evan Driscoll 20:59**

Do you have a lot of grants that are formed from networking or personal connections? Or is it just a few of them?

**Dwyn 21:10**

I'd say a few of them.

21:23

I'd say just a few of the thing is, there's another point. Another point from my side is, you must be super aware, just just be on the lookout all the time on social media, what your fellow fundraisers doing what you'd like if someone says, Oh, that was a great organizer, go look who's funding them. Research that wraps it in, always just always just be on point, ride the wave all the time, and make sure that you're following up every possible connection, even if it turns out to be nothing. One of them wants to send you one of the things we pay for every year is not nonprofit for good, I don't know, something like that. And it's a very comprehensive data website with lots of manuals and things on how to do this and that lesson, how to write a grant and how to get home the golf day or whatever, it's a whole lot of stuff. But also they keep tabs on every grant that's coming out anywhere in the world at anytime. So you can spend 24 hours sifting through stuff that they've got online, but when you sign up to them you're gonna get my laptop I'll show you when you sign up to them you can they obviously want to know more about you and then they will send you personalized information like you know, here's stuff that's happening in your country or hear stuff that's happening with youth or whatever always pan out but it's also a way to just open your mind a little bit about who's doing what because I must say there's a lot of stuff there that we could apply for if we were doing what we really wanted to be doing but you can't do because it's tiny so there's there's a lot of stuff that we were in a bigger premises doing the programs that we want to do.

**Dwyn 24:05**

(Background Noise)

**Evan Driscoll 24:40**

and this is a paid service.

**Dwyn 24:43**

Yeah, we pay. We pay a membership fee.

**Evan Driscoll 24:49**

We would say it's worth the memberships?

**Dwyn 24:51**

NGOs. I think so. Yeah. I mean, I'm very happy to be part of this. have Funds for NGOs. Its called. So I'll just show you what it looks like from our perspective. Account expired into will make payment. So that's

because our card is just changed this way. Okay, so I can search everything. So there's, that gives you all the latest opportunities that have come up, or I can go to.

**Evan Driscoll 26:30**

And these are grant opportunities.

**Dwyn 26:32**

Yeah, grants, it's research grants, all sorts of stuff. Amazing. I mean, even if you're not a fundraiser, just come on to this never look. You can look at the sample proposals. I mean, you can see all the different things I've got here. But looking for, I'm never gonna let me do it now. Because we have to record that one here. So I'm gonna let me do anything because then I need to update the pod. So this has been a huge, and this has been a huge resource for me. And so we get weekly emails from them. So this is what's happening in South Africa or Africa, or this is, these are grants, maybe they from all over the world, but they also include, you know, grantees can be South Africans. And it's about youth or it's about children. It's about music or arts and culture or youth development, wherever. So it depends what boxes you ticking for them initially, what we do, they will send you that information.

**Evan Driscoll 27:44**

And you've been able to get grants through this. Oh, yeah. Like the membership?

**Dwyn 27:55**

Oh, yeah, yeah. Oh, what's interesting to me is that the our grants are South African brands, like, let's say Zanzi Golden Economy or Department of Social Development that's come through here as well. I knew about them anyway. But they have alerted me to them through here. So I was quite impressed to see that they were that they had their finger on the pulse of what's happening in South Africa. So I think this is really cool. Yeah.

**Evan Driscoll 28:25**

You wouldn't mind emailing us, that.

**Dwyn 28:28**

Oh, that's wonderful. While you're talking to you, I was gonna update the details. And that I was wanting

**Evan Driscoll 28:34**

to go back to the grants kind of are they typically multi year or once of, or mixture of both?

**Dwyn 28:44**

I think we've been? Yeah, we've been really lucky in that we've had lots of long term donors. And then are few that said, this is a three year grant cycle until it's finished. Again, so I mean, we were lucky that we 17 years old, so we have had the luxury of time to be able to reassess brands with people like that. I'd say out of out of 100% of our grantees, probably the ones that have answered this has been long enough now it's been 10% Wow. Yeah. That's great. I was really surprised that the Nina Simone Foundation wants to see us again the ones offering

**Ellie Ungashick 29:37**

and you've ever found out how they can attract you guys Yes. Back

**Dwyn 29:40**

to the woman's amazing she found me on Christmas Eve. My side was six and evenings I must have been like two o'clock in the morning or something. And she pushing me to to verify the banking details. And I said how did you hear about us? Are we just you know doing this searched on the internet, and you just

came up. So obviously, make sure your, you know, your Google Analytics things are in an order that your name comes up after us, of course. And then secondly, make sure that your websites like appealing, not boring. And I love a lot to read. Make sure that your people want to know more about you. Often having seen your website like they do.

**Ellie Ungashick 30:31**

do you use forms of social media.

**Dwyn 30:33**

Yeah so, we're on Instagram and Facebook every day. Things we post every single day, something. So it's for marketing, or it's just, it's just so that anyone donors or potential donors can go and have a look and see we're active and what we do, all our posts about what you just did yesterday, or what we're doing tomorrow, or who's doing what for us, and what our perspective is on that. This fundraising consultancy, so someone suggested that I try this out, and we've got, I've been, obviously been a CEO, since we founded the place. But I, I've got another, say 10-12 years here, and I really need to hand it over. And so there's a succession plan, and then he stopped working on. And I don't want to (unintelligible), unless we have at least five years of funding in the bank, that we have proper premises that we have a fundraiser. So I felt that we have a lot of gaps in our fundraising strategy that needs to be addressed. And to help me get to a point where I can even think about doing so. It was suggested to me, we aligned ourselves with an NGO recruitment agency, amazing woman who has turned out to be very lucrative, she found the consultant who worked with staff members first before, it's been very, very useful to us. And she was the one that put me on to this woman who runs a consultancy that does fundraising for organizations or kind of develops your funding pipeline, you know, in whatever way you need them to. And at first, I was a little skeptical because a lot of this stuff is for fledgling organizations. And so they do this and this and this, which we all had in place already. But we trying it out, and she's just started with us. And my mandate with her was a need to bulk up seniors corporate suicide, giving CSIS corporate social investment on this country. CSR, I think in the rest of the world, corporate social responsibility, and social investment. Although the corporate world is kind of changing to this terminology to ESG, which is economic, social, and governance, and the whole ballgame, I'm all about impact investing and what it all means in this country and why it's important to align yourself with the SDGs and are you guys doing today?

**Ellie Ungashick 33:37**

How to get a lot of money from (unintelligible)

**Evan Driscoll 33:47**

Just like corporate social event, like they need to give to the community kind of so they have like,

**Dwyn 33:54**

okay, so I'll talk about that just now. Because that's another whole world. And a lot of NGOs are not only unaware of it, but also don't quite know how to how to align themselves with that way. And it's, it's absolutely essential the new fundraising landscape you cannot operate without doing that. So it's it's an it's quite difficult to get your head around but there are ways to there ways to work the system because basically we're all doing it we just don't know how to express it and we don't realize we're all doing it. So let's say I also couldn't a minute so too so so I've said to them please can we need to bulk up our CSI giving we have a property campaign but that's like a magic gifts thing. It's I don't think they're going to work on their own. And I need to start working on a on a funding reserve. So I want I want to know that continuous time, we have five years worth of funding. And somehow we made it through COVID, our donors just was incredibly supportive. We did not lay off one single staff member, a single staff member received one cent less than a normal receipt. But there was so little funding going around, and we had no reserves in the bank at all. So I don't know how we made it through COVID. But we did. And it has to

have something to do with our credibility. And also, we stayed relevant. So making sure that you are constantly relevant is another huge tip I can give you so relevant in the world, relevant to your community relevant to the people you serve. So it's overall to say we teach music, but really, during a pandemic, that doesn't mean Jackshit . Yeah. You need to stay relevant in another way. So find, we found Well, it wasn't difficult because we were already doing it found ways to continue serving our beneficiaries during COVID. And no matter what happened, we made sure that we continue doing something and we were doing what we always were doing. They were taught music lessons online, or we taught over WhatsApp was a complete disaster, but we did it. And we delivered food parcels. So we've got permits to move around in the community and deliver food parcels and we had psychosocial support, like crisis intervention, and when you call them we call it when you when you meet when you set up as a situation to try and help people work through a program or a process. And we worked through that. So like there was a lot of trauma that happened in our families during that time as you can imagine. So staying relevant was really important to do so, corporates are five years in the bank. Yeah. So that's why we need to build up a reserves during crisis time, we actually have that reserve now. Yeah, we didn't have it then. He was done at it now. But I mean, even just, you know, we tried before COVID to even during COVID The banks were giving our COVID loans and things and we weren't able to get any of that because our board members which is another horrible then we'll get more than board members, we're just not prepared to sign surety for any for like a 300,000 Rand and overdraft just so that when a grant was late we could still pay on our stuff so that we haven't even we have don't have an overdraft. We don't have any facilities. We're nothing no credit card, no nothing. We just rely on funding. So yeah, hoping that they'll help me get to increased funding pipeline if we can increase our corporate social investment giving so that's why we're doing that. Yeah, I've lost my train of thought. I just wanted to take a while with them and that's what we do. And then hopefully, when that's kind of beefed up a little bit I can attract a really good fundraiser who can use worth their salt? I mean, you really have to pay pay good money for a really good fundraiser. And then it will be worth it. Would you gotta have the capital to start with

**Evan Driscoll** 38:43

that I'm going back to the board how big is your board and what impact do they really have?

**Dwyn** 38:50

And a major impact last night. We had our board fundraiser the first one ever in 17 years.

**Ellie Ungashick** 38:57

(phone call)

40:21

So yeah, we've gone through hundreds of different kinds of boards. When I first started KMA, I thought it will be good to have a representative board of the community and some parents and people from all communities. And that really didn't work. Our board is racially not very representative at all, which marketing wise is a real problem. I've been working on it for so many years trying to attract the right people. And I've realized that I'm not going to find that in this community. So I think it's all always depend on what community you're actually operating in. So it's always best for us to have board members who are from Hout Bay , because then we can meet. So fortunately, COVID threw us into a zoom a habit of meeting on Zoom. So that's no longer a necessity to meet in person. And then, I'll get to it now. So we try to appearance was a disaster. They came late, or they were out of their depth and didn't know really what we're talking about. To her and then to find community members from the communities we serve, who are in a position to actually be active on the board was also very difficult.

42:14

(Phone Call)

**Evan Driscoll 42:32**

What's the size of your board? How many people are their?

**Dwyn 42:34**

There's eight of us, eight of you. So we've been 12. We've been 15. Before. We've gone in less than eight, you find. I must say a bigger board is very difficult to say herding chickens so hard to manage. You'd think a bigger board would be better networking opportunity, but it's not. In fact, our board right now, this is the biggest effort they've ever made ever to network with anyone. Very difficult. And they were supposed to invite 10 people to this board fundraiser. And I think two of them invited, like the 30 each. So the others just don't know anyone. We were just supposed to have there was supposed to invite people to encourage them to join our monthly giving program. 50 Rand a month or whatever you want to give. But that was the goal. Yeah, that was a fundraising initiative. But I doubt very much very many people joined up last night. But what they did have was they had raffles and auctions and I think we made a ton of money on those. And again, it was maybe two to people who actually organized that Westwood, just fundraising events us came in. I mean, the board never so this was the first one. We do. So we hardly do them. We Yeah, we have one annual fundraiser for our jazz band, because we take them either on tour or we go to the National Youth Jazz Festival in Brimstone or Canada. And that's cost us about 67,000. So that's a concept that we hold. And it's really top class. Check it out on our YouTube channel. Lots of videos. So that's about the only fundraiser we have really.

**Evan Driscoll 44:44**

find them to be successful even last night would you say?

44:52

Surprisingly, a huge success. I don't know why. And our Chair lady who normally doesn't do anything, she, for some bizarre reason was pulled out all the stops. And she arranged most of it. So as some reason, they managed to get the right people there. And it was so it was so nicely when they organized it and the raffles, but we organized it. So it was at the Yacht Club. So it was a beautiful venue. Everything was beautifully set up, we measured look gorgeous, and we we had to spend money on it. I think all in all, so there's eight of us. And we all gave in the 1000 Rand towards us, which is another miracle fact I think two board members probably haven't paid. And Jackie our chairlady will cover them. But because they never given them the bizarre stable. But for the I think the whole event was just so beautifully organized. We because we are waxed in terms of decor and making sure it's top class and the kids performed and we had our teachers do music and so everything was just really slick. And I think that everybody was very surprised that it was that nice.

**Evan Driscoll 46:22**

Would you do another one of those? Oh, yeah, definitely pressure the board and to do

**Dwyn 46:28**

things they themselves realized. It's not so bad. It was quite fun. And they enjoyed themselves. Not everybody was there. But I think they were happy to do that anyway. And we made a banner saying the annual board fundraisers so are all the board members community? No. So that was the next thing we because we've been so active on social media. Again, somebody found us. He is the CEO himself of a huge NGO in Durban in Joburg, Johannesburg. And he wanted to get involved on a board level with other NGOs. And someone brought him to my attention and reached out to him and said, What about us, and he said, I'd love to. And he's now our treasurer is a chartered accountant by profession. He's been such a huge asset to us huge assets. And so he's enjoyable, so he wasn't here last night. But he's been very, and it's also what was been very helpful to me is that he's a fellow CEO. So he understands my pain. And I understand his advice and where he was coming from when he talks to us the board. And he's been giving me a lot of advice. So it's the first time that I have felt supported by someone on the board who actually



knows what I'm talking about. Because there is a very lonely job as CEO of an organized an NGO, very, very lonely job. So it's been really nice to have someone like that, who can you can sympathize with what I'm going through and you can relate to my challenges and you can also understand when the board make the most ridiculous suggestions, which they do a lot. You can understand what I'm doing. So I'm gonna work me up because he knows. So that's, it's another tip, I'd say at least have someone on your board who's either been in an NGO who runs an NGO fellow CEO of an NGO or something because that's been hugely helpful to and it's great that he's our treasurer because he understands why my budget is you know, the budget looks terrible every month because we deficit every month but we can see why. Yeah, and he and he also trusts me which is a huge thing. Yeah. Instead of the rest of the board who they also trust me bless them they do that they just trust me because I have no choice. I don't know what the hell I'm talking about. I don't know how to run an NGO. They trust in that I do

**Ellie Ungashick 49:13**

yeah. So you have final say and everything well I do I

**Dwyn 49:17**

do not don't I mean there's a there's a fine line between having final say and making sure that there are no surprises on the board so I do run everyone by them never seen no process. Yeah, definitely. And then there's we have policy or financial policy is a certain amount and we're not allowed to spend without a mandated monitor can spend. But over that I'm supposed to run it by them. I don't always do honest. But if there's some things that I know could backfire. I first talk about it. Like taking on this consultancy, for example. I have to run it by them give, you know, give it to them to decide whether or not it's going to be useful. Because they debate in a while, because I know we've been through a few before becoming successful.

**Evan Driscoll 50:12**

I guess kind of switching directions here. What is your general expense mix look like?

**Dwyn 50:19**

So you want to see my budget? Not that it means anything? Because we don't you know, it's all budgets. When you put your budget together for the next year. It's hugely inflated, because you'd have to Yeah, but so our budget on paper is about 6 million for next year. But I know we'll probably only spend 4 million. So again, our budget for this year was just under 5 million. And now we've probably spent about three and a half million. Our biggest expense, I'd say is salaries. And I know Nobody's allowed to say that all work for nothing, you know, eat fresh air. But salaries being of course, our teachers, which are our the nature of our work, is salaries, because they are they are professionals providing a service. So their

**Ellie Ungashick 51:12**

most common answer that we've got. Yes, absolutely.

**Dwyn 51:15**

And it has to be, yeah, your successful organization is only successful because of its human resources does not exist without human resources. Forget the overheads. Forget the stationery and the pencils. If without the people, there's no organization, so that should be your investment. Yeah, this is crazy. We

**Ellie Ungashick 51:36**

run into any difficulties getting grants because the salary less than that's good.

**Dwyn 51:42**

No, I mean, we that's another thing. Another tip you can write down is when you do your budget to to structure it in a way that you can absorb as many salary costs as possible into your programs. Yeah, so

Zizi doesn't get a salary. She's the Lunch Club shift. So she's part of our lunch club, program. Mr. Gideon doesn't get a cell, he's not under salaries, he's our school bus driver. salary comes out of there characterizing it under he's hated music. So his salary comes out of the music program, not out of our overheads, or you burn it into the music. So the only person who gets paid people get paid is our ops manager, me and the admin secretary, admin officer, no one else gets paid. And then the teachers are they're not teachers, actually, that they don't even feature in our budget. So their music lessons and their ensembles. So I'm happy to show you if you want to see Sure. Yeah, I can show you how I structure it. Is that Is that useful to you? Or is it not useful? I'm wasting time doing it. Other things you'd rather do? Yeah. Okay, definitely give

**Ellie Ungashick 52:59**

us a rough rough estimate of percentages.

**Dwyn 53:03**

So salaries I'd say come first. And that's everybody teaches everyone I've just mentioned and then operation costs. So you know, the rental electricity, water, food, transport, petrol. stationary, maintenance, huge costs in maintenance, instruments, repairs and maintenance property maintenance vehicle costs, because because we're writing that's where they've just gone we had an X, someone just wrote into us yesterday. Someone in the community, but this is the nature of the communities are just, I think we repair our tires, like every week. There's always a puncture. There's always that vans being smashed, not by a driver, but other people that have this house we rent but it's very old. In fact, with 180 years old or something, it's a beautiful house, and it's very rundown. And so we do a lot of repairs on the property, which I suppose we could, you know, we could save on that if we had a decent property better property. So I'd say that and then oddly enough after that the rest of the courses costs the rest of the program costs. So books, instrument accessories.

**Evan Driscoll 54:34**

When you actually write your grants do you kind of list out oh, we need the money for tire repairs in this in this programs or is it just we need money can you give us

**Dwyn 54:45**

sometimes that so I structure my proposal is large if it's an organized session I've never communicated with before they I've never given money to us before. And there's no real mandate in terms of what they fund or how they like to fund or you don't if you can't really draw much information out of that organization and a general send out a general proposal that that talks about what we do and why we do it. And what up to programs are, and what the full program cost is for each program. So the music causes this and the psychosocial people will be in courses this but I list exactly what we do, and unsaid costs, you know, 3000 Rand a year for stationery and I do have a budget that I include in just by default, I put it into my proposals, but it's a one pager, very basic, general budget, income and expenditure. So I don't listen to expecting 200,000 from the Nina Simone Foundation, as I say, foundations and trusts, we hope to get this from corporate to have to get this from monthly giving this and then it's really up to them to want if they want more information. But if it's a if it's a grantmaker, that's knows us and has funded us before then it gets a little bit more specific. Because your reporting has to be specific. So we've because of your grant, we spent it on us. And we you know, it covered this this many lessons in this many meals for children through the year and then and then next year. We'd like to spend it on this and this and this.

**Evan Driscoll 56:39**

I guess it's kind of switching directions. But has your organization ever underway? Any like rebranding before turning the logo name?

**Dwyn 56:47**

Yeah, yeah. So we we started out with very different logo, relatively not, we were always Krondendal Music Academy. But we had a very different logo, initially. And it just all just came out of my head I liked I liked the concept of rising from the ashes, like a phoenix, children rising from the ashes. And so we had a Phoenix at some point. And then our tagline came out of that, which was "igniting the spirit". And then we had a five years kind of celebration, change of logo, which has really changed it, like it. And then a change to this one that we've got now. 20, t 2010, or 12. So we changed the logo, and we were happy with this one.

**Evan Driscoll** 57:46

Do you find that beneficial changing the logo? Or?

**Dwyn** 57:52

I don't think we were really that well known enough. We changed it now. People would be very confused. Okay. Okay. And I don't have any music notes or anything in it, that constant music notes. For us, it's not about the music, though. For us. Our work is about community and about, you know, holistic care of the children. So we we don't feel it says Music Academy said we don't feel we need music notes as well. Yeah.

**Evan Driscoll** 58:21

You really target more the kids, you know.

**Dwyn** 58:27

carrying rather than just have to do use music as a tool. Yeah, that being said, we are very focused on on skills development. So that's another very important part of impact investment. And music does that in 1000 ways. So we, we I spent least two years on drill drilling down exactly what kind of impact we make on the children because we know music heals and better. But how do we prove it? And we lost a huge grant because we didn't have any monitoring and evaluation in place. And then I said, But you know, it's all anecdotal. And that wasn't good enough. So we made an effort to try and decide to try and decide what do we do? So first of all, why do we do it? And what is it that we do? And what impact does it make on the children? So how do we want them to be when they leave que ma on a daily basis, or at the end of 10 years, or whatever? And how do we prove that we've done that now was a huge process, but it was really, really useful? I've shared a lot of that with Raymond. So he should have all that information. And that really developed our theory of change. So we're really clear on what we do. And if we do this, then we can do that and this and that, then it means that we've done this, and that's our theory of change. Has that been helpful in preparing for variation? already very helpful, very, very helpful. And I think a theory of change can change can develop over the years, you know, I think you don't have to stay, your programs change and your focus changes and like our focus change, only taught music for good 10 years. And then our focus has changed more on youth development, we're now a youth development program, we're not a music program.

**Evan Driscoll** 1:00:28

I see that as a beneficial change.

**Dwyn** 1:00:30

Huge and again, coming back to impact investment, you have got to broaden your horizons, you can't just be a little music school can't it's just you must, you know that the thing was impact investment is, in this country, there's a thing of BBB EE, do you know about that? broad based black economic empowerment, and was talking about that. So after Apartheid it all companies or organizations or NGOs, all businesses, anything anywhere, had to be rated in terms of the broad based black economic empowerment status. And isn't it very complicated, but bottom line is, how much of the organization company enjoy whatever is black owned, and operated and managed and employees and beneficiaries. So that's what it is. And

according to how much percentage on all those levels will get rated in terms of your levels, the more the closer, the higher the level, so there's level one at the top level 100%, the higher the level, the more investment you're gonna get in your organization, because because the mores credibility you have with government. And the more points you get, we get this right, not BBB EE points you get, the more government will invest in, in you, right. So you might be a completely white owned organization, but you give all your corporate social investment to India like us. And because we are a level one, you get those points, so. But it's a win win, because you get the points, but you are investing, you're giving your money to 100% Black beneficiaries. So we get the money, you get the points

**Evan Driscoll** 1:02:38  
and touches more

**Dwyn** 1:02:40

Exactly and because they get the points, they get more investment, because they get more investment, we get more money. Our beneficiaries continue getting the services. So it does work, it's supposed to work like that. And that's, so that's the premise to be BBBEE in this country. Now, how it ties in with CSI is every organization, this is a post apartheid change, every business must give 2% of the of the profits to some kind of social investment. So most companies choose something, you know, they, and it's a nightmare for most organizations, and they, you know, two days or two minutes before their budget closes like oh, what are you gonna spend on CSI budget on your own? Oh, my God, and someone goes, I really love Kronendal Music Academy. What do they do for artists give it to them. And that's how it's been. And it's a nightmare for most companies they hate trying to spend that money on. So there's a huge gap in the market to try and train companies that way. And it's been like that for a long time. Then they get they give that percentage to the NGO, and they get an 18-A tax certificate means that the amount that they're given to us gets taken off their tax. So any NGO must be a public benefit organization and get an 18 a tax or 18 A status. That means a new you've basically applied to SARS, South African revenue service you apply to them, you got to prove that you are a PBO. And that you that you and it just means that you can do certain things and you provide certain things to certain communities. You get the status, and then you can give those texts tificate sets. That's a huge draw card for any investor. Yeah.

**Evan Driscoll** 1:04:38

And I'm wondering, in your grant writing, do you target that you are not target? Do you say hey, we're on level one. Yes. Your benefit? Really? Okay.

**Dwyn** 1:04:49

I mean, that's probably the first thing they look for.

**Evan Driscoll** 1:04:53

And then also in your grant writing, are you targeting the fact that since you moved away from Music development you target the fact that you're just like, helping children in the community essentially, is more in your grant writing?

**Dwyn** 1:05:09

depends who you're writing to. depends who you're writing around to so. So let me just on that line, I think you really do need to hear about the ECG. So CSI Linz, in the last couple of years has moved more towards corporate social investment still has to be done. But companies and organizations and big donors are wanting some kind of investment in the money that they're spending. So they don't want to just ask someone in the accounting department to find an NGO, they want it to be an investment, and it must have some impact in the community. Because a lot of that a lot of that CSR, money just goes into the ether. So you can't really show anything for the money that you gave away. So impact, why is it important, because it's got to create some kind of change in the community. So a perfect example would be Cecil, Petrol, you

know, sessile petrol, what's a petrol Company in? What do you do? What's your, what's your petrol companies? So let's use Shell, we all hate shell, but let's use shell. So shell gives us a grant to refer to a grant. And with that grant, we say we're going to take 100 People from Amazonia to upskill them, school, their children, teach the parents to do this, and this and that. And then those parents are going to start a little working group to upskill other parents, and then they're eventually going to create a community vegetable garden that will then grow and sell vegetables and bring an income into that group, which they will then funnel back into the organ, you know, that's an impact in in the community. And it's something that the community didn't have before. It's providing job creation, economic, so it's answering the economic ticking that box social investment, so it's providing its upskilling. And it is providing some kind of social impact in the community, providing food or jobs or the jobs is economic, and then governance, that, that all that little group is properly governed by us because we're the grant feeder. And then, let's say shelters, okay, and once that's completed, we want to take five of those people and give them a job. And then they'll train some of our people to do that in another community. So that's the governance. So ESG, economic social governance, as social investment and governance has become the go to place for impact investment. So we are trying to move that way, because we're very isolated as a music school. So one of the ways that we tried to take tick those boxes, we need to we want to move to this bigger premises that we have our eye on. And at that premises, we would be able to lift other NGOs, use the premises will we be able to do a lot of adult training, basic adult training, it's got a restaurant license, we want to have a little coffee shop. So that's an entrepreneurial opportunity for young people. Where we also can sell local indigenous plants and grow vegetable gardens so that the parents grow themselves and share them. So it's food security, yeah. Have other to have the tourist industry involved, tourist programs running for to come in and do African instruments, plus, in our certain have something (unintelligible) in our coffee shop, go kayaking, in the, in the harbor in the evening, come back for a beautiful soiree in our professional venue, or attend a TED talk or whatever. So all of those things would have ticked all the ESG boxes for us, but we've barely raised 15 and a half million to buy this place. So it's, it's very difficult, but do you understand the impact investment? NGOs have gotta start thinking, so we can't just say we just do music therapy with kids. If you want to, if you want the big money anyway, and consistent big money, you must show a way that that their money is an investment. So most most organizations think impact investment needs to be you give me a million bucks, we do the work and then you get 1,000,300 back okay. That is does happen sometimes. So you can invest in an NGO that creates something that generates income, and then you get that investment back. So that is that is sometimes how it works. But it's moved away from monetary investment to economic social governance investment. So it's impact more than investment. Yeah. And that gives the organize the company shitload of credibility, and everyone wants to invest in it, because they're doing such good work, and we're gonna

**Ellie Ungashick 1:06:21**

Like shell? work with any other NPOs in the past. With VA, we know the 72 NGOs here and help it believe it or not. And we we don't work. I mean, everyone is very isolated, because everyone's just struggling to keep going and get through their day. So that's why we went to bigger premises to try and bring in other NGOs (unintelligible)

**Evan Driscoll 1:11:07**

Do you have any advice for other NPOs in terms of becoming financially sustainable

**Dwyn 1:11:28**

Look, I don't know, we are not financially sustainable. So we haven't reached that point yet. But like I've explained, we're working towards it, we're hoping that the effort we're putting in is going to reach that I'm not doing the things we should be doing to get there. But that's because I literally don't have enough hours in the day to run an organization and fundraise. If I was just the fundraiser, I would be rocking it. Because I really are, there's so much to do. But I just literally physically don't have the time. I sleep hardly sleep as it is can't sleep any less. I can't have any less of a life at the moment. So I'm not doing everything that

needs to be done. But I'd say if I'd say the pathway should be to cover as many bases as possible. But to do that, you need to be relevant. So all those things that I've told you and to especially align yourself with the with the funding landscape that's happening in your country and in your environment. So at the moment impact investment is it covering all your all the bases meaning Foundation's grants, foundations and trusts, corporate, monthly giving programs, individual giving whatever that looks like for you, and organization, and then new business development on constantly trying to develop new business. So targeting making sure that you're getting at least three, three or four new corporates every year, a new foundation is given every year, and so that your cycles keep you know that they're overlapping. So this is coming to an end next year. But you already got two in the pipeline. I think that's and we're getting there slowly. We were starting to do that slowly. That's about the only advice because we really don't understand.

**Ellie Ungashick 1:13:48**

And I was just wondering, you were talking about how you guys find yourself in a deficit a lot. Do you have it like provide a bunch of different services, but it's never paid for by the families and kids

**Dwyn 1:13:59**

So we don't believe in freebies, we don't believe in free things. We just feel that it doesn't actually work. So our families do pay 150 Rand a term, which they struggle with most of the time. Yeah, but they do take it seriously. And they paid off slowly or you know, we so we're very flexible around how and when they pay them. But they do pay that they do pay some

**Evan Driscoll 1:14:28**

large percentage of how much it costs. Now it's very small.

**Dwyn 1:14:33**

And one child costs about \$40 for us, so it's more of just like a show. It's it's a token. But it's not a token when you actually can't afford them 50 rounds a month. Yeah. And that's a lot for some people to finally provide two loaves of bread for that. So it's a lot of money.

**Max Cisneros 1:14:57**

Yeah, I just had one what was the website or organization used to help with the CSI?

**Dwyn 1:15:21**

Oh, that's, that's so that's a consultancy that we've taken on. We've gone into a six month contract with them, and we're paying them 25,000 Rand a month. But again, we wouldn't have been able to do that if we didn't get that major grant from from Venus Amman Foundation, They're giving us money.

**Ellie Ungashick 1:15:41**

perfect. Would you recommend other NPOs also hire consultants,

**Dwyn 1:15:45**

you know, I do actually do what I really do. Because that's, she's called to so T U. S. O, she then based in Durban, she's got a partner here. I do recommend that because the other time we've taken on a consultant was in 2019. And she changed my life. When I'm just like, lucky, I got such a good person that that came through that that agency that I told you about that. She's called Marais button. M A R A I S Button, Maria button consultants. So she's the NGO recruitment agency. So she found us this lady Marille, and Marille changed my life. So she is a fundraiser herself. And at that stage she had gone away from she had resigned from a fundraising position. And she was going, she was just consulting, she has now joined an organization again, as a fundraiser, but she doesn't consult anymore, but she completely changed everything I was doing and it for the better. It's great. So we spent a lot of money on Marielle. But it was

worth every single cent and I bust my balls to find the money to pay. But it was worth it. Yeah. And you know, sometimes I had to borrow money to make ends meet at the end of the month. But looking back, it's worth been worth every cent. So I think if you feel the time is now to get a consultant in then do that. Find a way to do it.

**Ellie Ungashick** 1:17:21

That's actually the first NPO that told us about like hiring a consultant. Yeah. Yeah,

**Dwyn** 1:17:28

just find the right person. Yeah. Because a lot of people aren't they will rip you off, obviously. Yeah. So obviously, you need to be very clear what you need. And enter into a very clear agreement of deliverables by a certain time so that you can get out of it if it's not working. That's great.

**Ellie Ungashick** 1:17:54

Thank you so much, if we have any follow up questions, is it alright if we email you.

**Dwyn** 1:18:05

Sure

## Appendix F.2: Centre for Early Childhood Development

# Centre for Early Childhood Development

## Interview

Thu, Nov 16, 2023 1:17PM • 54:14

### SUMMARY KEYWORDS

donors, year, organization, nonprofits, funding, rand, grants, fundraising, work, people, fund, south africa, talk, colleagues, money, raymond, endowment, raise, charity, early childhood development

### SPEAKERS

Eric Atmore, Evan Driscoll, Ellie Ungashick

**Ellie Ungashick** 00:00

Go on. Yeah, I think so.

**Evan Driscoll** 00:01

All right. We'll start off with. Can you just tell us a little bit about yourself and the nonprofit that you work for?

**Eric Atmore** 00:09

Oh, Eric Atmore I founded the organization on the 1st of August 1994. So we're 29 years old. My background is a Bachelor's Degree 2 Honours Degrees, a Master's Degree and a Doctorate in Education Policy Studies and I'm also an Extraordinary Professor at Stellenbosch University.

**Evan Driscoll** 00:37

Now, little bit on the NPO as well, okay.

**Eric Atmore** 00:42

The Centre for Early Childhood Development is a typical nonprofit in South Africa. We work primarily with adults and communities who start programs for children. What you would know is Pre-K in America. So we train teachers we provide equipment, we upgrade buildings or build- build buildings from scratch. We do a lot of advocacy and lobbying work. And we exist on donor funding. So our annual budget is probably the highest in the country. It's about R17-18 million a year. And so we have to raise that every year. We get funding from a little bit of government funding. We get some, some funding from foundations and trusts and that sort of thing. In fact, whatever. Our first big funding came from the Rockefeller Brothers Fund which is in New York, and yeah, we 26 staff, a staff of highly trained, we've got about eight master's students and master's graduates, but we've got a young people as well now talking about 21-22 to about 26. But these are more, they're more interns who come to us through the education department, and we give them the work experience. And only 2 men and 24 females.

**Ellie Ungashick** 02:26

Oh, you're talking about how you guys get a lot of grants. Could you give us a rough estimate of your revenue mix?

**Eric Atmore** 02:32

Revenue mix? Oh, I mean, I can find it for you, but of hand government is probably about 10%. That's local government. What you would call city government? Provincial government, which is what you would call state government. Nothing from national. And then we get some individual giving, but minuscule maybe, maybe 1% is a lot. Most of the funding comes from foundations, trusts charitable



trusts, philanthropy and that sort of thing. So from donors who fund development projects, and that's normally a donor who's been very wealthy and has created a fund and funds different programs. It's the equivalent of your Rockefeller Brothers Fund. It's the equivalent of your Gates Foundation. That's that sort of thing. So that's about- that's about 85-88% of our income stream. And sorry, and then we've also got a little bit of self generated funding. So we have a conference once once a year, and we make about R200,00 on that. And then our interest income is quite high. Our interest income is about 10% because we've got substantial investments. And I think that's why Raymond wants you to come here because we built up a very, very strong endowment, which is totally unusual, it's not in the South African nonprofit psyche, to build up reserves. Most nonprofits, and we've apparently got 220,000 nonprofits in South Africa, which I imagine is the highest per capita, nonprofits in the world. But most of them live hand to mouth, and most of them live on a budget. Of probably less than R50,000 a year. They're all very small. One man and a dog and a old typewriter or something.

**Evan Driscoll 04:57**

And then these grants that you receive, are they typically overseas, local, and then also like, do you receive them just by writing the grants and then they'll get back to you or do you use databases that are?

05:12

There both. Overseas, we get grants from the US, Germany, Netherlands, and then we get from South Africa. How we get money is, there a number of ways we start off by working out, "What is our budget can be for the next three years?" Right? "What are we secured already for the next three years?". Because the best funding to get is multi year funding. So if you can get three years or five year funding, it gives you some security going forward. So we'll work out a budget. I happen to have it in front of me. And our budget next year is R18 million. The year they offer is R18.5 million and the year they have the is R19 million. So I don't believe that you must fundraise today, for this year. The best time to fundraise for today was three years back. It's a story about when's the when's the best time to plant a tree, 30 years ago. Because I don't want to live on the edge where you worry the whole time about your income and your expenses. So we busy fundraising now for the next three years ahead. So you'll see that an R18 million budget for next year we, secured R14.5 million already. That leaves a deficit of R3.5 million. For 2024-25, we've secured R11 million already and for 2025-26, We've secured R5.5 million. And that's normally multi-year grants. And we've got so we get from internationally as I said, Germany, Netherlands, US and from South Africa. And the what was the second part of your question?

**Evan Driscoll 07:16**

It was so do they typically come from like when you're writing these grants is that usually you already know them like networking wise or just-?

**Eric Atmore 07:28**

What I think doesn't work is writing proposals for organizations. I don't think that works. For what what we practice I think much better is meet up, get visible. I mean, while you drink Coca Cola because you see it you see it on television, you see it the billboards wherever you go. So we we very seldom and it's it's a call for proposal because sometimes the government puts out a call for proposals, or UNICEF does it or UNESCO does it or a donor puts out a call, then you just respond, right you fill out the forms, send supporting material, but I think a far better way and the evidence has proved it is get to know the donors to pick up getting married. You don't marry the first person who comes along, and you don't get married after 10 minutes. You get to know somebody first. And you build that relationship. So often people think I'm a bit strange when I say when you meet a donor, don't ask for money until the time is right. You don't propose until the time is right. So what a lot of nonprofits do is they meet the donor "Hello Nice to meet you. Okay, will you find us?", I mean that's your you don't you don't meet somebody and say "Hello, will you marry me?"

**Ellie Ungashick 08:58**

A little forward.

**Eric Atmore 09:00**

But nonprofits do that, they shake your hand and with the other hand they open up big so to speak. And the look with social media with the Internet. There's nothing you can't find out about an organization in advance of meeting with him approach or- approaching them so many organizations will have a website that says we "only fund environmental issues.", Don't go and send a proposal to that organization. Don't even phone them. But if it says "We fund early childhood development," then it's a- it's a possibility. Then you research the donor a bit more and you see do they fund in your region? Because what a lot of people what a lot of nonprofits do is they don't understand that donors put out these criteria for reason. Somebody only wants to fund in KwaZulu-Natal, which is one of our provinces. So let's say somebody only wants to fund in Arkansas or in Montana and if your organization works in Pennsylvania don't apply to a grant request from Montana or from Montana as a community now. But I think a lot of nonprofits in the desperateness, they apply for everything. There's a saying about pray and spray. You write the same proposal and you fill in the name and you send the 100 out so you use spray and then you pray that somewhere that somebody picks it up, that can work, but it works in less than 1% it's inefficient. It's inefficient. It's a waste of time and money and paper. It's better to build that relationship. So most of our donors other than when it's been a call for proposals, most of our donors we would have met at a conference. We would have sent them our annual report as a courtesy and we'd be visible in their mind. You're more likely to respond positively to somebody who you've gone on the website, you've read the annual report. You've met the Training Manager. Then if it's a cold call, cold calls, they do work, but they work in one 2% of the of the cases. So we'll never go not never but we will be highly unlikely to do a cold call. It's always all of those donors. We build a historical relationship with so some of our donors we have six or seven have a relationship that started six or seven years ago.

**Evan Driscoll 12:01**

And when building that relationship, is it typically like a fundraising event or something where you meet these people or is it just you reach out and "Okay, would you like to meet us we'd like to,"-

**Eric Atmore 12:11**

It's both. You can reach out. Increasingly, there is a saying "no, we can't meet with you unless because they're getting inundated." But there are some that that say "yes, we'll meet you". But there are donor conferences that you're going to attend. There is fundraising, training and workshop opportunities that you can attend where where you bump into you- bump into donors. And also you keep your eyes, your eyes and your ears open. The Internet's a wonderful place to know who funds the work that you do in your geographic area. We can get that up you can get that quite easily. So it's important to build that relationship first. But a lot of nonprofits don't understand that. They want to ask straightaway. And I like it- I like to liken it to somebody who runs a marathon. Maybe we had the New York Marathon, we could go the winner of a marathon at the sort of halfway mark is most often not the person who's at the lead because when you run a marathon, you hang back a bit and you watch. You look at the weather, you look at the wind, you look at who's ahead of you, and you get fed information about how that person is doing. So same with fundraising you know you the more you're going to find out about the donor and what the donors interests are, the more likely you are I think to get funding. So investigate and with the with the Internet, you can find anything.

**Evan Driscoll 13:58**

Do you use any like donor databases at all to find grants or

**Eric Atmore 14:06**

We use our- we've got our own donor database that we've developed. There probably about 300 donors on it. And we will never, I happened to be working with this earlier. This is a list of made of sort of priority donors. I've given that to Raymond by the way, just people that we that we could be going to.

**Ellie Ungashick 14:34**

How many donors do you typically get per year?

**Eric Atmore 14:36**

We've got at the moment we've got about- about 19.

**Evan Driscoll 14:50**

Yeah, at least typically larger charitable organizations?

14:53

No, no, it's it's a mix. It's a mix. Look I've got down is we've got 19, 1,2,3,4 on multi year donors, okay. We've also been quite strategic and fortunate in that South Africa is transitioning to solar and wind energy. And what had come one of the one of the good things that government has done is to get a license, they- these wind energy firms have to spend a percentage of the expenditure on charitable causes.

**Ellie Ungashick 15:37**

Is it like corporate social investment?

**Eric Atmore 15:39**

Yes, well, corporate social investment is the big terminology. But even in some instances, it's a government requirement. We have corporate social investment is a charitable program of a company. This is government specification. So to get your wind farm license, and to get your solar farm license, you have to give 3%, 2% of your expenditure to development work, to charitable work. And we've picked up three of those. And these are massive, these are like R15-18 million over three years or over five years. That's the that's the upside the downside is that one of them is in 2026, and one ends in 2025. So we sit here hoping that they are renewed. And as long as you report you do the work, you report appropriately. Then donors will generally renew, because donors, despite what some people think things are not that fickle. They they stick with what they know, provided the nonprofit has delivered.

**Evan Driscoll 17:05**

And then you said that you had 4 multi year deals. So the other 15 donors are those-?

**Eric Atmore 17:11**

Only one year old, they're all one year.

**Evan Driscoll 17:14**

And will they renew?

**Eric Atmore 17:16**

Depends, depends on their financial state. If their profits are down, they won't renew; or they haven't delivered, they won't renew; or they keep the grant making at the same level, but they move to another province or another area. So if we don't work in that area, then we won't. But we at the moment, we-we're in three provinces Western Cape where we are the Eastern Cape and the Northern Cape. Okay. But the Eastern Cape and the Northern Cape. There's lots of wind. So those are the wind farms. We will be involved in. There's a massive, massive grants of the order of R15-16 million over three years.

**Evan Driscoll 18:10**

And then what exactly does your expense mix look like in the organization?

**Eric Atmore 18:13**

Makes sense. What about that other 7-8%? I happen to have with you as well. Our biggest expense obviously, is employee costs and ECD programs. Now a lot of people will separate those. I separated them for visual reasons, but it's but you can't run a program without people without trainers and social workers and teachers and that. So our probably probably 92-93% of our costs or early childhood program related, but that includes that includes employee costs. Oh, the next biggest is things like motor vehicle expenses, publications, an annual conference that we have, and then you get the drips down to materials and resources, repairs and maintenance security, meaning alarm systems and that sort of thing, telephone.

**Ellie Ungashick 19:29**

That makes sense.

**Eric Atmore 19:29**

While you before I forget? There's an American guy who's got a TED talk. You must watch it. It is brilliant. His name is Dan D-A-N Pallotta P-A-L-L-O-T-T-A. He says that the way we do charity is wrong. And he's dead right? I watched that- I watched that TED talk about- the TED Talk's about 10 years old. I've watched it about five six times and I've got I think the only copy in South Africa. A book called "Erodible Cold and Charitable". Think about it uncharitable. He basically says the way charities run is totally wrong. And he says things like he says things like if you've got an expense item for advertising in the charity, people will knock you down. When Coca Cola spends a billion dollars a month on advertising, nobody says a word. He says when the CEO of Coca Cola earns \$100 million a year. Everybody congratulates him for doing so well. If if the head of a charity earns \$50,000 a year, they get their feet chopped, and under there and he relates it back to the Bible and to religion where he says, "There's this view that we are bad people and we must pay penance for for our bad behavior comes from the snake in the Garden of Eden." And people running charities. He doesn't say this. He says the opposite. "The people running charities must be paid as little as possible." They must be and then he talks about overhead. You know if a charity as I think there's a law in America, which says your overhead can't be more than 35%. But then he gives the example of IBM or Microsoft where the overhead is 60-70%. Nobody complains, but let the charity go over 35% and they can take into some federal court or something. Please watch it. Yeah, it is very funny.

**Evan Driscoll 22:03**

Yeah, great. And then I guess we get into what is the role? What role does the Board of Directors play in your organization?

**Eric Atmore 22:11**

Okay, I don't know what you mean by a board of directors. I think you mean the management board?

**Ellie Ungashick 22:18**

Yes.

**Evan Driscoll 22:18**

Basically unapid-

**Eric Atmore 22:18**

Okay. By South African law, you have to have six or more board members, board of directors board of management. When we started in 1994, it was a sort of startup, right? We had no idea we'd be as successful as we have been. So I got four other people myself, I started the organization and colleague of

mine joined about two months later, that she's been there in the 29 years. So the two of us were on the board as executive directors, and we had four others. And then we've changed over the years once or twice and Raymond came on board about 10 years ago. They played very little role in the running of the organization or in fundraising. They've all got they've all got their own jobs. So yeah, I'm, I'm a great non believer in "your board must raise the funding". No, your CEO is employed to raise the funding, and he or she must raise it as he or she sees fit. What the board must do is, is evaluate, assess whether the CEO is producing the goods. So if the CEO achieves budget every year, an organization thrives and has got a good reputation, then the board must be happy. If if the organization is not doing that. Then the board must fire the CEO. But I don't think the board, they used to be a thing in South Africa in the Apartheid days that fill your board with prominent activists. But these people are so busy. I mean, we have some of these activists and we're sitting on 10-12 charity- charitable boards. And it worked at that time, because these were credible figures in the community. But today it doesn't. Nobody's ever, ever, ever not funded us because our board is fairly low key. They're not the sort of Barack Obamas and Joe Bidens and Oprah Winfreys of the world. Those- those organizations raise their own money and they raise fortunes. By the way, we got to think of the Oprah Winfrey School in South Africa. I mean, she's built a school herself. School must have cost R100 million. But you know, you've got a provincial new board, don't turn it down. But you can get Oprah Winfrey, Joe Biden, Barack Obama, his wife, you know, that sort of thing. It's ijust difficult, our board is there, to ensure good governance, to receive the financial statements and to comment on it. It's not day to do the work, or to tell us how to do the work that you leave to the professional staff.

**Ellie Ungashick 25:25**

Yeah, that makes sense. So do you do a lot of the fundraising yourself like in terms of writing grants and finding donors?

**Eric Atmore 25:32**

I'll tell you how we set up in 30 days. Yes. And we've raised, you can tell Raymond this in the 20 years, 30 years we've been around, we've raised about R300 million, which is a lot. In the early days, it was nothing. I just sent a WhatsApp message to my colleagues today. What it took us to raise what it took us one year to raise in our first year, we now raise every day of the year.

**Ellie Ungashick 26:07**

Wow congrats.

**Eric Atmore 26:09**

First, thank you. Our first year was our first year our total fundraising was R10,000 on R74,000 expenditure. Today we spend R74,000 every single day. So in the early years, I did all the fundraising. And partly because I had a national reputation. I've been involved in the mass democratic movement and the African National Congress to politically when it came to power, and there was an national presence and then we won a couple of awards and you get more pray, you know, you get more national presence and that sort of thing. But as we got bigger, we've got- a let's call it a fundraiser. She does the work, but the thinking I do, so. I read a lot of newspapers, Financial Mail, two or three newspapers a day and you get so much information out of that, particularly calls for proposals because if government or what we call the National Lottery, which I think you've got as well. Whenever corporate for proposals, they put it in the newspapers and I'm also fairly active on following news on the Internet. So I would get the get the information and give it to a colleague of mine. And she's she would then do the sort of approach and the paperwork and that sort of thing. And it works quite well, except it's getting more and more burdensome on me and on her. So we've now adopted a strategy which I wish Raymond would do, we do, I've announced to all our all our program managers you are responsible for raising your own funding for your program. We will help you, we'll provide the sort of making a cake you make the cake, we'll put the icing on top, we'll use the we'll use the emotional words, you know that that excite people and that works really

well. So I've got younger people born more younger people managing different funding approaches. When we get the funding that they mana- they manage the contract as well. If you want to speak to any of them. You can you can speak to Zara, Zara will be very good to speak to you. And you could possibly do it this afternoon or now or at another point. She's the real workhorse. I just sit down to issue the fundraiser. Her official title is Fundraising Manager. But everybody's got that responsibility.

**Evan Driscoll 29:08**

So what exactly is under your exact jurisdiction just overseeing?

**Eric Atmore 29:13**

I tell people, I tell people that- sounds funny. But it's my job to see that the front door opens every day. Serious if the front door doesn't open, then it's my responsibility. So basically keeping the organization afloat. But but most of my work is in visibility, meaning writing things being interviewed on radio on television, and then guiding on programs and on fundraising. Yeah, I think Raymond again, if this has all been done for for MusicWorks, Raymond is very attractive. And no, no when I say attractive or new, you're gonna laugh. Not attractive, like like Kim Kardashian or Miley Cyrus or any of them, but attractive in that you run a good organization. You know what your purpose is. You speak well, you present well, that when I say attractive, I mean attracting funding. As I say not looking like Jennifer Lawrence or whatever it is. And if you've got remedies, very attractive in that way, he's he's totally statuesque, he knows what he's talking about. Yeah, he's- he's ordinary, not in the negative sense. Yeah, but it's not flashy, you know, that sort of thing. And he shouldn't be raising millions. I don't know the ins and outs of MusicWorks, I would imagine is perhaps doing too much operationally, rather than strategically. Yeah. But he should be raising with ease R10-15 million a year.

**Evan Driscoll 31:02**

He also says kind of adopt a new strategy.

**Ellie Ungashick 31:05**

How do you guys market yourself like in terms of outreach?

**Eric Atmore 31:10**

Okay. A lot of things. The website is there. And we post everything. I've got younger colleagues, sort of 22,23,24. All they do is keep posting stuff. So social media is important. But also academic and professional input to the thinking in the sector. So about eight of my colleagues have got a master's degree. I've got a doctorate and we use that thinking, to put things out I just did a thing a letter to the President, saying, you know, there's an election next year, saying, what he should be doing it early childhood development. I'll send you a copy. It was it was basically a call to action of the President, that you may not think that's fundraising. But sure as hell a number of donors read that.

**Ellie Ungashick 32:16**

Yeah, publicity.

**Eric Atmore 32:17**

When they see that they think, "hang on, this is a thinking organization". So we do we do social media, we do academic and advocacy type of work. We also visible so that if there's a donor conference, we attend I don't but I send colleuges of mine, and we host a conference every year. We just just had we're now in September, we get 220 people from around the country, including donors, so, so our` of correspondence, and our communication with donors, is very good. Now coming back to Raymond again and MusicWorks. They've got a brilliant project. I mean, just the name "MusicWorks". I want to know, why would they gone to the Michael Jackson Trust Fund? Or why haven't they gone to you know, all these big pop stars and that to fund it? They should be and I'm not talking about internationally

necessarily in South Africa with a lot of very good musicians. I think MusicWorks, I always tell people, fundraising is like having you remember there's Apollo 10, Apollo 9 rockets. Cape Canaveral, right? The rocket was there. The four astronauts would come in and they would light up the engines and the fire would shoot you and the rocket would go up. That's what fundraisings like. If you can get that rocket in place, and you can get the fire game and the fire is the passion, then that rocket will launch so so with Ramond personality and his knowledge he shouldn't be out there. And I told him this. I'm not talking behind his back. He should be out there he would raise. I don't want to say 10s of millions but he will raise many, many, many millions for for MusicWorks. Just as an aside to all of this, I don't know about you but when I grew up my mother mainly my father as well. But they said to me, "Here's you pocket money, spend some, save some, and then if you will like it." So we built up parallel to the to this organization, we built up an endowment fund. So an endowment you know, is a fund that you keep for a rainy day your parents told you "save for a rainy day." We built that up now to a massive to a lot of funding. If we were not to raise another cent right, if we will not raise another Rand . We would survive for about 10 years.

**Evan Driscoll 33:06**

Wow.

**Eric Atmore 33:07**

Most organizations we didn't last 10 weeks, some of them 10 days. So we we've we've got a deliberate strategy of all our self generated funding. So so let's say let's say government wants us to write a curriculum for four year olds. That's not donor money. That's contractual work. Yeah, all that money goes into this endowment. And Raymond's aware of it. When we have a conference, and we make R400,000 profit surplus on the conference, it goes into the endowment. So that endowment is growing all the time. It produces a return, which we've never touched in, the endowments been around for about 24 years. It's never been taxed. And you know, you know the effect of compound interest. It compounds and compounds in growth on growth and growth. So not even, not even 1/10 of 1% of nonprofits have that endowment. And my biggest nightmare is coming here one day and not doing my primary job opening the door. I mean, I don't want to say to these to my colleagues, young bright, sharp people. Sorry, closing tomorrow in our sector in the sector alone in the past 20 years. About 80 nonprofits 80 early childhood nonprofits have closed. I'm going to show you something a map and you'll see what the mean I keep a record. So this is South Africa use it. These are the nine provinces every red dot is an organization like ourselves, okay. Imagine another 80 Dots and that would have been 20 years ago. Wow. I mean, you'll see this province, which is huge, not a single organization. Okay, this is all rural. But organizations have closed 80 have closed in the past 20 years say. They will say they closed for financial reasons. Yeah. And there's only a small amount of truth in that. Yes, they closed because of financial reasons. But the real reason is lack of strategy and poor leadership. Yeah, you know, you know, that, that you have to invest for the future, and that's why we started this endowment. But I think out of all of those organizations, if there's one other than it's got an endowment then it's a lot. And I think it's because people don't think strategically. So sorry, the only the only downside of all of that is that there's some donors who are so stupid, they will penalize you if your balance sheet is too strong. Last week, for the first time ever for the first time in 29 years. We got rejected by a donor and the donor gave as his reason our balance sheet is too strong.

**Evan Driscoll 39:00**

Like you don't need the money basically?

**Eric Atmore 39:02**

Exactly. And in fact, the organization, the organization's balance sheet only had about a reserve of about R9 million all the other reserves align in the endowment fund, which is a separate organization. Totally separate.

**Ellie Ungashick 39:19**

Does that have to get reported when you're applying for grants?

**Eric Atmore 39:22**

Oh, no. No, because the operating arm is applying for grants. Yeah, not the endowment. The endowment is run aboveboard. It's registered. It does its annual financial statement, shares them with the regulatory authorities. But this organization saw that, that we had a fairly healthy balance sheet and they said, Sorry, we can't fund you because you've got R9 million lying in cash. So it's the first time in 29 years.

**Evan Driscoll 39:57**

And just going back to that donor Annual Donor Conference, you go chin, how exactly do you get donors to attend that you reach out to them?

**Eric Atmore 40:06**

We invite them. You have a topic that's exciting and you invite them to talk. Okay, so, we've had about two or three donor conferences and the rest have been like early childhood focused, but invite them to talk to explain their programs, what criteria they look for, how they make a decision, and that sort of thing.

**Evan Driscoll 40:28**

And what was the theme this year for this one's?

**Eric Atmore 40:32**

This years theme was "Early Childhood Development in Action." It wasn't for donors only. We had a lot of donors there. And again, you know, if donors see that your organization is active and vibrant, yeah, they will support you. Yeah, I'm just trying to think of an American equivalent. I don't know the American scene that well, probably but I thing South Africa called gift of the givers, which is a world class. emergency situation organization. They raise hundreds of millions, but they're invisible. They're on television, they're on radio. If people don't know about you, they can't fund you. Yeah, so and this has been Dan Pallotta's so good. He says, put your money into advertising your cause. Because there's a thing in America that you shouldn't be putting money into advertising your cause. And then he says "But hang on. IBM can advertise Coca Cola can advertise. Why can't charities?"

**Evan Driscoll 41:43**

And then have there ever been in the history of the organization, have you ever been in like economic hardship at all?

**Eric Atmore 41:53**

No, no, no, never. I mean, our expenditure year 1 was R74,000. And our expenditure this year is R18.05 million But but when we started the organization, we did not have a cent. Myself and Ross, who's the financial manager, who came here a month after me. We've had another organization and, in fact, the same organization we- Raymond was years ago as a student. So we started the organization and we had no money, not a single shape. I happen to get when I left that organization, I got a pension payout. You know, we win in South African law. If you leave a company, whatever's in the pension fund must go to you. So I got a payment of R44,000 as a pension payout. And I use that we use that to kickstart the organization. So we paid rent from that. Not here in another property, and we use that for programmatic funding. And then once you are up and running, I've got reimbursed but are very, very, very first grant was R10,000 from one of the big banks. You may have heard of Standard Bank. We got R10,000. That was our first and we were getting along nicely, but not moving and shaking. We were going across nicely until we got money from an American donor. When I tell you the name you'll know, the Rockefeller Brothers Fund in New York. And they gave us, oh, I think about R130,000. And that was our first big



funding. And so it enabled us to do that. And then to launch, I mean to to launch into space and that case, that came after about six months- six to eight months. But again, again, you always had to be approached owners. The woman who was the program officer, I had met him a previous job. So we have a relationship-

**Evan Driscoll 44:24**

Then you networked your way.

**Eric Atmore 44:26**

And we networked our way. Yes.

**Ellie Ungashick 44:28**

Has that helped you guys get any other grants, networking and personal connections?

**Eric Atmore 44:31**

Yes. Yes, of course. Donors- donors want to know that the money's been well spent. And if I've got trust and faith in you, then I will tell her, and you will tell him yeah, that sort of thing. As much as we talk as nonprofits. We talk about what's going on in the world, how difficult it is to survive and that donors talk to themselves as well. And donors pass on somebody will say, "Did you know that Gift of the Givers is such a good organization." So the grapevine is it is a hugely positive helpful means of getting funding.

**Ellie Ungashick 45:12**

Yeah. Do you make a lot of those connections from the conferences that you host and attend?

**Eric Atmore 45:13**

Yep.

**Ellie Ungashick 45:14**

That makes a lot sense.

**Eric Atmore 45:18**

Yeah. Anyway, anywhere, anywhere, this understudies males. Anywhere where there's the occasion, I asked my colleagues, go up to a person introduce yourself and strangely enough, do not talk money. Don't ask for money, don't talk money. Why? Because everybody else is. And if you don't, that donor remembers you. Stand out. You stand out. I tell. I tell my colleagues that let's say you add to you at an occasion and there's a donor there. Let me get a sheet of paper, and there's a donor there, right. Move that down. If you- if you're at an occasion, an anniversary or conference for public meeting, and there's a donor there. Right? And they a lot of nonprofits stand back, stand on the stage and stand back and just watch what happens. Those donors What is it sorry, those nonprofits? What is the shark do before it kills somebody? Circles them. You stand back and you just watch those nonprofits. They're circling this donor. When the is chance there they nap in. "Hello, how are you? Are you we need R50,000 , by the 17th of November. Can you please fund us?" My goodness, stand back. And I tell my colleagues, "you can go meet those donors, don't you dare ask for money. Let the donors sit there because look, the donor knows why you there." I mean, you're not there because the donor is with Kim Kardashian, right? You want money the donor knows that. Sit back and the donors sitting talking to you, and a donor saying to herself or himself, "When is he gonna ask me? When is he gonna ask me?" and you get that donor to a point where they're so agitated by that, that you then asked them so you know, don't walk in, shake your hand and say, "I need R50,000". The other thing which a lot of nonprofits do, which is an error, they tell a donor "if you do not fund us, we will close at the end of the month." Who's gonna throw good funding, who's gonna throw good money after bad? So you'd never, you never, and as I say in, in probably 120

donors that we've had over the years, only one has ever turned us down. Because we were too- we were too well endowed. And that came about a week ago.

**Ellie Ungashick 48:10**

Interesting. Okay, cool. This is kind of backtracking a little bit. But is there a benefit that you found to how you guys brand yourself? Have you ever had like a rebrand or any of that?

**Eric Atmore 48:21**

We've had to rebrand, mainly because of technology. Our original logo was hand drawn. It was hand drawn and hand painted and all that. And then as technology developed, you won't remember but he used to get those CDs, called a CD ROM, and you'd put it on, you'd have a lot of luck, images in that. Then we upgraded it to a professional, person using exactly the same diagram, but just making it more defined more clear that but we are big on on visibility. And Raymond will tell you this. So we on the radio regularly. We write a lot. And we seen and it's that basis of people drink Coca Cola because there's an advert for Coca Cola in the Sahara Desert.

**Evan Driscoll 49:33**

You pay to be on the radio or just apply and you just go and talk about the organization.

**Eric Atmore 49:37**

No. You get approached the first time and if you if you do well, then radio always comes back to you. If you've radio and TV, if you serve them well. They will always use you. I don't know what it's like in the US. But we've got a thing where TV and radio station they sort of identify somebody by the expertise. So now with no electricity in our country, that when there's something happening around electricity, they always go to the same person. Same with water. We've now got a water crisis. And the same guys always on. Same with early childhood development.

**Ellie Ungashick 50:17**

Okay, make sense. Is that how you guys generate a lot of your content from the TV and radio?

**Eric Atmore 50:24**

Yes. That's that's inbound fundraising so often somebody will say, "Hello, Eric. I just saw- saw your video clip. Please can we come and see you." and we never say no.

**Evan Driscoll 50:41**

You mentioned your social media as well. What social media do you use? And how frequent?

**Eric Atmore 50:45**

Everything I've got young people who are sharp and bright but Facebook, Twitter, website we haven't been on this thing called TikTok but they, Zara can tell you all the all the names.

**Evan Driscoll 51:06**

Do you use LinkedIn at all too?

**Eric Atmore 51:07**

Excuse me?

**Evan Driscoll 51:08**

LinkedIn? Do you use it?

**Eric Atmore 51:10**

I've never used. I don't use it. But a lot of my younger colleagues use it.

**Evan Driscoll 51:16**

So that's dispersed between them to advocate for the-

**Eric Atmore 51:19**

Yeah.

**Evan Driscoll 51:19**

And do you split that up? Like how you do the grant making where they kind of advertise for their own sectors or is it all one big account?

**Eric Atmore 51:28**

It would be one big account, speak to Zara. But I'm gonna suggest to you that that if you free to come back on another day, and speak to Zara because she'll tell you, she'll tell you from being in the trenches.

**Ellie Ungashick 51:42**

We'd love to.

**Evan Driscoll 51:48**

What advice do you have for other NPOs in terms of becoming financially sustainable?

**Eric Atmore 51:57**

If you got a good mission, and you got good programs, and you visible and if you've got a if you work on a three or five year timeframe rather than a 12 month. If you've got a good database of who the funders are, there more than enough funders? In corporate social investment money, there's about 11 billion rand a year in South Africa that excludes government funding and excludes individual philanthropists. So these a lot just make yourself visible. Also, don't be arrogant. I would never say be the best organization in the country. Yeah. I may think it but I never say it. etc. And the other thing I do is if a donor comes here to visit us, they're going to see our work. I never go with, on purpose. I say to the donor, "my two colleagues will take you." That shows trust and my colleagues know much better than I do, about what we do and how we do it and why we do it. So and then it's also a training ground for younger people. So so we busy now working out on our 24,25,26 funding plan. And I've got all my younger college colleagues, having some responsibilities for fundraising, every one of them kicked against it. At the start. They didn't want to, but when you raise that first funding, it excites you and you get you get more involved. So now they veterans at it.

**Ellie Ungashick 53:51**

It's a great learning opportunity.

**Eric Atmore 53:54**

It's a learning opportunity, but you can't do it with everybody you know you need to do it with with people who you know are going to perform well.

**Ellie Ungashick 54:03**

Make sense. Yeah, I think that was about it. But we'd love to talk to Zara. Yeah, we should set up a meeting.

## Appendix F.3: Inyathelo South African Institute for Advancement

# Inyathelo

Fri, Nov 17, 2023 8:01AM • 1:08:41

### SUMMARY KEYWORDS

organization, donor, executive directors, board, nonprofit, reserve, developed, years, grant, fundraising, role, big, clients, budget, work, funding, making, income, space, revenue

### SPEAKERS

Evan Driscoll, Feryal Domingo

#### **Evan Driscoll** 00:00

All right, and we'll just have to just have to email you a consent form to sign. That all right? It'll just say like, oh, you're okay with your audio and notes being taken?

00:28

yes

#### **Evan Driscoll** 00:29

Yes. All right. So we'll start off with, please just tell us a little about yourself and nonprofit that you've worked.

#### **Feryal Domingo** 00:37

So my name is Feryal Domingo, I am currently the acting executive director for Inyathelo. Inyathelo is the South African Institute for advancement. My background is I studied at the Graduate School of Business at UCT. And have been in the nonprofit space for a number of years. And, and so I started off working in a corporate, British Petroleum or rather BP, Southern Africa, sort of Workday for a number of years, plus minus 2023 years, I was responsible in the last 10 years of my time with BP, working in sub Sahara Africa, responsible for the corporate social investment portfolio, across the region. And so my main role was developing the strategy. And then as things work in companies, I then also became the person who was implementing the strategy, working across the continent with a number of partners. And of course, working with our officers in country who were resident, obviously, in the countries we VP operated. And so I have quite a lot of experience working with marketing, and really understanding the alignment with corporate social investment, and the business or license to operate rather, as we call that, globally, I think that's the term and then of course, making sure that I understand the issue of mutual advantage, and that, you know, corporate social investment is just that, you know, it's, it's not really philanthropy in the true sense of the word, there is a exchange, in cases, you know, I like calling it business or license to operate, because without social investment, very hard to do business, in, in countries. So that's my, my history, I then went through a process of reengineering with within BP, I was asked to relocate to another location in South Africa. I didn't quite think that was cool, because I could do the work from Cape Town. And then I decided to leave and went to work for a company you guys may know, as Americans, GRASSROOT SOCCER. So then I went to work for for I was sort of headhunted to work for GRASSROOT SOCCER to set up the South African chapter of grassroots soccer, who was mainly based in the US. And then they were increasing the footprint to a number of African countries. Of course, this was all you know, with WorldCat goes. They set up chapters. So I worked the setting up an NGO. So what was what was interesting is I was on the other side, as a grant maker, and now I find myself on the opposite side as the grant seeker. And so the real tough work again, because you know, I had no clue this was the challenges on the other side you got making you making demands, you say things on time, strategy, tone, everything. And then I've got to understand how it actually works. We've now got to the other side. So I joined CrossFit, soccer Stapley for two and a bit years, and then I came and

worked for Inyathelo. And so in your Tailow is really the kind of organization who helps the sector to become strong. So we call it the, you know, the concept of advancement, it's a very US centric concept, mainly, of course, was all just developed for universities. And so the founder of Inyathelo, felt very strongly, this could be introduced to South Africa, and then brought the concept here with a couple of partners. What we did subsequently, is encourage and introduce, rather and encourage it to the nonprofit sector. So now it's both higher education that we work with, as well as the nonprofit civil society organizations. And of course, we work with, with the so our partners would be others who operate in the space of philanthropy, as well as service providers who served the needs of both higher education in advancement as well as the nonprofit organizations. So we Yeah, so that's, that's a little bit of the of my history, as well as just telling you exactly what it is that Inyathelo does. And I'm pretty sure you've done your research by now. And then we're also just wondering the exact role that you play in Inyathelo? Yeah, I started 10 years ago, I was actually brought on board in at level three, through the Atlantic Philanthropies in the US, received a grant to, to purchase our own property. So for 12 years, or no, eight years, they they have rented space, and rental was the coming, you know. And of course, if you didn't get a grant, a capital grant to cover a building, that's great. And so the Atlantic Philanthropies issued provided a grant for Inyathelo to purchase its own property, and develop a what we call a civil society hub. And what this hub would entail is, as you would have seen on the website, it's a space where the nonprofit sector can come and have access to resources, which includes people with skills, human skills, to be able to help the sector to grow and strengthen the kinds of resources that they would have access to. So we have a physical publication, hardcopy books that is specifically procured curated for the nonprofit sector. So anything from nonprofit strategy to how to recruit and maintain and nurture nonprofit people, nonprofit staff strategies, so everything about you know, the 10 elements of advancement is you will find in our resource library, and then we also developed we develop digital material subsequently. And you know, we're now in the digital space entirely, but we of course, do have clients who prefer to come into the office. So what was your question? Again? You wanted to know?

**Evan Driscoll 09:05**

Sorry, it was just but responsibilities more or less fall under your responsibility.

**Feryal Domingo 09:12**

Okay. So it's about so then, with the Atlantic Philanthropies grant coming in, and us now having to look for a building, I was then appointed to come in and manage the operations department and the operations at the time, there wasn't really a dedicated director to take care of it, but with all this added responsibilities, and now that we're gonna have to, you know, physically have our building and look after the space and develop material and products and maintaining and, you know, putting systems in place to make sure that the space is conducive to the needs of the sector, and that they know where to go Find us and that we, you know, communicate who we are, what we do what they have access to. So this whole communication strategy built into, you know, all of what we do. And so so that was initially my role as I joined in the Atelier team, and a half years ago. And then what happened is, of course, as the organization grew, or didn't grow in people that grew in the kind of activities that we were doing. I absorbed communications role. So I'm now responsible. Yeah, so So they took on the responsibility of communications, the whole communication strategy, from, you know, websites to what we put out the key messaging, our social media strategy, how does it align with the work with our program offerings. And then of course, the the next growth for me personally, was building the systems, making sure we have the right people, we were clear about what the capacity of people are, and how we're going to grow the capacity. My next growth spurt was to become a trainer. So then I developed concepts around training organizations. The how to part of setting up social enterprise, how does it function? What does profitability look like in the nonprofit sector, considering profit is a taboo word, so you can't talk about profit, you talk about impact. And so then, that I became a mentor, and then coached people into, you know, executive directors would come and talk about the challenges, how are they? What are they not able to do? And so that then became what we call the advisory services. So a lot of these offers that I'm

talking about, no one pays for it, right? So it's our responsibility to go and raise the funding, so that clients can get free access. But of course, as I grew these products and developed not just myself, but my colleagues, as well, because we work quite closely as a team is then then we, we started to put price tags onto it. And it, it was a challenge initially, because everybody thought everything could become free. But donor funding declined from 2008. I think the world you know, the, the issues started in 2008 2010 2013, donor funding became less and less available. I think American Funding also became less accessible. British funding, I mean, the comic reliefs, and so on, they were becoming less and so it was important for enact tillow, to always be at the cutting edge. And so, while we've been on this journey of developing or saving for a rainy day, we built a substantial reserve. Now, a benchmark, so we see quite a lot of clients. And at most, some of our clients tell us that they've got between three to six months of operating budget in a reserve, right. So Inyathelo has about 72 months, six years of reserve for a rainy day. So that was deliberate strategy. So it's about writing a policy and making sure that every program pays its way and so, when the savings needs to be made, it needs to be made for what purpose. So we developed a strategy. We also have been in working with bankers, the bank will have very regular meetings about how that strategy how the reserve is building, what are the things that we need to do what do we when do we take out when we not what do we do about whilst, whilst always be mindful of the people in the organization and that they can suffer as a result of us growing reserve. So you can't grow a reserve at the expense of your people. Because everybody's in fact responsible or have a role in growing their reserve. So it's about educating the people about the value of how we're doing it and what we're doing. Because a lot of people, you know, don't in the nonprofit world, and certainly my experience here on the continent is, it seems to be that they think it's it's finances in the nonprofit world is a secret is sort of kept behind closed doors, and you don't know. So they have to publish it. In the annual report, your annual financial statement has to be published, but the staff often other loss to find out what's going on? What's the progress? How much are we raising? How much are we not raising? Why is the gap so big, so that in conversation about gaps is not happening? It happens at the management level, it does not happen across the organization. So at Inyathelo, I am now the Acting Executive Director since August 2022. It's an open secret, right? So I talk about finances, I talk about everything, because I do think that every staff member has a role to play. And so the next thing next time, you do not want to get three calls of service that you're bringing in, no one understand why that could be negatively impactful on the organization, because you've just bought in one person that's gonna cost you \$1,000. Whereas if you have three quotes, you could have found the, you know, median was 7.5. So we could have saved two and a half. So it's just nurturing in that sort of mindset. At Inyathelo. I mean, it's a big thing for me personally. And, and so. So that's how we have have, have always tried to be a leader and being at the cutting edge of things. So I mean, I'll give you another example. Were investigating and doing research on AI for specific purpose of making sure that our clients in a month's time, before 2024 hits, they need to know how they can approach AI in fundraising, because that's the biggest topic. That's the biggest, biggest issue in any NGO is the fundraising department. I mean, you can't hang on to fundraising, people who, you know, everybody's fatigued by, by fundraising at the moment, have been for years. So, so my role has shifted, as you were asking me about my role Evan. And so you can see how what I'm describing to you is indicative of executive directors and how things have to shift and change, you cannot come into the organization and say I'm going to be focused on my sole job, you've got to have your eye on everything. But you also have to have the right people under your wing, right? You're the most successful organizations and have people who, who are dependable, who I mean, we're talking about Utopia sometimes, isn't it. But the leadership or the executive director has to understand that he or she cannot do all the work, but they need to grow the team, to the point where they know I can rely on a them. So you can be the leader of the organization and do what is critically important is that the leader is externally facing. And everything the leader does is with the idea of making sure that all of the individuals in the organization know they have the support, but that person externally is representing everything internally.

**Evan Driscoll** 19:23

Yeah, that was great advice. We're wondering what is the revenue mix look like in terms of revenue mix corporate sector foundations.

**Feryal Domingo 19:39**

that that has changed dramatically. I think, in my experience from our clients recently, I've just seen the shift. I'm going to tell you over a period of time. So foundations, when I joined in 2010, foundations, were was the provider of at least 80% of our budget. Okay, 80% foundations, and most of that was US based. Okay. And so you can see the 20% was, before I joined, there wasn't a lot of entrepreneurial activities, there wasn't a lot of income generation utilizing the services and the products of the organization. Because we had co grants. So co-grants could cover all of our services and products. And so, so it would mean that anybody who walked into Inyathelo got everything for free, nothing, they paid for nothing, right. And then as things develop, you needed to shift your mix. So your model had to change very quickly, by 2014, we will already risk experiencing a cut of at least 30% of that 80%. So we were down to half by 2013. of foundation funding. Right? It happened very quickly. And so then my role was to see how are we going to use the asset that we had just built? Now, how unrealistic that suddenly, you have to try and take 1100 square meters and make 5 million US dollars. So how on earth? Is it possible? That's not possible, right? What am I going to do, they don't sleep 24 hours, we just like rolling up program, charging people what \$500 per session, that was not possible, because we were giving everything away for nothing. And now suddenly you go, you know, cold turkey and everything is now a defeat, it can't happen. So that transition phase was important. And along with that, you have to communicate that because people still just arrived at your office and thought, I'd like to talk to Feryal. And various time has suddenly become a premium because now I'm taking on two or three extra roles. So now you have to book your time. And so it was about that big transition, and then taking people along with you. And so during that transition when the funding dropped, the staff left. Okay, because they were feeling a bit Oh, my word the funding is gonna decline here. What are we gonna do? I'd rather go look for work somewhere else. And maybe we actually won't be able to pay me in a year's time. But, but so that's when I, you know, like, how are you not telling the people the story? How are we not telling the people that fate is a reserve for the rainy day? I feel bolted up. I mean, at that point, we were in rands, we were, we had \$52 million rents rents in the reserve. Back then, right, so a couple of years ago, and and so why were people feeling so uncomfortable. So what happened with the transition, we also had an the founder, Ed resigned in 2015. So she resigned in 2015. And so the decline drop, which I mean, decline was even more, because now you're the confidence in the organization because of the leadership leaving, the founder, director, and so donors they just didn't renew. Donors wanted to see okay, who's this new person who's just arrived yet? We don't know her. So we're just going to check her out. Give us another year or so to check her out. And so your your foundation funding dropped even more? Because the leader at the time was also she's resigning. Then also doing it roughly the same work that the found that the organization that she found was doing. So there's that competition out there. So if you're working with vice chancellors, at higher education institutions, that's the relationship was held by the leader. So, now, higher education, institutions still want to work with that person, because they trust that person, regardless of whether the person is within the actual or not. They following the person, right? So the other lesson and I guess you guys know, this, people give to people, it doesn't matter how solid in your tailor looks on paper. Okay, the first thing people do is they look at who's on the board, who are the people with the financial duties and responsibilities of this organization, who can I trust, and then the next level is who's the leadership who runs the, and implements the program. So your executive directors, the finance director, and if they don't know you, yet, they can await, they're gonna wait to see if you're gonna last now that the founder has left, are you actually going to make it through the next year or two. So they sit and wait, and that's literally a waiting game. But what happens to an organization like Inyathelo, you're experiencing that loss of income now, because of that, because it wasn't a phased transition. So the founder director should have informed the key donors partners, have enacted Willow in 2010, that she was planning to leave in 2014. Because it takes time, right? So then what happens is the cultivation continues, or rather, the stewardship is done differently, then when you say, next month, I'm going, you can't leave next month, and not think that there's going to be a risk on the

organization that you have founded. This was your vision, So now what happens? So anyway, so we experienced a little bit of that, and so we had a turnover of four executive directors in five years, which was detrimental to the sustainability of the organization. And how difficult was it every time there's a new ED, they kind of have to cultivate and how frustrating for the donor because I keep seeing a new person knock on the door to say, Hello, we still around as an organization, and I happen to be the new person. So the next kid on the block, right donor is highly frustrated. And what's going on? What are you not getting right here. So this, this is the other interesting thing about donors, they have no patience. Somehow, they seem to think they don't get that part, you know, that we have to get to know this person. And first of all, let's look at the reputation of the organization because the organization is not built on one individual. It's built on a whole team of people. So if the organization has solid policies in place, have a record of good financial management comes up with a clean audit every year, for the last 10 or 15 years. The same people are the backbone of the organization while the leader was externally facing, what is the level of nervousness that you know, but it happens, right, because as I said, people have their own sort of ways of dealing with things and so we've continued to see a decline in funding. And so COVID happens. So by the time COVID happened, we were down with one foundation that supported us from the States. There was an increase in I mean, if you go online, and you look at our annual reports, you'll see it's evident in the annual report, the list of donors go from like 20 to three to one. Now that is a trend that is evident across the board. We are training big social justice organizations. We are funded by a very big philanthropy in South Africa at the moment. And they are coming to us to help them with the kind of problems that we had and have. And because we've been there, it's who can provide good advice and systems and you know, explain, you know how. So what we've done in the last two years now, is we've grown a product called reserve building, and fund raising fundraising plan or resource mobilization plan development. So that is what we have experienced, most organizations do not have in place. boards don't ask those critical questions. There is a lack of the establishment of a resource mobilization committee, at board level, boards in South Africa think the role is to fly 30,000 feet above sea level, simply look out the window, and okay, we still flying on the right path. But they don't roll up the sleeves in the way that the American boards do. I have a lot of experience of American boards and how they function and how they contribute. And one of the biggest lessons is I put their money in, they bring skin into the game. And only when you've done that, can you really feel proud and, you know, know that my, the agenda for the next board meeting has kept my input. And so, so that's another big piece of work that that I have developed in Inyathelo's governance, training, and mentorship for boards. As a result of this, and also to get boards to understand, including the Inyathelo, who didn't see a role in terms of fundraising, they didn't actually see that there's, well, we don't have to do fundraising. That's what we that's why we employ you. But like, hold on, you (the board) have a role to play. And so yeah, we can do our work, but you need to help. And so so that's the other challenge. Right. So so we were on the sustainability plan, and and making sure that we are still able to attract the level of resources to keep the Organization at the minimum level, at least, so that our clients or the sector can have access, right. And so, yeah.

**Evan Driscoll** 32:51

So currently, at the moment, what is your revenue mix?

**Feryal Domingo** 32:56

So revenue base at the moment is. So last financial year, 7 million. 7 million, right. And we had a gap of which we could then access from the reserves. So we were 7 million rands is what we were able to bring in and our operating budget was 10 million.

**Evan Driscoll** 33:47

Was that brought in from the grants? Maybe?

**Feryal Domingo** 33:56



So yeah, so a percentage of that. So 50% of that 7 million was donated income, and revenue and 50% of that was entrepreneurial activity. So I rent out office space. And we have even 100 square meters of which we only need 200. So 800 square meters is turned into a conferencing venue, and the nonprofit sector so you'll see all our products, and it is designed to serve the nonprofit sector. So in terms of the kind of income that we making aid is directly linked. And that's the other thing because if it isn't we could lose our public benefit order number with with SARS with the South African revenue services, if suddenly I use the building which was brought in for nonprofit because we're a registered nonprofit, and I am now having musical that is totally under related to the type of work that we do, or you know, whatever, weddings, bar mitzvahs, we just totally unrelated to the nonprofit work to our vision and our mission, then obviously, we will then start to use our PBO status, we at the moment could make an unlimited amount of money from our services and products, if it's lined aligned with our mission. So our work is totally mission aligned. Look varies once or twice, I can tell you when maybe we have a corporate wanting to rent the space for training purposes, because they're opposite us. But it's like almost not even 5% of our income of that particular income or venue, higher income. So what what I have now is, I have a mixed model. And so it is income generated through PTO grant funding, which supposed to make 80%, right? Post COVID, I don't think anyone got close to that, or during COVID. And now still, there's a lag effect. So at the moment, that's the ratio. So it's 50% revenue, and then the donor funding, and then 50%, is made up from our entrepreneurial activities. And the idea is to grow the amount that we raise on each category. But obviously, it's always going to be 50-50, in terms of our effort in terms of the staff, but you would obviously want to raise 20 million on the one and you know, maybe 5 million and on the entrepreneurial, and definitely want to increase the donor portion, that is why NGOs exist, you must go and look for grant money you cannot use, you cannot employ people, if there isn't a program. So it's not rocket science, right? How are you going to offer a program when there is no grant income. So you've got to show grant revenue, you got to make the effort. And so your people, the person who has to be skilled, to be able to bring in income is the executive director, he would obviously be supported by a team of fundraisers, proposal writers, prospect researchers, you know, there's a whole team of people in small organizations don't have that luxury. And so you will probably have one person with multiple hats in that organization. And as they grow, they need to budget adequately so that they can get the right people in.

**Evan Driscoll 37:53**

And we're just wondering as well with the grants themselves, typically do you receive those just by sending out requests to donors or random organizations? Or is it maybe networking that allows you to do some of those grants, possibly using a grant database online?

**Feryal Domingo 38:21**

Right, even though the Inyathello concept of advancement is never ever going to suggest that anyone writes proposals. Okay, so we advocate for what we call this a fundraising cycle. And it starts with the whole prospect research, and then making sure that you understand the fit, and then starting to cultivate, and then from cultivation, you continue to cultivate until you're invited. And when that happens, then you know, when you're being invited, is a sure way that you are going to be considered at least probability will be maybe, you know, 60% or 70%. And then to get over that last 30% it shouldn't be such a big deal. And then, of course, the whole entering. Once you've got the ground (with a donor) and you're reporting on it, it's just steward that relationship. Recurrent. Right. So it's a methodology that we employ personally, and also what we train on. So there is going to be a percentage of solicitation that is uncultivated. But, and that happens, right it is. But I always call up, it doesn't matter whether it's in Sweden or in Jakarta. I make sure that there's an appointment made and we talk to an officer in this institution so that it Please, by the time they see our proposal in the inbox that can remember, we spoke to Inyathello and the tip of southern Africa. And I did a little bit of research in the meantime. So so it takes longer. But it's less frustrating because you cannot sit and write 20 proposals a day, and you haven't got a clue what your chances are. So we say rather spend the time perfecting, making the foot Lane cultivating. So the cultivation part is a difficult one. Because people think wining and dining is cultivation, the thing

they have to show up at every gathering, when everybody's gathering in Cape Town or Joburg, Durban, they think they must actually put in a travel plan that gets them to the event, well, you've still got to make the effort. But why spend the money when you don't even know you're going to be missing and the way databases are set up these days, everything goes to an info box. So you don't know who it is. So we have our own database. We call it funding finder, which we you know, people have access to it. And it's, it's a mission to get keep it up to date, because no one wants the names to reflect on the database any longer. So it is gonna go to the info box of the donor, and then someone, an administrator is going to sift through the inquiries and decide who agencies you see. And so is that the person you want, is that the organization, is that the foundation you want to cultivate? Right, we'll put them at the bottom of the list, like gonna be done. And so there's this strategy of how you dissect and, and we yeah, we've got quite a few tools that we've developed as well. So we would obviously test them ourselves and then build on our success, we can then offer it outside. And because we're like any other organization with constantly need new things, new ways, because we experienced the same challenges that Musicworks than everybody else, the loss of income, the loss of revenue is real. But not everybody has a methodology or strategy about how they actually going to do it. There's a lot of research the guys, what you guys are doing, there's already a lot of research about, you know, understanding trends and individual giving and all of that. So, but it isn't being brought into the boardroom. So the executive directors should, on a regular basis, tell the board, this is the latest research UK is done on it. And we see these trends, and we're going to be having a discussion with you at the next board meeting about that. Because otherwise, all they do is ask you how much money do you bring in? Why are you spending so much can you spend less? None of the board members says, Can I mentor the finance person? Can I hold the hand of the operations person? Can I help someone who's doing prospecting? I got 10 people that I know who works with me, I play golf with or I don't know what, and that compensations not happening. So the challenges of the nonprofit. So the other thing that I'm going to tell you that from my experience with our own clients is they say I can't ask the board, what if they say it's a retention strategy. Because it legitimizes the organization. Without the board, you don't have an organization, right? Without the organization, you're not going to be paying the team salaries that you pay of which yours is one. And so there's a lot of reasons why people do these things, which is completely not making sense. But how does it get back to sustainability? They're not sustaining the organization's because they're not having the right conversations, the right levels in the right spaces. And it starts with the board.

**Evan Driscoll** 44:22

And that actually moves into one of our main questions: what advice do you have for other NGOs in terms of becoming financially sustainable?

44:41

So what advice, I have is to start with the board and have that serious and a realistic conversation with what the capability of the board is within the organization. So start off with looking at are they still relevant to the organization. I mean, there is a couple of clients who came to ask that and I literally sit close, you're irrelevant you've become you haven't caught on to the times, you've done nothing about shifting, you can't operate like you did in 1999, it's 2023. So who's on your board? They've been around for 30 years? Are you insane? Can I help you write resignation letters for them? So it's to have those tough conversations. Like I have these a few of them that I have already written letters for, get them to sign it, please. So, it's because the board gives direction, so ask is the board giving that direction? And so, most of the organizations who are coming and saying we have to close the doors, have no proper governance in place. And so that's the big thing. The second thing that they do not have is they do not know how to, to work well with the finances. And it's not that they are doing bad things. It's just that, you know, it's that you've got to get into the mindset of every program must pay its way. And if you do, every program has to contribute to the electricity to the water consumption to the tea and the coffee. It's not that operations, who's responsible for that? How is operations going to fundraise for tea coffee? And so, when you have that conversation internally, it's like, so I'll give you another example. When I joined, Inyathelo,

when a donor provided funding for any event, let's say a training event, right? So the philanthropist would say, I'm going to give you X amount, you train 20 people in their budget, they did not create a line item for venue hire, even if it was their own venue. Right, so it was our venue, but there wasn't an allocation to charge that donor for the higher of the venue. So somehow, nobody thought that the fact that we have to pay rates in Taxes on the property, with the rates and taxes, where would they be allocated in the budget? It has to be allocated to each of the programs, but then put it in the budget. So that the donor or the philanthropist can see their donation within the budget. So they decide what our overheads they've invested in now wanting a program that date, so they love Inyathelo, they like the way you look on paper. They love you, they love the way you look on the website. They love the way you look physically. But actually, they don't want to cover the costs of that look and feel that they've enjoyed. And the only reason they're investing in Inyathelo, rather than go to another NGO is because they want the grantees to have access to all of them. They just don't want to pay for it. So they'll pay you for your time. And they'll squeeze you to the hilt, that too, but nobody wants to pick up. So why am I paying 5% of your electricity? Sorry, sir. We're using 5% of the electricity for your program. But I'm finding you can't you take it out of your admin fee No, contributor, their admin fee is for the reserve. I mean, I'm not telling him that I'm just telling you, that's in my head that we were saving is coming from every grant, you can put 15% admin fee. And in South Africa, they tell you, you can only get 8% And sorry, it's 15% Where I come from. So can you see it's stuff, you've got to have the conversation with, with these donors in a way where you're not losing the relationship. But that happens over time. Once you've cultivated the relationship to the point where they trust you and they really liked what they seeing and feeling. You can add in those costs. So I don't provide a budget until a year into the relationship. I say no way I'm not ready for budget we still calculate Waiting. And so, so of course, we need the money, but you know what, they're not gonna understand it. And the minute you send a budget in an email, without having the opportunity to talk them through it, they look at it in the computer and like, sorry, and then they make the numbers and then divided, they do their own calculation, they have no idea what they're doing. But for this system, it works, right. But I have to be able to explain. So cultivation, communication, is everything. And so, my advice would be, don't rush into it. And do not get yourself into a situation, first of all, where you are. Here, no donor will say, an organization that is on the brink of collapse. So you've got to know that they did they want to invest in success. They don't want you to say my computers are all broken. Can you please give me 10,000? US dollars? Second, replacing? How did you get to this broken state? Did you not know that you have to? Do you have a maintenance plan in place? And if you don't, how irresponsible. So there's quite a lot of things, you know, that our clients have on learning from us, because we've experienced it. It's that we are not the be all and end all we'd like to be, but we make the same mistakes everyone else does, we have the same pitfalls that we end up in the same kind of situations. But you know, we we've now gotten to a place where we were a lot more mindful with thinking ahead about it. We do not have the perfect board, I can tell you this. But it's what we have, and we have to work around it. And make sure the board does stand we know how governance works as a team.

**Evan Driscoll 52:01**

that's wonderful advice. And I know we're kind of coming to the end of our time here. We have another interview that we have to get to today. Yeah, we apologize about that. Well, is there any way we can either just email you those questions or set up another time and you can just

**Feryal Domingo 52:37**

so when do you have to complete this by what's your deadline?

**Evan Driscoll 52:42**

We we'd like to get the interviews done by the end of next week.

**Feryal Domingo 52:48**

All right. I'm easier. I'm a little bit easier next week. Okay, I was gonna travel for four days next week. Just actually canceled that trip. So I I'm accessible next week. I email you my time.

**Evan Driscoll** 53:06

Yes, that works perfectly. Yeah, we can just finish up those other questions we have. And we'll be in touch I'll send you over the consent form as well. Okay. Perfect. Thank you very much. We appreciate it.

**Feryal Domingo** 53:24

Nice talking to you again Yep.

## Appendix F.4: Butterfly Arts Project

# Butterfly Arts Project Interview

Mon, Nov 20, 2023 12:03PM • 32:44

### SUMMARY KEYWORDS

people, give, organization, art, fundraising, funders, donations, children, year, funds, work, program, annual report, mix, income stream, school, financial sustainability, reserve funds, put, facilitators

### SPEAKERS

Jane De Sousa, Ellie Ungashick, Evan Driscoll

#### **Ellie Ungashick** 00:33

All right, can you tell us a little bit about your organization and how long you've been with them?

#### **Jane De Sousa** 00:38

Okay, so Butterfly Art Project has been officially registered as a nonprofit organization for 10 years. And I'm just switching this on to an it otherwise it pains me all the time. So basically, what we do is we, we bring creativity and healing through art into the lives of children and, and youth. We we do this in two main ways. So we have an art interin, Freya haunt, which is just opposite Marina de Gama, and Cape Town. It's a township community very under resourced and underprivileged. And then we run a Hearts for Arts program, which is a after school program, we have what we call the Back Method, which is an eight week art therapeutic method, where we use visual arts to help children to process trauma and stress and to heal as well as to- to enhance their creative development. And fortunately, the South African government I've removed funding for all art programs from primary schools, and creative development is essential in child development. Because like art, I mean, all the different types of art help but visual art, hand eye coordination, fine motor skills, it helps tremendously with their ability to write, problem solving, decision making, these are all key things that you get through, basically doing art. And then also because it's an art therapeutic in how we design the process, it also then helps with processing and healing from trauma and stress, and effectively makes children more resilient. So we can't protect them from how hard the world is. But what we can show them is that there's a healthy way to experience and heal. When life is hard, and, and bad things happen. So that when they step into adulthood, instead of carrying all the baggage with them, and effectively suffering from chronic PTSD, they have the resilience to handle what what is in their lives, and then take advantage of opportunities, rather than shutting down or becoming, escaping into substance abuse or other various things that happen to young people and then adults. So there's the Heart for Art after school program, which is the 8 to 16 year olds, there's also open studio, which extends that to 21-22. And then we have the Lovebugs program, which is specifically designed for severely neglected children, not in school. So this is for 5 to 12 year olds who should be in school, but aren't. They come from highly challenged households with serious social ills The are not in to school because they're not considered school ready. And third program helps them to stabilize, increase the school readiness, and then we facilitate their registered school, they also tend to be completely undocumented. So no documented, birth certificates are these nothing that you need to get into school. So we work with the parents are usually highly challenged, without judgement of their life choices, but to facilitate them, getting things together so that their children can enter the school because these children are unseen, or unseen by education and seen by social services. So those are our two key programs that we model at our art centers. Yeah.

#### **Ellie Ungashick** 04:23

Wow, that's amazing.

**Evan Driscoll 04:25**

We're also wondering what role you specifically play in the organization and what kind of falls under you?

**Jane De Sousa 04:32**

Yeah, I'm the I'm the executive director. So I do, I basically in my position is one of leadership. So strategic direction, program cohesion, team health. And, and then also fundraising, which is, like, you know, a huge part of my job. I am the fundraiser.

**Ellie Ungashick 04:57**

How do you guys go about fundraising for Butterfly Arts Project?

**Jane De Sousa 05:00**

So we have a fundraising strategy, what we do is we have a mix of income streams, becoming dependent on any one income stream is incredibly dangerous, because the funding world shifts and changes. And there's also a decrease in funding available through traditional channels. So basically, we we have a fundraising strategy where we target for what we call major funders who are multi year funders, because they give sustainability. Obviously, they come with challenges, because you can make two plans three years ahead of time, but you can manage that. So they provide a kind of a sort of fun- financial sustainability. So we aim for four, we currently have three, so we're looking for our fourth. And then we have a number of annual funders who fund varying amounts between, you know, R50,000 - R350,000, but we have an ongoing relationship with them, they have an annual cycle. And so what we do is, is we continue a very strong relationship through reporting, as well as a personal relationship. And so they are very another very important stream, then we have small donations, so through newsletters, websites, events, our connection with people who are then interested in us, those are much, much smaller individual donations, but they formed their own income stream. And then we have a mix of overseas and South African. So we actually have 60% of our funds are sourced from within South Africa, and 40% are overseas, we think that's very important, because things can shift dramatically. And it's also, you know, when people are in South Africa, I think their understanding of what you're talking about is just very immediate. And so I think there's a there's a loyalty there that that is very helpful. But it's good to have a mix. We've just gone for kind of erring on the side of of South African funders, as opposed to just relying on big overseas money. Yeah, so I know that, you know, besides that, there's, there's obviously, other routes that you can take, but currently, that's, that's our mix. And then we do we do have small amounts of income through like event things like, you know, when we do our exhibition, and sometimes we can do pop up things, and we sell badges. And that's a very, very small income stream.

**Evan Driscoll 08:06**

And this revenue mix, is it made up of like core donations from corporate sector, foundations, trusts, individuals, legacies bequest or all of the above?

**Jane De Sousa 08:18**

Yes. So, so there are kind of professional funding organizations, you know, people who've been in the game for like, 50 years plus, like, really well established, big foundations, big trusts, big overseas bodies. Then there also, there's a whole mix of like, private philanthropists, you know, the people like the Oppenheimer, Ackermans, those kind of big money, people where various members of the family will have interest in different things. So we connect with people who are into the arts and, and like the idea of using artists healing. So we have a number of, of sort of individual, they have a, it's called a trust, but you basically it's a person. And so we have, which is a different sort of a mix, with a more sort of a private philanthropist with an interest in what you do. And then we have sort of smaller trusts and foundations that do smaller amounts. And corporate is much more difficult to get into. Corporate is easier when what you do is more welfare, because it's kind of immediate, you know, we feed so many children and they're

looking happy, or we've given so many clothes to people. So corporate is more difficult. I did actually work as a consultant in the corporate sector. So you've really got to think about what benefit you're selling them. You've really got to look at, you know, what are they putting out there on the websites as this is our purpose. This is what's important. So this is our mission, and then says that any part of what we offer that we could tell us so for example, in, in what we do, you know, it's it's, it's our stuff is quite long term like it's coming to our programs and six months later you see something and you know, it's got a long term investment in these these young people that it's no immediate, give them something and they look happy kind of thing. So what we've done with corporate is we've been successful, where we were able to marry something that we could do an art program to something that they've identified as important in their purpose. But then you really have to sort of tailor make it. And that was successful, but I think it helps if you know, but about, I think you've really got to research your corporate, and not waste a lot of time on a lot of corporates who aren't going to give you money. And a lot of them just then what we do. So you've, you've got to speak in a language that they will make sense. So, you know, we were able to talk about something we're doing as being entrepreneurial. So the fact that we could link one of our programs with an entrepreneurial aspect, that speaks to their purpose, they were all for it. It was great. Oh, yeah, we'll give you money. But, you know, into them about our therapeutic process that that would be like, it just wouldn't connect.

**Ellie Ungashick 11:35**

So do you say that how you guys market yourself has a big role and tapping into that corporate sector?

**Jane De Sousa 11:40**

I think I think your website's got to speak, you know, be good. Basically, it's your homepage. I don't think most people are far beyond that. I think homepage is first impression. So whatever's on your homepage has got to grab people, you've got a couple of seconds. And whatever is there's got to make them go, "oh, I want to read further." So it's like first impression when you walk in a room. That's the way I think of a website, our website is a key fundraising tool, we do get some people approaching us because of our website. And so it's worth putting energy into trouble. You can't get money from any funders for websites. So you've got to do it in between stuff. I take responsibility for all of that. So because I'm the leader, and I'm involved in fundraising, all public communication filters through me, so that I can ensure there's a coherence in terms of our communication, because you don't want things to be jarring. Whenever people see Butterfly Art Project. It's got to be the same message all the time. Yeah, so website is important. I think newsletters to another degree, I think most people make the newsletters far too long, we've gone much shorter. We do short, punchy stories with a nice picture three or four maximum done, because people just don't read them. And it's quite an effort and a lot of energy. I think it's just got to be a touch base. And people go, "Oh, that looks exciting." But it's a it's like a quick thing, and not a long thing. And then your Annual Report is very important. Because your Annual Report is a fundraising tool, it's a great thing to be able to send out. So we get ours out in April every year, which is great, because it means for the rest of the year, I've got a very current annual report that I can use when I'm you know, connecting with people. And the very important thing is that it looks pretty. I mean, obviously you have writing, but you've got to have some graphics, you know, or impact stuff. And you know, there are people because they're not going to read everything. So it's what are they gonna flip through what's going to jump out at them? What do I want to say? It's a sales job, basically, fundraising, the sales and marketing in the nonprofit sector. So yeah, to sell your benefits.

**Evan Driscoll 14:16**

Um, when reaching out to organizations and the organization for donations? Is it typically organizations that you've had, that you maybe have a personal connection with? Or are you just writing grants and sending them to organizations you think would support?

**Jane De Sousa 14:39**

Okay, so it's a little bit of a mix, you know, effectively sending your grant off, just hoping they kind of do it. It's a bit like cold calling. So to be effective, you've had to do a hell of a lot. That's not really an effective use of time and energy. You know, not not in a nonprofit. So if I don't do a lot of that, if I do send something off, that's cold, I've done a lot of research. And I'm pretty sure that what what we're seeing, it connects with what they're wanting. My, so you have to do some of that you can't get away from it if you want to try and grow your base. But you have to, you have to do it, where it makes sense, there's a lot of things that I look at. And I just know, it's not going to be an easy fit, and I'm not going to waste my time. It's just a waste of my time. And the other thing is any kind of connection is followed upon, like, you know, people will, people will tell people, and then we follow up on that. So it can be any kind of human connection, or any kind of introduction, that's always better. Yeah, so it's a bit of a mix of, of of the two.

**Evan Driscoll 16:00**

Okay. And then also, do you ever use like fundraising databases or grant databases in order to receive grants or no?

**Jane De Sousa 16:11**

I haven't, but then I've been working in the sector for 30 plus years. So I kind of rely on what I know, some of these databases, they want you to pay a lot of money, and then I look at it, and I think, well, 99% of that is not going to fit back. So what's the point? You know, so to me, it's like, do you know if they can show me that like a lot of what they're gonna give me it's going to be worthwhile. But I know from having used them, you know, the trouble is, they're very general. And, and you just got to ask yourself, how useful that is. And the thing is, do a good Google search and just spend a day playing around on the web, you probably get exactly the same you get from a funding database thing that somebody is paying, making you pay for. So I guess it depends on how young you are in the sector. But I do a lot of playing around on the web, and just putting search words out and seeing what comes up and, and connecting through that. But I think you've got to have really good connections with other partners. And you know, listen, when somebody says they've got money from somebody, go Google it and see and then think, okay, maybe we should go there. So a lot of it is just keeping your ear to the ground, I think.

**Evan Driscoll 17:39**

And What is your general expense mix look like for a year? What are you spending most your costs on or donations on?

**Jane De Sousa 17:50**

Well, people. So people are always the most expensive, what we do is, is we will always retain a very small core team. So salaries is the most difficult thing to fundraise, especially when it's salaries of people like financial managers and stuff like that, because it's not sexy. It's not linked to a project, but it's essential. So our core team is eight people. And we will never get bigger than that. Because the minute we get that as salary budget becomes unfundraisable. And you're just putting yourself under too much stress. So what we do is we use independent contractors, this is set for the organization, because it's a specific contract to do a specific job. We have long term relationships with people. But it's always like to do this specific thing in this specific year. And we're not setting up expectations that we're always going to be able to pay. And then if something happens, and the funding is reduced, and we have to take more of it into our core team, to get ourselves through three months, because we can't pay independent contractors, then you still don't damage your programs, and you don't harm your deliverables. And you don't reduce your impact. Because the minute you do that, you've got less good stuff to show to get more money. So we have quite a we're lean and mean when it comes to operations and core team. We use a lot of independent contractors. And we because independent contractors can be put into budgets as facilitators or trainers or whatever, then they're not a salary. They're an actual implementing cost. So it makes it much



easier to get your, your your you know the percentage of your budget that's kind of operational looking right.

**Evan Driscoll** 19:52

That makes sense. And then these contractors are they typically just people working in the programs or just whatever you need done, you'll hire one of these contractors to do?

**Jane De Sousa** 20:03

Well. We support a we trained community, our facilitators, who then use our back method with children and youth in the communities or the areas where they work. So we currently support a movement of over 300 Community Art Facilitators, who working in about 50 communities, and they're working with 16,000 children. So they're autonomous, because it would be crazy for us to try and control them. And so it's a symbiotic relationship. So we effectively have a pool of ready made independent contractors, people that we've trained that we know how to do what we do, by coming and getting a contract with us. We're supporting their community, our facilitator practice, we're giving them funds that they then use to be able to do what they are passionate and doing in their community. It's a win win.

**Evan Driscoll** 21:00

Yeah, that sounds great. And then, do you have any, like reserve funds or contingency plans for like a rainy day?

**Jane De Sousa** 21:07

We've been- We've been building up reserve funds for 10 years. And we will continue to do that. Because you know, funds come in at different times. So if you don't have reserve funds, you you can, you can be in deep trouble. And no one will give you reserve funds, it's got to be those small independent donations. You know, that's where you start gathering it in. So having those relationships with people who give you 2000 and 5000, and bits and pieces. We also do a really good Donor Register. So all donations in kind go into our Donor Register. And then we send thank you to them and everything, because that's money, and we put a fund an actual worth, a monetary worth to it. Because you know, a lot of materials and things we don't have to spend on. So those kinds of people are also really important.

**Evan Driscoll** 22:10

So you recommend doing in kind donations, and then?

**Jane De Sousa** 22:15

It's essential, you should register every in kind donation that comes in, you give it a monetary value, you sending really good, thank you notes, you immediately put them them on your mailing list. Because though, you know, we've had people who give us stuff over and over and over and it reduces what you've got to spend. It's amazing thing. Some funders will actually you can report on that. And they will take that as part of what you've got. So it's it's a it's it's a great asset.

**Evan Driscoll** 22:51

And then kind of switching topics here, how does your organization market itself or promote itself?

**Jane De Sousa** 23:01

Sorry, how does?

**Evan Driscoll** 23:02

How do you market the organization or promote it?

**Ellie Ungashick** 23:07

You were talking a little bit about the website before, so do you anything else?

**Jane De Sousa 23:11**

Yeah, yeah, I mean, we use the website, we use the newsletters, we use events. We also take advantage of any opportunity that comes along, like we've we've just been contacted by an events company that is adding us as the charity beneficiary for all their events. They're giving us a little pop up space, but they're gonna go to when we do our annual exhibitions, we create really good promo boards. And then any opportunity, we just whip out our promo boards, and off we go. So they're a great investment. But we make stuff work for us. Like we do one set a year, we're not constantly doing bits and pieces. We also keep a lot of stuff digital so we don't have to print. You know, so that just always works fantastic. You know, we use WhatsApp, a lot, a lot of stuff with WhatsApp, social media. We have a real social media plan. We we constantly every week, different parts of our team are responsible for the posts. So they're not monotonous. They're not the same. They're varied. And we do Instagram and Facebook, because they're different. They're different profiles and age groups.

**Ellie Ungashick 24:25**

Yeah. So you guys don't hire somebody specifically to run social media? You kind of divide up the work.

**Jane De Sousa 24:31**

We we tried hiring someone, it was a complete waste of time. We spent most of our time writing the content for them and sending the photos. So our people are great. We use Canva. Everybody's been preparing for training. We've got a style guide. We've got a toolkit for Canva. You'll go use it. We also have international volunteers. We always have one of them that loves that kind of thing. They take it on. And so we sync content, they put it into a nice little Canva thing off it goes. But everybody does it be divided up each week, we have a plan from the beginning of the month, and a year. And then each week a different team is doing something. So it's not onerous. But it's also it's, you know, it's of the moment. It's interesting. It's different. And I think I think one post a week is fine, you don't need 20 million as sort of a constant. Interesting post. Yeah, that's what we do.

**Ellie Ungashick 25:35**

That's a smart way to go about it definitely cost effective as well, not having somebody hired.

**Jane De Sousa 25:42**

The only person we do is we we hire a somebody who's a very good graphic designer who gets what we like. And she goes on for newsletters, annual report, and that's our only cost.

**Evan Driscoll 25:56**

And then has the organization ever undergone any rebranding in terms of like, the logo tagline? Name of the organization?

**Jane De Sousa 26:06**

No, same 10 years, and we'll never mess with it. Yeah, you know, it's, it's very iconic, and people identify with it. So anything else do this, and then we just yeah, we just sort of add to it.

**Evan Driscoll 26:27**

And then, we're also wondering about what role your board of directors plays in the organization and how large that is.

**Jane De Sousa 26:36**

We have a board of seven people. Constitutionally we can't have a board of more than seven people just becomes unmanageable. So seven people its safe because they managed to can't attend, you still got a

quorum, you can still move forward. Our board meets quarterly. So four times a year. We have a board WhatsApp group where we post things so that they are up to date with anything we're up to. And then we have a good chairperson or treasurer. So as the executive director, if there's something that I would particularly like input on, I only contact them. You know, it makes sense. Yeah, and then we do a board retreat once a year. So one of our meetings, a board. And then we go somewhere like the Norval Foundation, like gives us one of the rooms for free. And we kind of do a day. We were physically all together. Otherwise, our other meetings are all on Zoom.

**Evan Driscoll 27:43**

And do they try to be involved heavily? Or do they kind of more just sit in the back and let you do what you have to?

**Jane De Sousa 27:50**

I think- I think they have a very good understanding that they their job is to provide oversight. So they don't get involved in operations. I write a report every quarter for the board. And I give them an update on you know, HR matters, fundraising matters, any financial issues, and then any other kind of matter arising that's come up. And that's basically it.

**Evan Driscoll 28:20**

And then we're also wondering if you collaborate with any other NGOs at all?

**Jane De Sousa 28:26**

Yeah, no, we see partnership and collaboration is essential. You know, we're very aware that we can't be all things. So we stay very much in our lane, very much focused on our purpose and what we're really good at. So for example, there was a funder who wanted to give money for hiking packs, and food packs and school uniforms and everything. Now, the minute we become the organization giving that stuff out, we're setting up an expectation, and it's not our core purpose. So we've partnered with another organization. And so both of us received the funds, the funds that are for the art therapeutic classes come to us the funds for providing the care packs, and the food packs and all of that go to the organization with that what they do. And so that's a great collaboration doesn't release without a community and parents and they're doing what they need to do, which which is fantastic. So we're very into collaboration and partnership.

**Ellie Ungashick 29:32**

I was just going to ask, how many of those collaborations lead to more connections for donors?

**Jane De Sousa 29:40**

Actually up so not more being us approaching people when there's an opportunity from our side. We haven't actually. But I mean, I think if you have abundance, mentality abundance comes to you. So if you're terrified of sharing stuff, because then they won't be enough for you then I think what happens is that what manifests in your world. So at Butterfly, we consciously have abundance mentality. And we believe in in sharing and bringing people in to work with us in collaboration, and it works for us, you know, being in our mentality has resulted in abundance in the work that we do.

**Evan Driscoll 30:24**

Very cool. And then do you have any advice for other NPOs in terms of becoming financially sustainable?

**Jane De Sousa 30:34**

I think number one, you have to understand what financially sustainable needs means for nonprofit. For a nonprofit, you're always always going to be having to get constant investments from funders. So financial

sustainability is not the same as what you mean in a business. So in a business, it means you know that your turnover is sufficient to meet your expenses. And then if it grows, you get some profit. And that's great. But in a nonprofit organization, it's never going to be like that. So I think financial sustainability is about the fact that if at any one time any one of your funders pulled out with absolutely no warning, you wouldn't collapse. That's what's financial, sustainably looks like. So it's about keeping your your budget, like low, like don't have these crazy budgets, that maybe you'll fundraise them once or twice, but you're setting yourself up for disaster. So figure out how to do things smarter, be as cost effective as you can, and have a lot of income streams, so you're not dependent on any one. And, you know, be generous and have abundance and it'll come back to you. That's how I see it.

## Appendix F.5: at Friends Day Centre

# Friends Day Centre interview

Mon, Nov 20, 2023 11:16AM • 48:23

### SUMMARY KEYWORDS

give, year, grants, money, board, organization, child, center, parents, kids, fundraising, classroom, comic sans, day, expenses, unintelligible, month, salaries, government, font

### SPEAKERS

Evan Driscoll, Ellie Ungashick, Kazim, Johann Opperman

#### **Ellie Ungashick** 00:06

All right. So could you guys tell us a little bit about yourselves and just about what friends does?

#### **Johann Opperman** 00:11

So the center started in 1959, which makes us 65 years next month, by a lady called Lorna for her boy and four of his four friends who are also disabled, those days for a boy and for orphans friends, that will also disabled. And as you come into the section, (unintelligible), that's where it all started, that was the only little section - the size of a double garage. And it's grown over the years into a facility that's been licensed for up 120 learners. So we licensed to have 30 over-eighteens and 90 under-eighteens. The reason why we say over-eighteens is we have adopted the policy of cradle to grave. So when you born with a disability or when you have a disability, you come to the center at the age of 18. Most centers then send you home or to somewhere to some institution, we don't - you don't get sent down. You can stay here until either you pass on or your parents take you away. At this stage, our oldest learner has been here since 1976. And he's just turned 51 last month. So this whole classroom, because he will probably touch on that, comes from mostly psychiatric wards at the Alexandra Hospital. And the group is between 40 and 50 years old.

#### **Kazim** 01:37

So we cater predominantly for kids with severe to profound mental and/or physical disabilities. So we tend to- our bread and butter diagnosis will be kids with cerebral palsy. That's what we basically cater for in terms of our multidisciplinary team. That's why you have the physios the speech, and OT is here. We accept kids are as young as 18 months. And yeah, like you I said, we don't have an exclusion age. So most of the groups are basically grouped according to functioning level more than chronological age. You went to group five?

#### **Evan Driscoll** 02:18

Yeah.

#### **Kazim** 02:18

So that's what we classify as our communication group, just for the aspect that there are kids with physical disabilities in their but normal cognition. So we operate augmentative communication group in there. So most of the kids, they use assistive devices to communicate.

#### **Evan Driscoll** 02:42

All right, and then what role do you play in the organization and what kind of falls under your jurisdiction?

#### **Kazim** 02:47

I try to say that I do more of what, like in a hospital environment, it will be more clinical. So classrooms, stuff like that, admissions, that sort of things that day to day emergencies in terms of medical procedures, stuff like that.

**Johann Opperman 03:10**

I don't work with the children, I mean, I've got a whole team of professionals, the physios, the speech therapists, all of that. I with the parents, you're with the stakeholders, you know, the government departments overseas, local than that for sort of my portfolio because, you know, fortunately deals with all this stuff working for me.

**Ellie Ungashick 03:31**

Okay, makes sense. How long have you guys been in these positions?

**Johann Opperman 03:37**

I've only been here for six and a half years. You have been here a little bit longer.

**Kazim 03:42**

Probably eight years? Eight and a half years? Yeah. I didn't start in managerial position. I actually started in the classrooms as a program implementer and then when this position became available that just moved up.

**Johann Opperman 03:57**

Or being dragged up.

**Evan Driscoll 04:02**

And then how have you seen the organization change over the years especially in the roles of leadership positions and also your board structure and board members?

**Johann Opperman 04:15**

Let us start pre- my point and then I can give a view of how you and I operated since 2017.

**Kazim 04:24**

So basically, when we when I started, the position of the center manager will be basically all encompassing. So they basically used to have their hands in every pot. And it might not necessarily have been areas where they had expertise or knowledge in but because of their position, they kind of-

**Johann Opperman 04:52**

Muscle Flex.

**Kazim 04:53**

Yeah, muscle flex sort of thing. So most of the times they will try to reinvent the wheel they will try to fix stuff that wasn't broken? So yeah.

**Johann Opperman 05:06**

I think when- when I was appointed, it was clear that I didn't know anything about the disability sector later than kids with disability. So my first words when I would still remember it was a meeting in your office instead of sort of-

**Kazim 05:23**

closet?

**Johann Opperman** 05:24

Closet. And I say to them, "I'm not here to do your job, I don't know how you do it, I don't want to know how you do it. I need to fix this thing because this was broken. I need to fix it. You do what you do best. Run it by me, but I'm not interfering with your jobs." Yeah. And I think that was probably one of the best decisions we've taken together is, you know, let the managers manage, let me do my work. Okay. And I think the organization has really grown into such a sustainable business. Really, really-

**Kazim** 05:31

I think that- that was our main aim too, instead of giving the perception that it was sustainable to physically in terms of black and white in the box, make it sustainable. If we fall off, then, with that peace of mind, knowing that whoever comes in, is just basically following your lead more than...

**Johann Opperman** 06:17

We did. As I took over, our treasurer on the board also just took over. That role was pretty much non functional. And we made the projections that we took over in June and August 2017, this place would have closed down the following March on the projections how the financials were going. And at that stage the organization was 58 years old. And I just said, when the chairperson asked me to come and help I said, we cannot let an organization that old, and at that stage we had a hundred two, hundred three kids. Where are they going? And to go further, their siblings and their parents, four to five hundred people's lives, if we close these doors, and we just simply couldn't afford that. And it's grown into a really good sustainable business.

**Ellie Ungashick** 07:09

Thats amazing. What other challenges were you guys facing before you got involved?

**Johann Opperman** 07:16

I don't know. Because I haven't been involved- I've been on the board many years ago, something like 2013. And before I got onto the board in 2017, and then they asked me to get off the board and take over this position. I don't know what the challenges were because, Kazim? What did you think? People not knowing what they're doing? And it sounds harsh.

**Kazim** 07:43

Because- Because I hate micromanaging. It's one of the most uncomfortable things, especially for me doing it. But it's only when we really delved into it that we were thinking, yeah, why was it so difficult to do the simple things that we realized that it's just because it wasn't getting done, and nobody was checking to make sure that it actually was or wasn't getting done. And I think motivation as well.

08:20

[Interruption}

**Johann Opperman** 08:21

I honestly think in hindsight, it was people focusing on the wrong things. If I as the center manager focused- would focus on an emergency in one of these classrooms, I'm not going to get my job done. But when I interfere that can that will be counterproductive to his initiatives and what he's supposed to be doing. I just think people focused on the wrong things. I just knew one of the previous center managers, which wasn't my predecessor, was her predecessor - yeah, she was just a miserable woman. If I say that, I would imagine she would rather instead- because in this position you can't lock yourself from the outside. And I think that's pretty much what she did. Because she came from an admin position into this position, I don't think she was a people's person.

**Ellie Ungashick** 09:40

And what did you guys change coming into it? I know that you can't exactly pinpoint what the challenges were. But is there any like drastic changes that you guys would say that you made?

**Johann Opperman 09:51**

I think financial management was one of the key issues for me to make sure that it gets, especially when you go to a nonprofit organization there's so much corruption and theft going on in these organizations. I don't know Kazim. I think, because it's like- I wasn't interviewed for this position. I was just asked at a board member, "please, can you go manage it?" Because the chairperson and I worked previously, we work together. And I actually said to our Vice Chairperson, had I been interviewed for this position, I would never have gotten it. Because I would have said, "it's broken, and I'm going to fix it." And they would have asked me, "how are you going to fix it?" and I would say, "I don't know" It needed fixing. And I knew I was going to have to fix it. And I didn't know how.

**Kazim 10:38**

I think in my capacity basically came down to everything obviously looks perfect and stuff. But it's only when we started to delve into why we having so much difficulties with specific children? Or why is it that these children were first even accepted into the center. And then I started to realize that there was no actually a structure criteria for acceptance, that it basically became a point where we started to get a name of, if you have a difficult child, you don't know what to do with them, just send them to Friends Day Centre. So it came to a point where even major networks like Red Cross and big referrals like that, it will just be over. We don't have anywhere to put this child just send them to Friends Day Centre.

**Johann Opperman 11:24**

And they were accepting more

**Kazim 11:28**

And then yeah, when you really delved into the classes, you realize that, obviously, then it became a problem that we couldn't just throw the child out or stuff like that. But then it's trying to find the right skills of new therapist of adapting new programs, that sort of thing to actually be able to benefit the child, instead of just running the center as a daycare, which we try not to, we're not a daycare, I tried to really sell it as a therapeutic day center.

**Johann Opperman 11:57**

And I think Kazim has really done a sterling job with referrals, because how the referrals would work is somebody would phone in a mail in a quickie screen with a couple of questions, all we would refer to Kazim, you will get the parents and the children in for a formal interview, not only to see the child is a fit for the center, but to make sure they have center is fit for the child and not the wrong center for the child. And then they go through the therapist, and they also do some some sort of assessment. And if a child's not right to the center, we just unfortunately, and the saddest part is saying, "No, we can't," but they really can't, because it means that your child is going to regress, as a matter of fact, he's too high functioning, he's going to regress. And we've really, Kazim has really done a sterling job with making sure that we get the right fit for the center and the center is the right fit for the kids

**Evan Driscoll 12:48**

Going back to- we discussed your board a little - how many board members do you have? And then do they have a large impact on Friends, or not really, what's kind of their role?

**Johann Opperman 12:59**

So we've got a we've got a board of seven, seven members, ranging from retired engineers, retired businessman, teachers, data analysts, capital bank, operations manager. So we've got a nice set of skills, what I really do appreciate of the board is - and they wouldn't dare, because I would tell them to back off,



they would not get in, they won't get involved with day to day running of the center. That's our job. Okay, we will, we will be accountable and responsible for the center, but they will not interfere with our day to day running. And I must really say we've got an excellent board. Solid backing from the board, whatever we want to do: "sounds right lets do it". I think last year in our last management committee meeting, because we've got 10 committee meetings during the year since virtually every month, when we closed off the last one, the Vice Chair said, "I just wanted to say to you and your team that all the decisions that you've taken in 2022 those decisions were the right ones". When we say that, we know that we're sort of doing what's expected.

**Ellie Ungashick 14:05**

You were talking earlier a little bit about your guys' finance. How do you guys fundraise for Friends?

**Johann Opperman 14:11**

That's a difficult one. Anything? Yeah. Besides stealing? What we do is - our fundraiser got fired by the board in 2018. And then what- the retired engineer on our board stepped up and he said, I will help you write proposals and he really helped me sort of, I think we 80% there the things that- that we haven't- and literally just sending those proposals. We got a donor from Switzerland, who sponsored us with six or seven children. They sponsor a speech therapist and they do the occupational therapist as well. Then we've got another one in Switzerland who always raises money through GiveGain Foundation and then if you've seen that it's just a I've gotten us money for that motorized wheelchair and sent to me for next year. He wants to bring in R100,000. So can we give him something to work with? And we've got another three children that we want to sponsor? Yeah. So I think it's pretty much relationship building with our sponsors. Yeah, and keeping those relationships going.

**Ellie Ungashick 15:21**

Yeah. So you'd say that you do have like personal relationships with your funders?

**Johann Opperman 15:26**

Because of our expenses, the government only gives us giving with grants that we get from the government between 46 and 47%. 52%, we've got to find, okay, good. Yeah, but I want to, I want to get that, still less, I would like to have the government, the government, including (unintelligible), to come down to 25%. The rest to be fundraised through various other platforms, because of the instability of our government and the political situation, pretty much in South Africa, you don't know what government is going to do next. So we really like to dilute that to be down to about 25% or less if I could, which means we just got to make more money to dilute that.

**Evan Driscoll 16:15**

And then that revenue mix of grants from other organizations is that usually, like the corporate sector, foundations, trusts, individuals, Legacy-

**Johann Opperman 16:25**

Executives. bequest.

**Evan Driscoll 16:30**

Bequest as well, okay.

**Johann Opperman 16:32**

Quite a large one that was just over half a million Rand between the- 2021. I think government-government grants from the Department of Social Development, which is one of the two, and then per capita income from the Department of Health. (unintelligible) So I'm going to go to our under eighteens, our fees are 1,400 bucks a month. Where the government gives us another R1,760, which is just over

R3,000. And if you go through our financial statements in our annual report, it's actually because there's in 2022, R5,300. So the deficit of R2,000 per child, we still need to fundraise for.

**Evan Driscoll 17:35**

Yeah. And then we're wondering, like, how many, you fundraise internationally, how many international grants do you typically receive? Or are most grants from international foundations?

**Johann Opperman 17:48**

It's Switzerland is the two main ones. And those are the only two international ones. Yeah, those are all South African.

**Ellie Ungashick 17:55**

And are those charity organizations?

**Johann Opperman 17:56**

Yeah, and corporate. Like-, and I'll use this as an example as an example of corporate social investment. (unintelligible) where corporate comes like tinder, like, you know, nappy buns and those sanitary bins and the pest control. So that that saves us about R90,000. And we give them a certificate because we register to give them a certificate, they can then claim that back from the income tax.

**Evan Driscoll 18:25**

So how did you set that up just by writing to them like a grant?

**Johann Opperman 18:30**

I know them very well, I used to work for the owner of that business. Their role took over. They did some research in 2018 about their organization, then she just said we'll do this for you.

**Evan Driscoll 18:41**

Is that the same with the organization in Switzerland? Or is there a second?

**Johann Opperman 18:47**

That (unintelligible) foundation? Yeah. We found them Yeah, yeah, we're not doing a good they've already sponsored in some children. We've just gotten more money. Okay. It's wonderful.

**Ellie Ungashick 18:58**

So do you guys actively seek new organizations to fund?

**Evan Driscoll 19:04**

And to do that you use like fundraising databases or grant databases or like paid software to find these grants, or is it just writing grants and sending writing proposals?

**Johann Opperman 19:16**

See what seems to have worked? Okay.

**Ellie Ungashick 19:21**

Does that fall under your jurisdiction? Or do you hire somebody?

**Johann Opperman 19:26**

Which all under one. That is why I'm so gray.

**Ellie Ungashick 19:34**

Seems like a lot of work.

**Johann Opperman 19:36**

It's fun. It's fun. Yeah.

**Ellie Ungashick 19:37**

So you said you guys used to hire somebody for fundraising back in like 2018 or so.

**Johann Opperman 19:42**

And then we had another one in 2022. She lost four or five months.

**Kazim 19:48**

So it's a very high pressure job.

**Johann Opperman 19:52**

That big amount of money, we're expecting that plus more.

**Evan Driscoll 20:02**

And then what is your expense mix kind of look like? Like, what are you spending this money on? Essentially, that you're receiving grants for?

**Johann Opperman 20:11**

Interesting, I'll give you some stats do you want? Do you want stats?

**Ellie Ungashick 20:15**

If you can give like a rough percentage, that'd be amazing.

**Johann Opperman 20:17**

Oh, I won't give you the exact amount.

**Kazim 20:30**

Especially the culture of fundraising is so much different now. Because nobody gives you money. You basically tell them what you want, and then they will pay for it. But very rarely would they just give you a blank check.

**Ellie Ungashick 20:45**

Yeah. So when you guys are writing grants, do you tell them your specific needs?

**Kazim 20:50**

We tell them specific needs or specific wants that we would hope that we can basically, so even if you can't fund it completely, then we can aim towards building up enough revenue.

**Johann Opperman 21:03**

I'll give you an example of our play room. Which leaves that door is that door that you see only this, this whole thing was dreamed up by Kazim probably three years ago. He said, "This is what I want." Yeah, this is what I want always means money. So last year, one of the gambling houses in Cape Town, said, "Well, you need to we said we'd like to have this upgraded." And we had to do this quickly. So we've got all these we had these cameras in, but they weren't as good as they were. So I said, "Let's upgrade the camera system as well, that was also done by them." So it's wide angle cameras. If you look at the front office, where the banner stands, it goes into offices over a year, held previous cameras only covered this

far. Now we've got wide angle cameras to enclose them with cell. So we give them the wish list. And they say yea or nay.

**Evan Driscoll 22:11**

So did you write to the to this organization? And then they wrote back? Yeah, we'll give you-

**Kazim 22:16**

Most of them- We always know we're on the right path, when the first thing they ask is, can we please come and visit you?

**Johann Opperman 22:17**

Now we've got you, because once you get in, yeah, you just open your wallet for you.

**Kazim 22:31**

Especially one of the main turning points is always how happy our kids are. Yeah. And it's a lot easier for somebody to buy in when they can just feel the vibe that the kids are happy. And that sort of thing. And that

**Johann Opperman 22:50**

Kazim word's always is. "We don't have to stage happy kids. We have to once you've got that."

**Kazim 23:00**

Because I remember when I first started here I remember- don't know if it was off putting but one of the like red flag things is that once you reach into reception, then you are heading in any direction, you just hear this loud PA system, "this person is headed to act happy. " Like, why? You know what I mean? Then it just gave me like, why do you need to announce that sort of thing like prepare for my arrival sort of. That's something we don't do definitely anymore. Because yeah, whatever you're doing, you should be open to anybody to come in. It's almost like you should be proud to show them what you're doing sort of thing. We still need to get those new doors. Because I was one of the things I was wanting money to get eindow doors for the classrooms are so just limited is because sometimes I have to disturb the class to go in to show, whereas if we had a window door, I could basically peep in, sit just peep in.

**Johann Opperman 24:06**

That's one of the things the other thing is we would like to have when you enter by reception, to have a motion sensor door to go because- because we've got motorized wheelchairs and they can't open easily. Yeah, if we go through our expenses quickly, it doesn't give us decimals. 81% of our expenses go to salaries, salaries, that's a huge. Therapy program 3%, transport 8% classroom programs 2%, computer expenses 1%, other expenses would be like security and all of that stuff gives, as it says 0% is probably point, point of a percent. Blue gives us office expenses. That is your printing telephones, cell phones, 3% of expenses, and property expenditure that repairs and maintenance of the building the jacuzzi, the swimming pool is too busy for quite a mix of what you spend.

**Ellie Ungashick 25:28**

And when you guys are sending out grants, do you ever have issues with charity organizations because the salary percentage is so high, but ever seen that like, I get those alarm bells?

**Johann Opperman 25:49**

No, we I think I think if we caught that, without them we don't have this. Peanuts, you get monkeys? Yeah. I'm not saying we pay the highest salaries. But yeah, pay the market rate.

**Kazim 26:03**

So I think I think because the majority of the staff in the center, actually classroom staff. It doesn't raise as many eyebrows per se, than if it had ten of us getting the salaries and then a few in the classroom. Yeah,

**Johann Opperman 26:19**

We're not - we're not top heavy, I mean, to managerial positions, myself and Kazim. If we were top baby. That would have been a difference. Yeah. So I don't know in terms of MusicWorks finances, how they how they can agree on words. But the houses are pretty, really pretty flat. It's me on top, Kazim and his staff. Maintenance.

**Ellie Ungashick 26:47**

Yeah, MusicWorks is really similar because they hire a bunch of community musicians to go do the classes. That's why I was wondering because they're, they're similar in the sense where they put a lot of money towards salary. These teachers, therapists, musicians.

**Johann Opperman 27:01**

I think Kazim and I had this conversation about MusicWorks the other day. I don't know anything about the finances. And it's not my place to know anything. But I think what makes us an easiest sale is our clientele. I mean, you see, billboards is a pretty little boy in a wheelchair, and he's bugging, he'll will never walk. Whereas music works. I think it's more of a luxury than necessity. And I think that that, to sell that it's more difficult than selling the fender and getting money for this. And that's how I feel. I don't know, if I'm wrong,

**Evan Driscoll 27:40**

Maybe they need to start selling it as a necessity.

**Kazim 27:46**

The same way that a physiotherapist can sell that although child's not gonna walk, we doing these things to safeguard his quality of life, dignity, that sort of thing. And the same aspect comes in the emotional and the developmental in terms of music. And that aspect of the child, which is just as important.

**Johann Opperman 28:12**

I think when you and I discussed MusicWorks and the effect that identity they sell themselves as a necessity, we also talked about the great therapists from the from the US, I also think that is a luxury, if you don't sell it as a necessity. But how do you sell play therapy as a necessity? That's a specific skill set. It was somebody who was in that industry to sell it.

**Kazim 28:44**

But we can play it just the title. Yeah. Doesn't give a full explanation of everything behind music therapy or play therapy. Whereas grown to know designations like physiotherapy. I mean, ot 20 years ago, most people still won't know what occupational therapy does. Today, because it's introduced so much more. Hopefully, as time progresses, that will be seen as more of a necessity.

**Ellie Ungashick 29:22**

We're planning on revisiting some of their marketing stuff. That is a huge aspect.

**Evan Driscoll 29:27**

Yeah, we were wondering how do you promote yourselves or market yourselves as it just you write grants and send them out and hope?

**Kazim 29:35**

We do the normal things you try to use social media we try to network with referring organizations like hospitals, that sort of thing. Even if it means visiting antenatal clinics, giving out flyers there before you have a baby, you know, things like that.

**Ellie Ungashick 29:55**

What social media lets you guys use?

**Kazim 29:56**

Instagram, Facebook. I don't know if we have Twitter.

**Johann Opperman 30:01**

X. Whatever it's called now.

**Ellie Ungashick 30:03**

Do you guys hire someone for that.

**Johann Opperman 30:05**

Amirah does that. Look at our website, Amirah has done that. With a little bit of input from Kazim and I, but she's done it. She has done the design of our annual report all by herself. Look at the quality. The pictures are all pictures taken. They're not professional. Most of them aren't, but most-

**Kazim 30:29**

Most of them aren't professional.

**Ellie Ungashick 30:31**

Just take it off the phone.

**Johann Opperman 30:33**

Yeah.

**Ellie Ungashick 30:33**

Wow. That's amazing.

**Evan Driscoll 30:35**

Do you find social media to be effective at using it?

**Kazim 30:40**

It is.

**Johann Opperman 30:41**

I think specifically I wouldn't go as far as to say your age. But I think for our age and a bit lower. Facebook is still the way to go the way to go. And that is that's where we all you know, we don't do the TikTok.

**Kazim 30:57**

It's just the one press so they're all gonna press.

**Evan Driscoll 31:03**

And then in the past, have you ever rebranded before change your logo, change the name, slogan?

**Johann Opperman 31:09**

Yeah.

**Evan Driscoll 31:10**

How did that go over?

**Johann Opperman 31:12**

I don't want to show you what the old one looks like. Probably gonna have a heartattack. God it looks awful. So it gives you an impression of a government institution. When I took over here, this building gave me the impression of a government institution.

**Ellie Ungashick 31:44**

MusicWorks had a similar issue where they called themselves like the community therapy centers felt very-

31:52

[Interruption]

**Johann Opperman 32:11**

So it really institutionalized so we re-painted one of our favorite areas- [Brings out old branding] Yeah, God. you don't have a color one.

**Kazim 32:22**

No.

**Johann Opperman 32:23**

That was in blue. Our website had clouds so it looked like you're about to meet Jesus.

**Kazim 32:33**

Like you were a stone's throw away from that. Because we can feel so I think this was supposed to be a wheelchair. Yeah, but they put the letters-

**Johann Opperman 32:47**

-into Yeah, if I can get

**Kazim 32:49**

It was worse than that before that as well.

**Johann Opperman 32:52**

Was there?

**Kazim 32:53**

Yeah.

**Johann Opperman 32:55**

How could it get worse than that. It sounds like- that's the principle that we base this one on?

**Kazim 33:02**

Yeah. No, this wasn't that.

**Johann Opperman 33:04**

Where is the color one? That one that child- the one child was maroon. And this one. Yeah, exactly. That one.

**Kazim 33:14**

Got a (unintelligible). So this is what we-

**Johann Opperman 33:17**

Here we go. This is the bigger one. Yeah, it's exactly that one. Yeah. So what we did- what we did with that is we found the power one in a wheelchair to make it more inclusive. Changed the font. That didn't go down well with one specific parent when we wanted to rebrand. We were in the AGM. And they said "no, you can't rebrand because this was designed by one of our other committee members" that looked like an old rookie engineer that designed that thing. (unintelligible) I'd say he said, "We can't rebrand" go to the vote and he was the only one that said no, we really think with a vibrant colors and our font is Comic Sans to give you, we didn't I didn't know that at this stage, It gives you sort of a fun feel. I think when Esha and everybody got my email with the font is Comic Sans. Yeah, it gives it that sort of friendly feel. And then of previous physio. You know, the Comic Sans is the best font for speech therapy, which we didn't know. Now we can say because of that we changed it.

**Kazim 34:51**

A memorable one, they just tend to find that kids remember and identify the letters easier in Comic Sans.

**Ellie Ungashick 34:59**

I remember In school everything was in Comic Sans. its very child like.

**Johann Opperman 35:04**

So one of our parents, she she used to be the receptionist many years ago wants, so probably a year after I taken over, she said before that you would be able to go into-

35:17

[Interruption]

**Johann Opperman 35:43**

So that specific parent, Kazim would know because I wasn't there, she said "When I brought my child to school, I lived outside because the atmosphere in winter outside was warmer than it was in the same day." So it was really a pretty- wasn't hostile. Is that the right word? Because most ice cold?

**Ellie Ungashick 36:03**

Clinical?

**Johann Opperman 36:05**

I wouldn't say clinical, I would go as far to say miserable.

36:10

[Various Laughter]

**Kazim 36:11**

It's almost like us and them, instead of viewing the parents as part or major part of the-

**Johann Opperman 36:19**

Because of the parents, we can pay salaries, they pay or they fail. I think we've successfully managed to, to install that.



**Evan Driscoll 36:30**

Definitely. So that was the logo and the font of the- and then the slogan at all?

**Johann Opperman 36:37**

We never had a slogan.

**Evan Driscoll 36:41**

Would you say that the rebrand, like, benefited you guys in terms of applying for grants? Was there any noticeable changes?

**Johann Opperman 36:49**

Because I wasn't really involved in the fundraising, really. But in hindsight, I would rather see this on a letter than see a wheelchair that looks like it's been engineered by some of the things in here. And the font, you know, it really, it feels like a happy thing that we just want to be portrayed.

**Evan Driscoll 37:13**

To finance, the rebranding of the logo was that- you just had to search out more grants, or did someone give you money to do that, or maybe ever reserve fund or something?

**Johann Opperman 37:25**

Previous fundraiser was part of the old branding thing. So when I said "I'm gonna rebrand, we're gonna rebrand", [he said] "you can't do that. It's gonna cost you hundreds of 1000s." I wonder if this is gonna sustain 1000 bucks. Because what do you do? Somebody that designed the logo for us was 500 bucks. I think I paid R750. When you print new stationery, okay, that's really it. So if I say R10,000, I'm exaggerating. Probably five [thousand rand]. If you outsource that, for a company to come in, they're going to charge you an arm and a leg. But why would you get somebody to design the logo we want. Because the way Friends Day Centre is around the logo, which we add Friends Day Centre, or your various options. And we decided on the- after we've decided we wanted to go to the board decided that's the way to go to add (unintelligible). Okay, it's really not cost us five grand, it really isn't.

**Evan Driscoll 38:30**

And then for- when you receive grants, what percentage are like a multi year grants and that are some just like, they give you the money and that it?

**Johann Opperman 38:41**

Very few of them are one offs if you've got to reapply, like for MusicWorks, I get I get a sponsor for music, we don't pay for new MusicWorks, we get a sponsor, and you've got to reapply. But the chances of getting that are very high. The same with Roche Partners in Switzerland, but it's only on an annual basis. But I've got a review. I don't really reapply, because I've got a very good personal relationship with them. So it's inviting them to our year in concert, which Zazim organizers early in the year for to happen in December. And then they they and they'll come and sit and say yeah, we're doing it for you next year. Again. I think that that's the personal relationship that we have.

**Evan Driscoll 39:20**

How many of those organizations like come back and have you guys hear a year?

**Johann Opperman 39:26**

Most of them? Yeah, most of them. But you've got to reapply. It's like one of the gambling houses that sponsored this is one of the biggest in the Western Cape Grandwest. Then there is a small one called Grandslots that are also applied for out on an annual basis 31st March your proposals got to be in. They've

given us less than the previous year but I suppose money people don't spend money on gambling anymore. Because they just want their money.

**Ellie Ungashick 39:55**

I haven't heard gambling companies being so charitable.

**Johann Opperman 40:00**

They got they've got a social response.

**Kazim 40:02**

Most of them have gotten social response.

**Ellie Ungashick 40:04**

Is that just in South Africa?

**Johann Opperman 40:05**

I don't think. Is that it's a core principle. But that's where the biggest grant. But then what you get these, we had the new cameras, the replacement cameras and the new cameras installed. We tied up with a security company. And even before we got the money, he said, Okay, press you to pay, but you would install it. I think he waited 45 days for his money, no issue at all.

**Evan Driscoll 40:35**

And then do you have any reserve funds? Like do you have any, contingency, rainy day.

**Johann Opperman 40:49**

Yes. And what's very nice about that specific one. Two or three days ago, exactly. One year ago, we were able to purchase a bus out of that fund. That was almost a Million Rand. So we did not finance we bought the bus in cash.

**Kazim 41:08**

First vehicle the center had.

**Johann Opperman 41:14**

In over 20 years? Because the buses that I have, that we have, is 2005 and the Quantum is the last one, 2011. We were able to do focus a million bucks was and still be sustainable. Yeah, we can do that.

**Kazim 41:32**

Its hard for all kids to use our transport. If we had the ability, 100% of the kids would use our transport.

**Ellie Ungashick 41:41**

So like you could like pick them up in the bus every morning?

**Kazim 41:43**

So you literally pick them up at home. Drop them back. Yeah, that's amazing. I was wondering who oversees finances? Obviously, you guys definitely have a huge role in it. But do you guys have any kind of financial managers or anything?

**Johann Opperman 41:57**

Jeannine is our senior bookkeeper. So she could phase out. If you look at our this is a monthly report. So we get this every month. But our treasurer on our board is also a partner in one of the largest accounting houses in South Africa. So she's appraiser and she's a parent in the school.

**Kazim 42:17**

That's how we got her.

**Johann Opperman 42:18**

That's how we got her. To have that level on your board. Nothing can go wrong with the finances. Because if I mug up first one that will pick it up as Jannine on that side. "So what's that money for? What is this for?" Always. Transparent, and variable very well managed. Yeah.

**Evan Driscoll 42:37**

And then, do you work with any other nonprofit organizations kind of sence you work on MusicWorks a little bit?

**Johann Opperman 42:43**

We don't really work with it. But we do network with it.

**Evan Driscoll 42:47**

Network with them?

**Johann Opperman 42:49**

Quite a number. Yeah, we've got Open Circle. If you go out by the gate and you turn left you'll see a residential facility at the Open Circle. They invited the us once for a walk of the facilitating I know the manager very well.

**Kazim 43:06**

Yeah, I think Connect123 as well as the NGO if I'm not mistaken

**Johann Opperman 43:10**

Connect123, aren't they the ones that got to play therapists from the US?

**Kazim 43:16**

They therapists from all around the world to do voluntary placements to work on trees and stuff like that.

**Johann Opperman 43:22**

And then we've got a couple of disability centers that we network with Nine is one Sunrise Day- Sunrise Special Care. Is the other one was where I was at the AGM in Somerset West the other day? This place was Rainy. It's Rainy Center in (unintelligible), called-

**Kazim 43:46**

Elevens?

**Johann Opperman 43:47**

She certainly she's not even a mouse she is?

**Kazim 43:54**

(unintelligible)

**Johann Opperman 43:57**

On the grounds of hospital-

**Kazim 44:01**

Western Cape for the-

**Johann Opperman** 44:02

Western Cape forum to look at out there in that building is the Alexandra Hospital. And next to that there, is the Western Cape forum for Intellectual Disabilities. WCFID, member of that organization.

**Evan Driscoll** 44:23

Do you have any other advice for NPOs to become financially sustainable?

**Johann Opperman** 44:29

Spend less, spend wisely. Really. I think I think we've really managed that. I'll make a joke, when I say NPOs got a target when they go to the bank. We really spend conservative. I've had this question in our last board meeting, and I've had this conversation with Kazim various times in us, building up the center to where we are, is, "am I saving money to the detriment of the business?" Because then I'm doing something else. Kazim said we'll know when we'll know. We still give what we need. But we spend conservatively." That was the right word you said Kazim.

**Kazim** 45:11

Really. It's just- It might seem common sense, but spend it as if it was you earning it. Yeah. And you tend to differentiate a want and a need quite easily. Whereas I think a lot of the spending before was because I wanted Yeah. Compared to because when we got here, we found a lot of things that why is it here? Who is using it, and nobody can ask but somebody wanted it, sitting on it. But then,-

**Johann Opperman** 45:46

because it's easy to sell the concept to a board that is not involved. When when I got here, Celeste was the year for just over a year now. We had two printers on 60 month rentals to print and one a day is one that we paid, almost use the wrong word. That just didn't make sense. So when those vehicles run out, this is what we need. And this is what we want. You got that machine? I just think the spending was erratic.

**Kazim** 46:24

And I think it trickled down to the classroom staff as well that if it broke, it would be replaced. More than asking what happened to lead up to it being broken. But if you keep misusing something, it will lead to it becoming broken. And I think because there was a knee jerk reaction to replace it. No responsibility or sense of accountability was ever there. And things like that we changed in the culture of yeah, not necessarily be careful with it. But you know what I mean, just use it as if was yours. I'm not saying a word replace it. But yeah, treat it with a little more respect and stuff.

**Ellie Ungashick** 47:12

Would you guys say that? That's why you consider friends sustainable organization.

**Johann Opperman** 47:18

Yeah I think so.

**Ellie Ungashick** 47:18

That's great. That's all the questions we had thank you guys.

## Appendix F.6: True North

# True North Interview

Thu, Nov 30, 2023 9:11AM • 44:06

### SUMMARY KEYWORDS

principals, funders, year, work, donors, great, support, outcomes, schools, funding, goals, children, development, project, people, preschool, trust, happening, salaries, relationship

### SPEAKERS

Ellie Ungashick, Leigh Morrison, Max Cisneros

**Ellie Ungashick** 00:00

Okay, so can you tell us a little bit about yourself and about TrueNorth?

**Leigh Morrison** 00:04

Yeah, sure. So, um, my name is Leigh Morrison, I'm the project director at True North. True North, established in 2007. And we working towards a 21 year plan, which is our model, our bigger picture model. And so the first seven years, Vicky Kumm is our founding director. She started in 2007. The first seven years was research, relationship building. Just seeing really what the needs, the strengths of the community, so a lot of research and then the next seven years 2014 to 2020 was our implementation phase where we worked with, so basically what happened in the first seven years was, became really obvious. The need was early childhood development. So they were ladies looking after children in their homes, very informal, like shacks, but mainly the children were watching TV and they didn't really they had the heart for but then have a lot of development and understanding of what it actually means to develop children for their future education. So that was the focus of True North and still is and our focus is also very much community based, so very much in fragrant overcome heights. So we're only focusing on one community even though there's two names for this is Vrygrond here this map and then here is the very informal Overcome Heights. So this is like that where you are now is Vrygrond and it will be seen as semi informal because there's like allocated land people own plot space. In new ways here, it's just shacks. So it's got two names, but we see it as one community. Yeah, so and then yeah, so then, we started working mainly with the leaders, the principals who have opened their preschools, and those next seven years was a time of looking at our implementation model. So what does it mean when we say, "Children are ready for grade up what is the preschool have to have in place in order to get to that point?" And so we did a lot of obviously discussions with the principals who were already running these centers. And what we came to realize is that the one area was of course to be legal to be registered with the education department then it was the Department of Social Development. And then so legal is one of our outcomes on our model, holistic leadership development. So the person leading needs a lot of areas of development like not just to understand curriculum and learning but also business and management, finance, health and safety, building and premises. So we covered seven different sections of leadership for the lead- for the principal. And then the other outcome of course is quality. So are the teachers qualified? Even when they qualified with the level four or above. do they know how to implement so so yeah, so that's one of the other outcomes and then financial viability because it is literally a small business even though most of them are nonprofits, just being financially viable it's a sustainable approach. So that's the other outcome and then the fifth outcome is giving back as part of our model. So I should actually just show you here it will make a bit more sense. So yeah, so that is what our Rainbow Development Framework our implementation model looks like on a one piece of paper. Yeah, it's, it's busy, but it does make sense if you look at the top those are the outcomes. I've just mentioned. And so what happens is also obviously every preschool is a different level of development. So we don't want to treat every preschool, every principal, every teacher exactly the same, because they need different type of intervention depending on where they're at. And so when schools start up, they open up. And when we eventually move into

partnership with them, they usually start in violence at the bottom. And then those, each of those outcomes have indicators of movement to the next color. So it's quite special because what it means is the principles there know okay, "I'm aiming for red right? school of excellence, but I have small little stepping stones and goals that I can meet in order to get there doesn't feel like there's big heavy burden, you know, it's very manageable." So once they reach all those outcomes, those indicators in those outcomes and then move through the colors. So that's called our Rainbow Development Framework, and that is the framework that we operate out of so we run training, support resourcing, so you can see here that's the one outcome being legally registered. And, like each outcome has a measurement tool. And we've created an app for registration so that the principals know where they're at, and then they need a certain percentage to move through that particular area and then holistic leadership these are the different training areas I mentioned earlier. And so we've got a 21 credit course and so they just as they get credits, they move through that's their indicator of movement. Financial viability is pretty much like things that they need to have in place like a fee structure a budget, and so they meet those different things to become financially viable quality program, like I said, is very much linked to qualification but starting off we just say, run a daily program. Have a daily program on your water starting really basic come to our workshops, start implementing practically and then we, you saw when you walked in, that was the College of Cape Town, actually training a group of teachers. So we work a lot with different organizations, we consider ourselves a coordinating body so we work with different partner training partners, resource partners, food partners, and to bring access into the community.

**Ellie Ungashick 06:43**

Do you work with a lot of other nonprofits or is it colleges?

**Leigh Morrison 06:45**

Non-profits as well. Like MusicWorks is one of our partners. So like, you know, you saw those different like for example, the training, there's a lot of areas we want to cover. Now we're nine staff, and there's no place we can be an expert in all those things. So the idea is that we would connect with experts like MusicWorks is that creative component for our teachers, so we connect with them and they come here and run trainings for the teachers and principals as an example. And the same with the college. So it's really and here we have measurement tool where we do assessments and things so each outcome has a measurement tool. This is ELOM. And if you've heard of ELOM: Early Learning Outcomes Measurement is quite well known in South Africa for measuring a pro- to see whether program is preparing children for Grade R. And they have some really standardized kind of data on the different quintile areas. So the do you know about the quintiles. And so what's nice about ELOM is like when we graduate our school so you see they move through the colors, when they get to red they graduate from the program. And I mean, that's pretty much a seven year journey. So it's not a quick thing, but eventually they graduate with it being trained have been sampled this never ending cycle of development. It's like we're doing development and they'll come a time where you developed. Obviously you never stop learning, but it's like you go to college, right? You get your degree, and then you carry on continuing in your area, but you you're learning as you go. So it's a similar idea. And so before we graduate schools, what we're saying is these outcomes are preparing children for Grade R. That's the goal. And so now we want to prove as and so that's what Elam does it shows that gross motor development, those are all the domains, fine motor coordination, executive functioning, early literacy and numeracy so it shows the different domains and when we measured the schools that were graduating there are that purple dot, which is high above the others, you can see Yeah. And so that means that what's happening in Vrygrond at those schools, those children are being just as prepared as they are in Constantia or in a fancy area which is really the goal, right? Yeah, is that children should have equal opportunity and equal start education. So yeah, so that's one of the measurements and then really, the Giving back is very important because of our 21 year plan. So like I said, our 21 year plan was broken up into seven years, seven years of implementation, the last seven years 2021 to 2027 is the handover, where we are at this point working towards handing over to a local group of leaders. So what are the activities that are happening now and

using this model will be carried out forever, but through local leadership, which is really the goal. Which also reduces financial burden. This continuous need for massive amounts of funding to come into community and this continuous need to develop there is a plan because once schools graduate, there may come training but they'll pay for training. They may come get resourcing in the currency shop, but they'll pay for it. Whereas before that it's done through donors. Yeah. And, yeah, so you can just see there that these are the activities that we do. So the idea is that the principals know where they go in with their center, they know the outcomes, what they're working towards, and then our goal is to just come alongside them, to offer them all the opportunities so that they can reach their goals that they can move their center to a place of excellence. So it's training teacher workshops, monthly teacher workshops, accredited qualifications and then the holistic leadership of the principles. Those are three training areas. And then support at the preschool. So going into preschools offering on site support, and then our offices within walking distance of all the people we serve. So yeah, our offices like their second home, basically, we're saving 33 preschools in this community. And then the other area of support is growth groups, which is something we've brought in in this last final phase of handover because it's this idea that these 33 preschools principles are broken up into smaller groups across the (unintelligible). And so one group will have a principal from violet, indigo, blue, yellow, orange, green, and so different stages of development so they actually support one another, especially the red, orange principles can really give a lot of support to those that are starting artists really creating unity, and a way for sustainable support to continue and learning from each other to continue and then equipping the schools is through our community currency shop, which is so there so we have a point system where as principals come to training as they implement certain things as they reach goals towards becoming registered, they get points, and then at the end of every term, those points are converted into Rands. And then they use their Rands to shop. So they've earned to they get to choose, it's not like oh, yeah, we think you need this, so here have this it's more empowering and yeah, it's dignified way of giving. And so yeah, so that's working really well. And then building renovations is a big part of what we do, especially if we say moving schools towards being legal, part of that is infrastructure development. So minor innovations for when then the violet, indigo, blue colors, they'll will do like health and safety things, just making sure that it's not leaking and that it's actually just relatively safe for children. But then when schools are in green, you will see on the indicators of movement there have like 70% registered like they have high they've worked hard, they've reached their outcomes to quite a large degree. And that's when we would approach funders for building infrastructure. Because what's happening in the buildings are really great. It's literally the cherry on the top to say, okay, here is this fundraise, lets get a full rebuild. And so that you can become registered and then access subsidy, because that's part their a financial viability. And then obviously, equipping schools through food provision. I can send you guys this presentation as well, if it helps to just have an idea of what we're doing. So we work with a lot of partners. Like I said, connection is our other activity. And so these are just some of the partners that we work with.

**Ellie Ungashick 14:14**

We talked to Butterfly Arts Project too.

**Leigh Morrison 14:16**

Have you been there?

**Ellie Ungashick 14:17**

Okay, great. Yeah, we work with them. In a nutshell, obviously, there's a lot to kind of give you some overview. Yeah. That's so great. What kind of responsibilities fall under your jurisdiction as director? Fundraising, strategic planning, and you're just leading the team, literally. That's great. Who's on your team, what are their roles? Like, what does that structure look like?

**Leigh Morrison 14:54**

In terms of our senior leadership, It's myself and then Peter's Operations Leader. So I'm project director, operations leader. And we work very closely leading the team together, we have very different strengths, and so we complement each other really well. And then obviously, Claudia is the finance leader. So the three of us and Ilham on M&E and senior leadership. And then the project team would be my Rails project coordinator, who reports to me Nosipho, Resource Coordinator reports to me, and then Nonyameko is our registration on social auxiliary worker who reports to me those are the three project areas. And then Sivuyisiwe is general administrator and Brenda is our cleaner.

**Ellie Ungashick 15:39**

So you and the financial manager, or do you guys do a lot of the fundraising and grant writing?

**Leigh Morrison 15:47**

Actually the operation- operational leader. Yeah, so Peter myself, Peter. Ops leader, and Claudia.

**Ellie Ungashick 15:55**

Yeah, she does. Is that more like treasury?

**Leigh Morrison 15:57**

Yeah. Tracking, showing us where we at. If we need reports for funders, she'll pull the reports. This is what funds that have been spent from the funds he keeps track of all that. It's Peter and I who hold- who mainly hold the relationships of, of our donors.

**Ellie Ungashick 16:19**

Okay, so you'd say that you guys emphasize building those donor relationships? Did you know any of them prior to applying for grants?

**Leigh Morrison 16:24**

Yeah. I think it's, so a lot of our funders are funded us for a long time. And remember funding director Vicky Kumm she made a lot of those connections. Not all of them, but quite a few of them as she started out. Here, and in the last three years, she's handed her position over to me so when and then Anthea, so it's part of our handover plan. Yeah, it's handing over your role and I will hand over mine at the end of 2027 as well. And so when Peter but in 2021 and the other operations lead and Vicky handed over their roles to us and with that turn it over the relationships to us of the funders, and so it Ilham has the M&E Leader she holds the individual funders, so we have different categories. of funders. So we have trusts foundations, which Peter and I many hold and we have individuals which Ilam holds we have business, which Claudia holds as the finance leader. So it just tried to match the type of need from each kind of grouping to the person.

**Ellie Ungashick 17:44**

That's great. That's a great approach.

**Leigh Morrison 17:46**

It's worked really well actually. And yeah, so we've got those many those categories of funding. Then of course government which I hold, which is the Department of Education, that's only government funding.

**Ellie Ungashick 18:02**

That's good to have.

**Leigh Morrison 18:03**

Yeah, yeah. In some ways. (Laughter) But it is good to have.



**Ellie Ungashick 18:09**

Which one would you say, brings in the most income?

**Leigh Morrison 18:12**

Trusts and foundations.

**Ellie Ungashick 18:13**

Where are those coming from? Like of the International are they around here?

**Leigh Morrison 18:19**

At the moment? They mainly international. Yeah. So we had one trust and foundation that was like, has had been with us for 14 years. And change strategy last year. I think it might have been the same for MusicWorks at Oppenheimer Memorial Trust. They kind of changed strategy and stop supporting a lot of the organizations that were supporting and was just they were just like a great South African trust, you know, to be supporting us, but at the moment you're we've got mainly international trust, but when it comes to business and other individuals, a lot of them are local.

**Ellie Ungashick 19:03**

Yeah. Can you give a rough like percentage of what your revenue mix looks like from those?

**Leigh Morrison 19:08**

I have that information. Don't know the percentage here, but I can send it to you if you like. I get that from Claudia. Income breakdown is? Yeah, no, it's not that thorough, this one. Mainly trusts some, and then businesses and then individuals.

**Ellie Ungashick 19:26**

That'd be great. Okay, that's great. And what about your guys's expense mix? Like what are you guys really putting that money towards?

**Leigh Morrison 19:52**

So of course salaries Yeah, nine staff. Administration costs or rental those running costs and then our projects which is training, yeah. Buying in resourcing educational equipment building in an infrastructure. So a lot of project things. Yeah. And because we are working a lot with connecting opportunities. We are working towards more of a model where it's heavier on salaries, not heavier because it's lighter because we reducing salaries as we handing over but we need the people to coordinate the opportunities. And so the opportunities would come from other organizations or businesses or whatever, and sometimes we pay for them and sometimes we don't. So even if you know if a project expenses are low when you see what happens here is high, you know, the impact is high, even though the project expense is quite low because of the coordination of opportunities. And also like, what's so important about having a coordinating body is that it's like if Rise Against Hunger come in here for food. They're not going to give food to someone who's already in foods on the Lunchbox Fund. So we coordinate that, well, we track it. Well. We see how many children are actually being served through the different partners. Yeah, so a lot of we're hoping in the future that it would be a lighter running cost, and the percentage would be more on salaries than on project. Yeah. But the impact would be much higher. Yeah.

**Ellie Ungashick 21:46**

Do you have an estimate for what that percentage is now?

**Leigh Morrison 21:50**

I think we own like 40-48% salaries compared to projects?

**Ellie Ungashick 21:59**

When you're applying for grants, are you asking for specific amounts to go towards specific costs, or is it kind of just.

**Leigh Morrison 22:09**

(unintelligible cross chatter) So because we have very clear planning like, like we've just finished a three year planning cycle where we set goals we set activities for three years, we've achieved them we report you know, each year of course, but obviously that final year, and now we've planned for the next four years. So we like to do long term dreaming and thinking and goal setting, not just for us, but also for our donors. I mean, not just we want to train for two for what end, you know, and to what goal and so what was your question? Where am I going?

**Ellie Ungashick 22:47**

About If you are asking donors-

**Leigh Morrison 22:50**

Yes, yes, yes. Thank you. So the idea really is support us to meet these goals, you know, and every time we send a an activity report to all our donors, the same activity report, because like, if someone's paying for my salary, these things are happening because I'm here, right? Yes, things are happening because moneray is here. So we don't really like to separate it out. And so there are five funders, if you want specifics. And we're trying to move away from that really are because it's so much easier to say, "You guys are all contributing to making these goals possible." Doesn't matter how, its just that you're doing it, you know, and so when there's an infrastructure project, it's not like, Oh, thank you search and search for this building. Because what about such and such who paid for everyone salaries to be to coordinate that that building happens? It becomes a little bit unfair, in a way for like one donor to get all the glory for this beautiful building. But if the nine of us weren't sure that building would never happen, right? Never. Yeah. So So yeah, we're trying to move away from that, but we still have some very specifics. But generally, it's overall people buy into the goals that we say buy into like our hand over vision, and they're supporting us to get there.

**Ellie Ungashick 24:02**

So for your donors, are those mainly the ones that have been passed over from previous leadership? Or do you are you still like actively seeking out more how are you getting connection with that?

**Leigh Morrison 24:37**

So I would say 80% of from previous leadership, we got to in the last three years, we've got two very new big funds, one from the Netherlands who knew us before, but we're finding another organization we just consulted and gave advice. And then they just wanted to connect with us and they connected to us through one of our existing funders. So it was relationship focused, you know, and then she brought them to us, we met them and they were given quite a large percentage because they do match funding with Wilde Ganzen, who are like a Dutch match funder so they give half and then that gets matched and it's like double what we would actually get. So there are new funder in the last three years which is great. But through connection through relationship. And then the last year we got a nice large sum of money from an organization that we never knew who found us and asked us if they could support us and their South African foundation. They, I mean, they heard about us because they're supporting one other organization in (unintelligible South African town). And they just heard that there was another organization. They looked at our website, like what they saw and then approached us and we obviously sent a proposal and it's finding us so yeah, I think in that I would say in the last three years, we've picked up two big funders, but they kind of reached out to us.

**Ellie Ungashick 26:14**

It's all been kind of networking.

**Leigh Morrison 26:16**

Yeah.

**Ellie Ungashick 26:16**

That makes sense. Yeah. Have you guys ever used like a grant database before?

**Leigh Morrison 26:21**

We've tried really wasted our time. It's a common answer. Yeah, lots of paperwork. We have tried because it's always worth trying. You know, you don't want to just but no, no, not for the last three years.

**Ellie Ungashick 26:41**

That makes sense. Here like seems like it's very hit or miss.

**Leigh Morrison 26:47**

It's like, it's like how many things come across their desks and they have no connection to you. Just another number. It's hard. I think it's really through connection to people. Go. Why have you heard about what they're doing? You know, it's a lot of that as well. I mean, comes from

**Ellie Ungashick 27:04**

Yeah. You were saying that one of your donors has been funding you guys for 14 years or was previously funding you guys for 14 years, do a lot of the grants that you receive are they multi year? Do you reapply for them?

**Leigh Morrison 27:18**

So each one of them we reapply, but we kind of budget for it to continue because most of our funders have been long term. We've only got one, two that have supported us for for one, no, one have supported us for two years and one for one year, but the rest have been like seven year some but less some a bit more. And so we go into the obviously communicating with them or we finished the year but we send the proposal in the new year they evaluated and confirm. But we actually think that most would give us some warning because of the long term relationship we've had they would send us, "that's likely that the following year we were not going to be able to support you, be ready". Because we have good relationship they're not just gonna say, "oh, no, thanks", you know. So because of that relationship, we don't see that happening. So even though it's not like yes, we committing to three years. It's this ongoing relationship, but it is a proposal submission every year.

**Ellie Ungashick 28:31**

And in terms of maintaining that relationship. I know you mentioned that you send your reports for the impact that you guys are really having, but is there anything else that you guys do to really keep that relationship?

**Leigh Morrison 28:40**

Yeah, I mean, I think what we do so we have a database with that people who want to know about us and then they're going to MailChimp. But our relationships with our partners and with our funders are allocated to people. So it's not going to just go through MailChimp they're not going to receive the report. So each term I then have the opportunity to connect with my six relationships, and really connect with them and engage with them and send the report and check in on certain things. So, so like we've worked it out that at least four times you have that and then, of course just as as and when because often they'll send the I really need this from you and then there'll be this connection and I'd often just needs a little bit of

personal stuff like "Hi how's things going" with your up that your back up that you had so just checking in personally on people, and then our celebration is a big one. So we we don't do it every year. We did like every second year, but we've just had it last Friday, and then we'll have all the principals or the teachers which is like 160 people, plus our donors, and some of them came from overseas to come. Some of them came from Johannesburg to come all our partners are invited. And it's like a real opportunity to for them to see what's happening in the community. In some ways that engaging with the people that they serve and get the awards getting handed out so they see okay, this is happening. This is what this principals doing in school becomes very personal and and a lot of excitement. Yeah. And then the other thing we really tried to do is bring them here. At least have visits from most of our donors every year where they come visit us in the office, we do some research. Sometimes they even take us off for lunch or something. They'll visit us and then we'll take them to the school so they can see the progress. And that's actually the buy in. It's like oh I was here last year and this is what the center looked like now look at it. Oh my god, it's just so exciting and they get super excited. Yeah, and so so really that's where we see people just going oh, we we want to keep going with you guys in this goals in this vision and kind of help you to get there because they see the impacts happening. And I think that is the biggest draw card is like if we have a funder that hasn't come here like "why have you not come, you need to come" when they do it's just like you feel (unintelligible).

**Ellie Ungashick 31:28**

This is switching subjects a little bit but what's your board look like?

**Leigh Morrison 31:32**

Um, so our board is made up of the two people that handed over their positions. So the founding directors, our chair on the board, and then Anthea handed her position to Peter is also the secretary. And then we've got a lawyer who volunteered here once or a few times actually, and he just loves TrueNorth and so we've asked him to serve on the board just great to have his skills. And then Paul, he is a great strategic guy. He's done a lot of volunteer work for us in terms of strategy setting and stuff. So he's on our board. We've got Faranaaz Johnston, who is she was the chairperson of the local ECD forum in Vrygrond. She runs a preschool here so she's on our board. She's really grateful. Like, I mean, a lot of our staff are from Vrygrond, but it's nice to have her real skills and insight into the community. And then Mikel Kumalo who's a community leader. Yeah, that's our board. And then I also serve on the board.

**Ellie Ungashick 32:40**

Yeah, and will you after you hand on leadership?

**Leigh Morrison 32:43**

Yes. I hope so.

**Max Cisneros 32:47**

How involved would you say the board is?

**Leigh Morrison 32:51**

They are amazing. Yeah, I mean, we obviously have four times a year meetings. So, we don't like gauge all the time. But like, particularly depends, like, like, for example, we may have to do retrenchments, of course, we engage with Peter all the time, you know, because he's the lawyer, labor lawyer as well. So we got that guidance. So depends on how much we need their skills, like in this last- this year, that we've been planning for our four year strategy, like our like, these four years is like, this is handover. Like what is it going to look like? How are we going to do it? And so Paul just gave a lot of his time and Kevin did workshops with us. So like, they they're really interested in what we do, and they are very supportive about what we do. And of course, if we were going off track, they would know. Yeah, because they so involved and of course, being the founding director and Anthea, knowing so much about the intricacy of

running things. So it's not the same board like a distant and aloof. Yeah, I totally get what's going on in there.

**Ellie Ungashick 34:00**

Keep you guys on track.

**Leigh Morrison 34:02**

And keep us on track. That's great. Yeah, it's great.

**Ellie Ungashick 34:05**

Do you guys have any kind of reserve fund or contingency?

34:08

Yeah, we let the hardware. No, we do. And so our reserve fund, we have a policy on it. And one of the main things is that it covers all our retrenchments, if we ever had to be retrenched. And we over and above that at the moment, so it's looking good, great. Yeah.

**Leigh Morrison 34:31**

Could you tell me a little bit more about like, any economic hardships? I mean, you kind of just mentioned some if it.

**Ellie Ungashick 34:37**

Diversity.

**Leigh Morrison 34:37**

Yeah, so what happened in 2014, no, 2016. We, we had one of our big donors, something happened to them financially and so they had to withdraw. And oh! so traumatic. And it was then that we realized whilst as you cannot rely on like a main funder, it's a bad idea. So we had to do half staff retrenchments, at that point, that we have to then restructure the way we did everything and of course, was painful. It was a terrible time. But Bob was faithful and actually worked out. We still we just did everything more streamlined. That's kind of like, yeah, you just make it work. And it did work actually. But this was from 2016 that we're like, okay, we need different types of funders. And we don't want to see this funder giving the majority funding we want to really have even funding. Yeah. So we made a big effort to do that. And I feel like we are there now. Yeah.

**Ellie Ungashick 35:57**

That's great. Yeah. Another subject change, but how do you guys kind of market yourself and, you know, like, spread, spread your outreach, you know?

**Leigh Morrison 36:09**

Yeah. Keeping our website is great. It's definitely it's actually been amazing how many people have come to us through our websites and we don't think we think it needs a lot of work now, but like, anyway, if people liked it, and so we tried to keep it like very informative and to really just like, show what we're doing. And then Facebook. Yeah, actually, like, we don't have a huge amount of following on Facebook, but we've chosen one social media and we do it every week, you know, and like update posts and so those that are on Facebook or looking I've always often excited about what's going on because they see what's going on. And then we have like, for an example like Stanburg Wine Farms our business, a local business who support us, and like every year they host this big caddles event of all the wealthy got a stench and no one pays that amount of money to go to Carol's for money. And so they invite us and then we go serve popcorn to the children but we promote True North so we just take like those kinds of opportunities. Yeah. And then like, if people are like "True North, oh I know about True North", you know, just kind of

getting out a little bit in that way. And then maybe really just staying connected to the ECD sector. So all the organizations that work in ECD finding what's going on like we try to stay in the loop and build relationships, because it's like, a lot of the funders is we have fund other people may actually ask like who and then you kind of refer funders on you know, to others who are doing some of this stuff to you. So I think just really staying connected to the sector. And what's happening. Marketing. Yeah, really? That's it?

**Ellie Ungashick 38:09**

Yeah. Do you run the Facebook and the website?

**Leigh Morrison 38:12**

No, I don't even have Facebook. I'm glad others are very quick to do it. No, but we like we do it as a team. So every staff meeting here, what are we going to post? And then who's going to write the post I might write the post. Or she'll send it out of this. She's the send it out to making our Facebook and driving now we make sure we send it out. But we all take turns in writing.

**Ellie Ungashick 38:34**

And how about you guys was branding. Have you ever gone through any big rebrand?

**Leigh Morrison 38:40**

No, we like our branding.

**Ellie Ungashick 38:41**

Yeah, it is really nice.

**Leigh Morrison 38:46**

No we wouldn't want to.

**Ellie Ungashick 38:48**

Would you say like effectively gets your your mission across to donors to when you're applying for grants?

**Leigh Morrison 38:52**

I think so. I think that they understand, like simplicity not trying to be pretentious.

**Ellie Ungashick 39:00**

It's clean. It's neat.

**Leigh Morrison 39:01**

Yeah. And see we are you know, yeah, I think it's it's great.

**Ellie Ungashick 39:06**

Yeah, I think it's great too.

**Leigh Morrison 39:09**

Yeah, I mean, we we haven't like (unitelligable).

**Ellie Ungashick 39:18**

I love looking at the annual reports.

**Leigh Morrison 39:23**

And this also shows you such as our model which we just think people want to see they don't want to read lots of stuff. Okay. So so we like to do lots of photos and find like even that our veins, like everyone has to dance, it's wild. And yeah, that's how that's who we are. So branding and so we have like a volunteer who does our annual report. But other than that we do in house stuff we've got to creative people and just make it work.

**Ellie Ungashick 40:02**

So the last question that we have for you is do you have any advice for other NPOs in terms of becoming financially sustainable?

**Leigh Morrison 40:19**

Um, I think like, it's not necessary advice at this point, but like for us, like we trust in God, like we really trust that He's our provider. And if we lose funding, it's because we need to change things or do things that we trust that if we're meant to be here, we'll be here so we don't have a lot of anxiety and stress around it. So that's not advice, but that's just our viewpoint. And it's really carried us through good times and bad times. In terms of advice, I think it really is about sewing in to those who already have. Yes, I mean, I don't have a lot of advice about going out and getting funds because I haven't had to, but I'm sure some people do and they'll have better advice on that. But I think it's actually amazing like what one funder can bring actually it's not just them, they have other opportunities that other people may know. Like I said, we got a new fund last year through an existing funder. So it's really about building on the relationships that you already have. Yeah, and then of course, looking out for specialty funders that are in line with your values and with your vision and when you're not just we've done it once. We've been we've taken funding because we really wanted it, but they weren't perfectly in line or not even close. And it was a bad idea. Really was and it was tedious. And so lucky. I mean if you're doing nonprofit work, you serve in usually quite a tough community, a tough people group. There's a lot of hard things. And so you don't want everything to feel like a slog. Yeah, and so when you just have this heavy reporting, this burdensome thing, like you have to wonder if it's worth the money, because you spend all your time doing reporting. People don't trust you. So you have to like do heavy reporting. It's like I don't know anything it's worth it's already down because then you just use visual focus on building trust building relationships that will sustain you and obviously being transparent. Yeah, because that's how you get trust. So be like where you say your money is going to be spent. That's where your money used to be spent. And our financially That is crazy wild about that. Yeah. So like, you like to be like you can't ask for that funding. Not that. Like I said, We don't like to do that too much. But if it does happen, we will never double you know, that's, you know, and if you don't spend the money you just report hasn't been spent, like the more open more transparent communication before it's asked for is super important. Yeah. And just building that trust through that transparency. Yeah.

## Appendix F.7: Samara Foundation

# Samara Foundation Interview

Fri, Nov 17, 2023 12:09PM • 32:58

### SUMMARY KEYWORDS

eastern cape, ngo, company, work, project, foundation, ngos, people, ecd, funders, german, proposal, fund, money, fundraising, applied, organization, share, board, part

### SPEAKERS

Evan Driscoll, Louisa Feiter, Ellie Ungashick , Max Cisneros

**Evan Driscoll** 00:00

I guess we started off here. So just tell us a little bit about yourself and the nonprofit that you work for.

**Louisa Feiter** 00:10

Okay, so Samara Foundation started in 2017. And I was sort of person responsible for building it up registering it, getting all the admin going and now running it. I've got a board I've just myself and two other members. I essentially do the project work, we don't have any employees and we're probably going to keep it mostly that way. We are at a stage where we do want to expand to have a part time person next year. But that wouldn't be not as an employee that would be sort of as paid initially as a consultant because at the moment, we just tried to keep our admin side as lean as possible. To show that, you know, most of the money goes into the project. Yeah, I mean, it's always, to get initial funding, people are way more interested in wanting to fund projects and then we find that later, you can talk about the costs associated once they've seen you implement things successfully. I mean, I don't have a background. I kind of slid into the NGO world I studied photojournalism and then my first job after university was at an NGO doing environmental advocacy. So I kind of knew a little bit about the environment, the NGO world and then I got asked to do to build up Samara Foundation and I've just learned along the way. I've done I did 1 , two week course, looking at sort of the NGOs, main points, but other than that, I just learned as I go, talking to a lot of people as well along the way I've been lucky to have to have some known people and other NGOs who mostly just shared stuff with me. So that I mean Samira Foundation also came from a very specific, it fulfills a very specific need or not need, it's more like a specific job because we are associated with a company, which is out in Wellington and Parceval Pharmaceutical Company and legislation in South Africa. If you're working with indigenous plants, or any indigenous resources, you have to apply for a permit. And part of that permit process is that you have to show that there are benefits beyond you know, your own company that you're sharing the benefits with local people. And that depends on the plant itself. If there's indigenous knowledge associated with that plant then you- you share the benefits with a traditional knowledge holders. If there isn't, then you share it with the people that are harvesting, processing your plant for you. So there's one plant that comes out of the Eastern Cape, which is where we work. It's called Patagonian Sudeutsche. It's become quite a big product. In Germany. And the company in Germany wanted to do everything correctly. So they from the beginning invested in, you know, making sure that they did the whole benefit sharing properly. So initially, the money got paid out and that the harvesting happens in both areas that are still under traditional leadership, so chiefs and traditional councils and things like that. So the agreements are with these chiefs and they cover quite a big area. So then the money was given to the chiefs to be able to implement it in the area. And what happened was, obviously the money got used, but there wasn't a transparency around what the money got used for. So the company said, Listen, let's do the project ourselves. And that's where it's you know, some conversations with the chiefs and with sort of the local, what kind of local need doesn't get fulfilled at all and ECD at that time, is was a kind of completely neglected space. Now, it's getting better because the function has moved to the Department of Education. So it's now recognized as part of education. But at the time, it was part of the popular social development and so they kind of never got any support, and



we're kind of just on their own. So it was an easy space to get involved in because there was no like, regulations or having to work with with government. And that proved to be quite a good model. Like they they everybody liked to see that investment. Pressures, pressures, they called in the Eastern Cape, and so that kind of developed as a model to do that. And, but then it got to a point where doing the project for the company doing the project got a much, a bit complicated to always, you know, explain to- to the auditors what was happening happening there. So the idea came to separate it out as an NGO. So we are affiliated with the company Parceval and we get a certain amount of support from them. And we get money from another NGO which is associated with the company in Germany. So there's two companies working with one another and the two NGOs and we working together and we both affiliated with- yeah.

**Evan Driscoll 06:15**

So is that your primary source of revenue is those two companies essentially?

**Louisa Feiter 06:19**

Yeah. So from the local company, I get to use all of the infrastructure, office, internet, I get the laptop, everything like that. I get to use their vehicles because I have to travel up to the Eastern Cape. I also get some financial support, but they don't pay it into the NGOs. So I only, I get two part time salaries. One is for my work at the NGO, but I also work do a bit of work for the company but never as much it's meant to be a half/half split, but they don't mind what I do as long as I do.

**Evan Driscoll 06:59**

You get it done.

**Louisa Feiter 06:59**

Yeah. So actually spend about 80% or 90% of my time on Samara, and every now and then when they need something, I do it for them. So it's very easy relationship.

**Evan Driscoll 07:10**

What actually falls under your jurisdiction, what are your responsibilities?

**Louisa Feiter 07:18**

Pretty much everything. So project management, proposal writing, finances, any reporting that has to happen. Yeah. All the communication of the stakeholders.

**Ellie Ungashick 07:32**

Is that company that you're affiliated with, like the primary funder, foundation?

**Louisa Feiter 07:37**

No, that's the German funds are the main primary.

**Evan Driscoll 07:42**

So what exactly does your revenue mix look like?

**Louisa Feiter 07:46**

So, I'd say maybe 70% is from this German NGO. So they fund our hard costs. So the travel and the admin and salary, part of my salary, and then they fund they also have funding for the projects themselves. So whatever we do in the Eastern Cape in terms of the project, now we've also got another company in Johannesburg who has, is in a completely different space. We just got very lucky, somebody working at the company knew us and put us forward for for one Christmas, they decided to donate to a whole range of NGOs there was during COVID time instead of paying bonuses. So we got nominated. And then we built the relationship from there and they really liked our work. So they decided to do part of

the BBBEE contribution to us, which is the Broad-Based Black Economic Empowerment performance. So we get that as a regular funding now.

**Evan Driscoll** 09:00

That's yearly that comes back and you just reapply each year for it?

**Louisa Feiter** 09:04

Yeah. And they it makes it will be the third time that they'll do that. And I've just met with them and they- they said they've committed to it again. Yeah, so that's still going ahead. And then we put another driven foundation with built a good relationship with they funded us twice and they said it's not looking great at the moment, but they do want to keep us on board of their project mix. They would- but they would solve that doesn't know so for the first two times we wrote proposals. This time around, they said, "Just wait, we'll let you know what we can make available." Yeah.

**Evan Driscoll** 09:44

And so those two outline companies, so one of them just happened to find some foundation was like, "Oh, we like this. We're going to donate to them"?

**Louisa Feiter** 09:52

Yeah.

**Evan Driscoll** 09:52

Oh, wow. And then the other German-?

**Louisa Feiter** 09:54

I have I applied

**Evan Driscoll** 09:56

You just applied and they got back?

**Louisa Feiter** 09:58

I say applied for a once off donation with a local Sheila and Eric Sampson Foundation, but that was a once off and second time we applied, we didn't didn't get anything. Lottery we've try but apparently we don't, because we are what they would say an umbrella organization. We dispense funds to ECD centers, but they want to fund those directly. So we've tried to help those centers to do the application themselves directly but we can't get those funds because, yeah.

**Evan Driscoll** 10:38

Do you have any government donor? And I'm not sure we want to go that route. What I've heard from other people is just so inconsistent, it's very erratic. And then, when searching for other- Are you always actively searching for other organizations to collaborate with ?

11:42

[Interruption]

**Louisa Feiter** 11:44

It was constant. Yeah. I- it goes through phases. I mean, sometimes I'm so busy with the project work. I don't have time to look. I did buy a Eliseo funders database they did a special so now I'm working my way through it. And at the moment, I'm only identifying sort of foundations that we could apply to.

**Ellie Ungashick** 12:08

Yeah, we've found to be helpful so far.

**Louisa Feiter** 12:11

Yeah, I mean, it's also definitely interesting to see a lot- of different types. I mean, from corporations. I mean, finding the information is incredibly difficult because if you have the name and you search for it- You do so many things. Yeah. But also, if you happen to come across their website, sometimes cooperate -often corporations don't say anything about their social. Yeah. So for those that, you know, certainly happened to hear about it. Yeah.

**Evan Driscoll** 12:46

And what was the name of that? What was ut called?

**Ellie Ungashick** 12:49

The database.

**Louisa Feiter** 12:51

It was through Eliseo. If you look them up, there is an NGO that supports other NGOs, trys to strengthen. Yeah

**Evan Driscoll** 12:51

What was the name of the database?

**Louisa Feiter** 13:05

Like Inyathelo does as well? Yeah. I think so. Yeah.

**Evan Driscoll** 13:09

Yeah, that's good. And then um, what is your expense mix look like?

**Louisa Feiter** 13:20

Yeah, the top of my head, I mean, I would I'd be able to give you much more accurate figures if I look later. But we've brought it down; I mean, our our income is close to, we did it also, it's different. One year we also got a sponsor. It was through the same NGO that we get our main funding from, but they have a separate fundraising mechanism called Africa Run in which they get individuals to fundraise for them. And it's, it's every year and every year they invest the funds in a specific, so we applied for that as well and that was like a once or R2 million so then like our admin costs in comparison with like this, you know, to that because we didn't, you know, have any extra admin. And now it's, I'd say about we under a million that we get an income and I'd say, I mean, costs under, but R200,000 and most of it goes towards travel costs.

**Evan Driscoll** 14:38

Okay, yeah. That extra money, is that put into like a reserve?

14:43

I've opened a savings account and when I when I get I get tranches from the one organization, the main organization that we get money from, we get tranches every three months. So that is a bit harder to put away but from others from the one the company and also from the other German NGO we get at the beginning of the year, and then I can sort of put it away for a while, let it accumulate a bit of interest, and then use it when when cash flow is low again.

**Evan Driscoll** 15:18

And then um, do you any extra like individual donors at all?

**Louisa Feiter 15:24**

Not really, I mean, it's my family. Every now and then. Yeah, we also as a family since Parceval started instead of doing Christmas presents, we collect money and then donated to us, but I mean, it's so it has come to Samara. So we've got family in Germany, so they've also donated to Samira. But yeah, I mean through the company itself, we first tried with employees, but they are less interested. But it is yeah, they come from a space where they also just constantly surrounded by everybody reading and they themselves are also trying to put their kids through school. And all of that. So yeah.

**Ellie Ungashick 16:14**

Sorry. Do you have any like personal connections with the donors like with grants you get?

**Louisa Feiter 16:22**

Yeah, I mean, I've got a German background. My parents are German. So that definitely helps because I can approach donors and you know, there's a little bit more easy communication. We've also the- we've also had people that come from Germany and see the projects and then they become sort of a little bit more champions. I mean, they don't donate directly to us. Generally, if donations happen in Germany, it goes to the other NGO and they will then pass it on to us or yeah.

**Evan Driscoll 16:54**

Is that the company that branched off from it that comes down or is it the other German

**Louisa Feiter 17:01**

Okay, yeah, so that- the company is quite keen on actually having its employees experience the project. So they also encourages and give employees that want to the time to go, so the people have to pay their own flights and take it as holiday time but then while they're visiting the projects, so for those costs, are sort of like covered and we also tried to do home hospitality where they stay with people that have benefited from the projects just to get like a really immersive experience.

**Ellie Ungashick 17:36**

So it's not as much like knowing somebody at the company but like the cultural connection of like, being in German coming from a German background or it being a German company. That makes sense.

**Louisa Feiter 17:43**

Yeah.

**Evan Driscoll 17:47**

And that I think you touched on this a little but you have a board of directors and what role do they play?

**Louisa Feiter 17:54**

Yeah, we've got three directors. And I'm one of them. We the same founding members. So the- one director I work closely with, She's based in the Eastern Cape and she was also part of managing the projects when they started. So she is a retired nurse and she's now she was helping- working us as well, and helping us with the project until about a year and a half ago, because now she's at a stage where her health just doesn't allow for her to be up and about so much. So she's still a board member and she's very supportive and gives a more local perspective. Because she is she's living in the Eastern Cape. She's grown up there, she you know, she just knows the context so much better than I do, and the other one was more of a strategic choice. She's the wife of a chief. So she also is supportive, but she's also very busy so we don't really see much of her.

**Evan Driscoll 19:09**

So they don't have much of an impact?

**Louisa Feiter 19:12**

Not so much. I mean, Namassa gives her input, but she doesn't do any of the fundraising or the financial oversight. Yeah.

**Ellie Ungashick 19:23**

Do you do all of the financial work too, like all of the accounting?

**Louisa Feiter 19:26**

Yeah

**Evan Driscoll 19:28**

Has there ever been a time where you and the Samara Foundation of recent economic hardship at all?

**Louisa Feiter 19:34**

Not yet. I mean, we've only been operating since 2017. And yeah, so far. I mean, we've had-, yeah.

**Evan Driscoll 19:46**

Because you started off basically being financed by that German company.

**Louisa Feiter 19:50**

Yeah. Yeah. So yeah, from the get go. We had funding. We didn't even have to look for it at the beginning. I mean, obviously, the idea was that we become much more independent. I mean, it's obviously never good to be reliant on one single source, no matter how, you know, connected one is, and it might also fall away because I mean, there's no guarantee that this plant is going to be harvested and used indefinitely. Has the board structure changed all over the years there has really just been just the 3 of you? Just the three of us. But with- so we've got a lady who does the training class, I mean, I have no background on ECD. So we partnered with another NGO and [Name of Trainee] has been traveling with us to Eastern Cape and we've been talking to her about coming on board to replace Namassa because she's 78 health wise. So we've got a backup plan, but we just haven't implemented that change yet. Yeah.

**Evan Driscoll 21:05**

This is kind of switching topics but how does your organization market itself.

**Louisa Feiter 21:14**

We don't do very outward marketing. I mean, I'm- I don't really get around to the social media stuff. I did- I did put us on Facebook and Instagram, but it's just haven't kept it up. We've got a website that we keep, that we changed relatively recently. We do videos that we then there's also our main funder that in Umackloabo Foundation, they have a yearly sort of evening with and just invite everyone like employees and everyone associated with the project. And it's kind of awareness raising and fundraising at the same time, and we always have a video that we send them that gets shown there. And they then obviously market our projects on their side for fundraising. Does the company does-? The foundation. Other than that, not really.

**Evan Driscoll 22:21**

Do you attend any like donor conferences at all or?

**Louisa Feiter 22:25**

No, okay, I haven't physically been there to that evening. I've attended virtually when they were doing it virtually during COVID. But I haven't presented that. Usually, they just asked me for some content. They

usually just ask me for contract that they then share on that side. I'm not a very good public speaker. They haven't asked. Then I have- I did go to Germany at the beginning of the year, mostly because I've got a family there. And I met up with the people that come and visited" the projects. And that was kind of like more informal. "Hey, how's it going?" And then I also met up with the funders, the other German NGO just to put a face to the name and stuff like that just to know who they are.

**Evan Driscoll 23:33**

And that, has your organization ever undergone any- any rebranding such as like a logo change, tagline, name change at all? No.

**Louisa Feiter 23:43**

No, just the website's change. And kept our logo. Our tagline, we use this- See, I don't even know. Yeah, I use that list, but haven't used anything alternative as such.

**Evan Driscoll 24:07**

Do you collaborate with other nonprofit organizations at all?

**Louisa Feiter 24:16**

For the training, that was a semi collaboration, I mean, we paid, they have a ECD course. That is like a shortened version. It's we've condensed it into a four week training and the when they run it here, their actually based here in Cape Town. When they run into Cape Town, the participants just pay a admin fee to attend. So we pay that admin fee on behalf of the ECD teachers that we get to do the training, but it's so minimal compared to what we're getting from it. It's you know, we're getting a very experienced facilitator who travels with me because she does two weeks of workshops and then she comes up with me it was meant to be another two times it does, it's always dependent on the logistics of it for another week, each to be mentoring so she then goes and visits each center individually. So there's a lot that we get. Some people forced me and they I mean, they we do have a connection with them because my mother is also in the teaching space and she's a part of a federation that's also connected to that. So I'm kind of like, it was- it was an easy introduction. It was it sort of knew a lot of people there already. And yeah.

**Ellie Ungashick 25:53**

This is backtracking a little bit, but how do you go about finding grants that you want to apply and writing them and like do you change it up much or do you have like a default thing that you send out?

**Louisa Feiter 26:07**

I mean, some of them have been sort of, they've got a particular application that you do. So that's kind of just on the spot. I have created sort of like a generic proposal, but I've actually found that I've never really used it. So you just end up tweaking it so much, then for a specific funder, that it's not anything close to the original, but it's a good starting point. I can just draw certain bits of information from it that I that I need. Yeah, actually, there's another I forgot this is another company but this one is also again, associated with Parceval is the company that we are associated with, it's a client of theirs so the idea was also at the time that we make use of big client network to get but it's taken us six years to get one client on board so it hasn't been quite as successful.

**Evan Driscoll 27:12**

Do you more just focus on the genuine work in the organization and more bank on like big companies supporting the Samara Foundation rather than always actively seeking?

**Louisa Feiter 27:23**

Pretty much.

**Evan Driscoll** 27:24

Just kind of got it in the bag of the companies.

**Louisa Feiter** 27:27

Yeah. And also, I mean, the first three years, we're really building everything up from our own structures to our networks and things like that. So it's only now and so because I spend a lot of time in the Eastern Cape where I have no time for anything else other than, you know, being engaged in the projects. That yeah, so that needs to change first that I have that I'm not as hands on. And then then I can focus more on.

**Evan Driscoll** 28:01

Do you hope to in the next upcoming years become less reliant on one major company and dispersing?

**Louisa Feiter** 28:09

Yeah, so the move we want to make for me to not be as hands on so that we do, we don't want to grow the organization as such. But to have, like one other person on board, who can take care more of the practical project side of things and a lot of it does work remotely, luckily. I mean, we have to be on site to just check up on things and once we've built a good relationship with with the center, it works remotely quite well. Surprisingly well.

**Evan Driscoll** 28:46

Do you have any advice for other NGOs in terms of becoming financially sustainable?

**Louisa Feiter** 28:54

I mean, I have a background in photo-journalism and it's helped immensely to have good photographs.

**Evan Driscoll** 29:00

Really? I mean, people. I focus a lot on my proposals on the pictures, and I think that that does resonate. Yeah. Sort of is- I try not to do long explanations and things like that. It does keep it short. So feedback from from stakeholders and just focus more on on our impact and what it means to the people when the problem like yeah, so- so in the videos we make we like to focus on the kind of positive impact or like, sort of the people that we work with the desire to become independent and like you know, move forward and things like that to kind of like what are the dreams what are the desires and things like that? Not like, oh, this these are all the big problems.

30:10

[Interruption]

**Ellie Ungashick** 30:22

For those videos that you make are those like up on your website as well? Do you think that helps kind of like-?

**Louisa Feiter** 30:27

The one I haven't put on the website. I don't know. I must say I haven't really been good at checking what kind of engagement we have on our website. We do have Google Analytics on it or whatever, but I don't check it. It certainly helps with the- the funders and the support that we have on board already. So it gets them more engaged more and more kind of like yeah, we happy to support you. Yeah, I haven't tried marketing them very heavily. But it's nice to say just, you know, when you're writing a proposal, and to have the link to a video because I think it just gives a different insight than just something written down.

**Ellie Ungashick** 31:22

Max do you have a follow up?

**Max Cisneros** 31:25

Yeah. So before you said that was like 70% was from this German company. What was the other 30% coming in?

**Louisa Feiter** 31:34

So it's from another company. For their BBBEE contribution and another German Foundation. And recently, another company who just donated to they didn't- Yeah, it might just be a one off. I'm not sure yet. We have to build that relationship still.

**Evan Driscoll** 31:59

I forgot about this. But um, we were looking through your website just trying to find like, audited financial statements. And there's like reports, but it doesn't really get into the specifics. Is there any way we could see that.

**Louisa Feiter** 32:12

The audited financials?

**Evan Driscoll** 32:14

Yes.

**Louisa Feiter** 32:15

I could share those with you. We don't put it up. But I can share it.

**Ellie Ungashick** 32:19

A lot of our research is like kind of like the stories like the lifecycle of NPOs. Yeah. Okay.

**Evan Driscoll** 32:19

Yeah, that would be just because we've been basically just making like charts of like, how the finances of flowed to like, yeah, to base like, Oh, this one is financially stable. Oh, this one had a dip here. Yeah. Thank you. That was great!



## Appendix F.8: The Pebbles Project

# Pebbles Interview

Mon, Nov 20, 2023 1:53PM • 34:32

### SUMMARY KEYWORDS

programs, organization, work, donors, practitioners, fundraising, people, support, donations, ecd, specific, role, centers, pebbles, oversee, trustees, educator, fall, grant writing, month

### SPEAKERS

Evan Driscoll, Chrissy, Esha Bajwa, Lyn

**Lyn 00:02**

So we have various programs that we run within our education portion of our organization. And so what I do is the three to five year olds, our early childhood development that program is my domain. And then Chrissy takes over for me once they leave our early childhood centers and go to formal schooling. So Chrissy, she runs all the after school camps that our organization has on the various farms in the area. Okay, so that's where she fits in them.

**Evan Driscoll 00:34**

Yes, good to know. Yeah, I'll just start with our general questions. So just tell us a little bit about yourself and the nonprofit that you work for.

**Lyn 00:48**

I'm an educator. I'm a pre primary and retirement trained educator. I taught for a number of years before going into tissue education and lecturer who fell and then found myself here in 2015. So I started with Pebbles, almost all January liners started out as a support teacher. We have a number of support teachers that are out on the various forms, obviously supporting the practitioners and the children on site. And so I started out as a support teacher in 2017. I moved into my current role, which is the ECD program manager.

**Chrissy 01:34**

So my background is an intervention and with youth at risk, so I also come from a teaching background, intermediate senior and further in education. So more with the older ones, like I mentioned, not the little ones. And so you know, I run the school enrichment program for pupils, and basically running the after school programs that we have in all the regions. So I oversee that.

**Evan Driscoll 02:00**

Oh, that's good to know. All right. And then what role do you play and what responsibilities fall under your jurisdiction, the question is more getting towards like the grant writing aspect of the organization?

**Chrissy 02:11**

Yes, so as I said that I'm the ECE program manager. My role is to oversee in the in the Child Development phase. We provide the practitioners that we support with a program. And so designing and compiling their program is my responsibility in making sure that the programs are rolled out in all of the centers that we support. And then obviously, we have support teachers who do the actual onground work and I oversee supporting them in their role, making sure that they have what they need in order to get out there on the grounds. Supporting the practitioners in the center's making sure that the programs implemented the resources are provided. And because of practitioners are not qualified our support

teachers are all qualified educators and so they oversee the assessment and monitoring of the children in our ECD centers, but just overseeing the whole program, making sure it's doing what's right. So just overseeing program implementation actually mentioned on site, and also our monkey trainings. We provide training every second month to all our practitioners making sure that they have the knowledge the skills to working in our centers but also to implement the programs. So program theory operation guidelines. Classroom management is very important to us in the after school, making sure that we equip our practitioners with discipline strategies, appropriate discipline strategies and positive rewarding because they go to the schools, they go to the public schools and then we have them from two o'clock until about five o'clock every afternoon. So making sure that the practitioner is equipped to handle any kind of situation, but also in the multi grade facility as well as most of our facilities. And so just making sure that they know what they're supposed to be doing.

**Evan Driscoll 04:19**

And do you know what does your revenue mix look like for the organization?

**Lyn 04:34**

I mean, we do know the ECD spaces, we have some government subsidy. But you're really able to do everything individuals, corporates, trusts, any donation method.

**Evan Driscoll 04:49**

and then when searching for grants, are you using any databases are you just writing out to do organizations being like, Hey, could you support us or is it more of like a personal network?

**Chrissy 05:01**

I would say a bit of both? Yes, we have long standing relationships. And, because of our reputation have created a good reputation with donors. See for us, too, because they (donors) have know us for so long so to link and network is simple.

**Lyn 05:27**

And do you have a fundraising team specifically for grant writing?

**Chrissy 05:37**

So we have a whole department that's dedicated to fundraising so doesn't fall on any one of our team members.

**Evan Driscoll 05:44**

Are they working, doing grant writing and networking as well kind of just everything to really bring in donations?

**Chrissy 05:49**

Everything okay? marketing, social media, all of it.

**Evan Driscoll 05:54**

And do you attend donor conferences?

**Chrissy 06:02**

There are some donors have structured events throughout the year. So they will be attending. They have various events that they that they hold and others will be internationally. So one of our fundraisers would go every year to the same event because it's been held for people. Okay. So it would just depend on the donor actually, but they definitely do attend.

**Evan Driscoll** 06:33

and then those overseas donors, where are they from? in the UK? Okay, that's good to know and then you mentioned your marketing so what exactly do you use to market the organization?

**Chrissy** 06:38

What can I say there's social media and early in which social medias would those be? Facebook, Instagram, And of course LinkedIn we absolutely do use.

**Lyn** 06:38

I think primarily in the UK and the EU

**Evan Driscoll** 07:14

Okay, that's good to know. And then has the organization itself ever undergone any rebranding in terms of like the logo tagline name change, yeah.

**Lyn** 07:40

I have been going through a large restructure that I've been going through for the last three years. Okay.

**Chrissy** 07:49

yeah, but also in terms of rebranding, I remember five years ago we had a different look. Our logo specifically so I think we do it. Every five years we look and we review if this is still what we want. And at some point, we also took it out. So yeah, every five years, I would say we look at what is always still on the right track.

**Evan Driscoll** 08:21

You're kind of evolving the organization, that makes sense. Okay, that is good to know. And now I'm kind of switching topics a little bit. What is your the expense mix look like for the organization? In terms of, what are yours for a project?

**Chrissy** 08:39

Yes. Yeah. I would say for my program, absolutely. I have the biggest team and also the most funding goes to my programs. Okay. Yes, because I don't know if you know, you notice the vehicles outside. Yeah, they are all in the after school program because they have mobile classrooms so you can imagine the maintenance.

**Lyn** 09:13

so yeah, I can actually be grab the annual report because they give you the whole list of our expenses in a report, but you also have my programs are the most expensive in terms of maintenance. Okay, maintaining the vehicles, but also the programming computers laptops or of those things are in my program. So those are some of the biggest and of course because of the vehicles we have in Stellenbosch. Specifically, I have 4 to 5 vehicles in Stellenbosch, and where our other region is we have three vehicles. Okay. So yeah, it's quite costly.

10:14

Yeah, I think a very large amount is also spent directly on the beneficiaries. A lot of the money that we get, we give back to school in terms of resources and funds.

**Evan Driscoll** 10:29

And then kind of backtracking a little in terms of your revenue. Do you ever charge at all for your services to the actual clients?

**Lyn** 10:43

You know that's pretty much now how we have have partner bonds and centers that we support in central stone regions. And so we started out here with it wasn't a cost involved.

**Evan Driscoll** 11:22

And what comes from what donations now?

**Chrissy** 11:37

well, we we can get you the annual report.

11:44

I'm sure I'm gonna give you a link from the website. But in the annual report, I can just show you where we spend money. Okay?

**Evan Driscoll** 11:58

We did search your website for your audited financial statements, but we didn't find that could be an annual report. Worst case if we look through that and can't find it, you think you could send us the past few years just to use just because we're doing comparisons between all the NPOs we are interviewing.

**Esha Bajwa** 12:17

going back on to the self generating revenue? Do you charge the full cost of your programs to the beneficiaries or is it a subsidized amount?

12:37

So the farm on which our center is for our after school ECD does make payments. Okay, because I feel that they need to be taking ownership of their own community so we will give them the opportunity to do that.

**Evan Driscoll** 12:55

So there is no cost in your beneficiary? Okay, that's good to know. And then for the grant you do receive, I think we kind of touched on this, but are they typically multi year or once off or does it differ?

12:57

Yes. We have a kitchen across the road that provides them with meals, breakfast, lunch and two snacks. So there's no charge for that either for the beneficiary themselves. They also make use of all the cleaning services for free as well but the cost does go to the farm owner. They will cover any extra costs for community members.

13:39

The cycles vary, okay, so it would be some of them are financial year, and that could start in Feb until March the next year nad some of them starting in January and end in December. Okay, so our fundraising team is very on top of it and you're typically given the opportunity to reapply for one the next year.

**Evan Driscoll** 13:58

then what role does the Board of Directors play in the organization and what's the size of that and kind of their impact?

14:03

I think at the moment teaching. I just think that we have a board of trustees here in South Africa and they're very, they are very, hands on.

**Evan Driscoll** 14:35

Do they do like fundraising for the organization at all? Or is it more just you meet them every two months or so?

**Chrissy** 14:44

They are very active and so they would run a fundraiser on their own for us. You see as some of them would find specific programs or specific learners, that they feel a connection to that have come so far with. So yeah, they made us aware of that in our programs. And then, we obviously keep progress reports like how's it going with our child etc, etc. So, I think are also I mean Lachlan mentioned we've just gone through coming off the back of restructuring. So as you know, it can be very challenging because I need to get used to different things and so they've been really wonderful with us and just the engagement and just making sure that everybody's okay and supporting us through that process. They really do have that support and take their role seriously and then we do as well have those quarterly meetings with them to check in with the board.

**Evan Driscoll** 15:47

well what's happened to us is, typically, we found that the board of directors is not entirely involved. And then what role does the founder still have within Pebbles?

16:49

She is currently the CEO.

**Evan Driscoll** 16:57

What falls under her jurisdiction nowadays as CEO?

17:02

Yeah, I think oversight over mostly the administration. But also she wants to be in touch with what happens in the programs. So all the same would go for what I said about the trustees, if something is flagged in the reporting that we are, we are making available to her, then she would directly come to us and just say, what is happening here? Okay, so that engagement is constant, and continuous. We also have a service and program managers meeting every second month, we sit with her and with other service members of our organization to see what is coming up. So what are the trends that's coming up? What are we seeing? Positive or negative? So that also helps to keep her in the loop?

**Evan Driscoll** 17:48

Does the organization have a reserve fund at all?

17:54

Yes, there is a reserve fund for five years.

**Evan Driscoll** 18:07

Five years in the future. Okay, so you have five years of reserves? And then do you know, in the history of the organization, has there any ever been an economic hardship at all or a time where Pebbles may not survive? Or has it always just been consistently good?

**Chrissy** 18:29

I would say we probably felt a little bit anxious. You know, obviously, going through. COVID. Everybody's blood was probably boiling.

18:41

But other than that, that I can say it was our response. The organization has proven that it can handle itself. We didn't lose a single staff member.

**Evan Driscoll** 18:52

Wow. That's impressive and you retain them on the same salaries? (they nod yes) that's incredible. And then I don't know if you know anything about the earlier days of the organization, but what was the founders role earlier on, was it more just like grant writing and getting these programs going and just trying to get the money?

19:20

Yes, programs weren't as large, we were not earning as much and there were only a handful of staff members, and so the founder was on the ground working with her hands more.

**Evan Driscoll** 19:27

Okay. And do you know who the grant writing fell under and kind of how they really picked up financially at all?

**Lyn** 19:35

It would have been Sophia. Right. Yeah. One of the founding members.

**Evan Driscoll** 19:42

they would have been doing all of it themselves and working on the ground as well, basically?

19:48

Yeah, there was only a handful of people here with few centers, they did everything.

**Evan Driscoll** 19:57

Do you know how they were able to expand into this kind of large nonprofit? They started from the ground and work their way up to it. Was it just grant writing?

20:09

If you think about the trustees, the current trustees, too, most them were the founding members at the time. So I think with the connections and the network, so they really had that they really had that and they could bring in people and then from there, they just networked out.

**Evan Driscoll** 20:25

Okay, that's good to know. Do you know, does the organization collaborate with other nonprofit organizations?

20:28

So lots of partnerships and collaboration.

20:42

Yeah, we encourage and believe in collaboration. We invite collaboration, okay, because we are the one solution to everything. Yeah. So, we win by partnership.

**Evan Driscoll** 20:58

And then what advice do you have for nonprofits in terms of becoming financially sustainable? If you have any

**Lyn** 21:08

I would say work on that reserve fund

**Evan Driscoll 21:10**

The reserve? Definitely.

**Chrissy 21:13**

I mean, yeah. And also you need to have a vision. You need to have a very clear vision because everything will come along. Do your part. Other organizations or a donor might want something specific, but it's not in alignment with your vision. Okay, when you have the opportunity to say no, or yes, yeah, to make the right decision, because I think it is because the decisions that were made back then were right, the right decisions, good decisions, I think time is really sustained. And so until you can be at a point where you can look at something and say, but this is not really going well, so this is where we go. And we have people that are visionaries, that when they see something when everybody else has seen and says no, then they will say yes, and we will do it. Yeah, we will do it, because we have such a strong team.

**Lyn 22:13**

And I think that's important as all it is, is the strength your team. And everyone sharing that vision and believing in it. And having a common goal, I think is very important.

**Evan Driscoll 22:29**

yeah, I'm trying to look here, I think Do you have any questions? Esha? Anything else? I mentioned? The I don't know how clear the answer was, but I mentioned the fundraising databases of the grant databases. Do you guys do you use them at all? Or do you make your own by any chance?

**Lyn 22:47**

They make their own. They make use of a system on which there are our fundraisers.

**Chrissy 22:56**

Yeah, we don't have like, you know, that paid database

**Evan Driscoll 23:01**

Yeah, you don't use any, like subscriptions.

**Chrissy 23:07**

No, and it's coming back to that point where we've had long standing donors. The ones that are coming, the funding that we are applying for, especially with government, it's very strategic.

**Evan Driscoll 23:26**

after you receive donations, even if it's just , individuals, or small donations, do you send thank you letters out? And that usually comes with photos and stuff like that. And that really helps retention?

**Chrissy 23:40**

Yes. Yes, you have we have in our fundraising team, they are all dedicated to a specific role. So you have someone that will focus on these donors, VIP donors, if you want to call them that, because they are long standing donors, or they're given a specific amount of money. And we know there's something specific and that needs to be monitored. So if that donor expects you to send a photo every other month, someone needs to keep them happy. Okay. So, I think it's really helps to have been assigned. So we all know, we speak to a specific fundraiser for specific things.

**Evan Driscoll 24:27**

That's good to know. And in terms of individual donations, just from people, do you receive a lot of those?

**Chrissy 24:35**

certain times I think we do especially Yeah, you have people that say, Look, we just want to you know, we have the students over whatever, you just want to give them they come. And again, it's that fundraiser that will be asked asking the programs. Hey, guys, who needs five packs of you know, I might speak to them and say, Look, I don't need it right now. Maybe you take this one. Yeah. So that's collaboration and that communication that needs to be quite quick for them to respond because that's also the other thing you know, if you're not responding to donor and specific time, within a specific time they lose interest.

**Evan Driscoll 25:17**

Do you actively seek in kind donations as well?

**Lyn 25:22**

I'm not sure if we're actively seeking but we do receive them

**Chrissy 25:33**

I think about the school packs. So again, you have to be specific, otherwise you're going to get anything from anywhere and we don't want that on a farm and so we are also in the limited and restricted about where we can store things. So we always make sure that what we asked for we have,

**Lyn 25:50**

We know we can send it out to the company.

**Evan Driscoll 25:55**

And when actually writing the specific grants. Are you within the grant? Are you saying we need this money for this project? Or is it more, just give us one or two,

**Chrissy 26:36**

Its typically specific

**Evan Driscoll 26:37**

it's always specific to be four, we will use this money to do this, this and this. Okay.

**Chrissy 26:43**

And like I said, when the funding is approved, do you have a specific fundraiser, or two, that will communicate those specific details because we report on it. So even our reporting is aligned with the fundraising, okay, if they say that we're going to give you toys, educational toys, but we want it to be used for the practitioners within the ECD, I contact that after school, it needs to be for that.

**Evan Driscoll 27:14**

No, it's good to know. Yeah, I think I've gone through all these questions. Yeah, that's kind of everything we really, we really blew through. This usually takes a lot longer. Do you have any questions for us on our research or anything? So we can totally send you our data that we had. I mean, from what we've seen, you're doing everything right, but never hurts to learn stuff. it also one thing for us, we're engineers, so we're not in like the social science appeal landscape. So actually being here and doing this project. We're learning so much about the world that we wouldn't get anywhere else. Yeah, we'll just send over the consent form, and then I'll just ask about a real search for the data. But if it's not there, send a request.

**Lyn 30:03**



And then you know, it can get you in touch with with the right people. Okay.

**Evan Driscoll 30:07**

Yeah, that would be wonderful. I appreciate that. Yeah, perfect. Great. Thank you.

**Lyn 30:12**

Thank you so much.

**Evan Driscoll 30:13**

really appreciate it

**Chrissy 30:14**

I wanted to mention one thing. if I can find that because I understand the context for music works, I would say the investment in staff is a huge contributing factor to where that monetization is really getting the right people, but also building and nurturing yes, that culture of a really healthy culture of what is again, what is the vision? What are we doing this for who we doing this for all we do, also asking questions all the time, but getting everybody on board, you can't let somebody in your team, you can't let someone in your team, you know, have a different or you have a different mindset because then they are not aligned with what the team is doing. I think of making intentional decisions when it comes to whether it is top team building. We do it all the time. You know, if you're fired, while every Friday, Friday of every month, and we had a building. So all of us, you know, start at two o'clock. And we go before that at 12. Yes, we start working at 12. And then from 12 to two, we will do an activity. You know, getting off on your birthday is different, you know, making use of clinic services for free because you're a staff member, and your children also. So those are all things that contribute to you wanting to stay in this organization,

**Lyn 32:13**

but also in the wellness of employees and the organization as a whole.

**Chrissy 32:18**

So we've worked really hard on, you know, when we're not there, I must say we are not there and making sure that that our staff feel like they are valued. Yeah, it's a very big thing. Because of work is hard. It is not easy work. And so when you feel appreciated, whether it is and also our staff meetings, our staff meetings, we've changed our whole perspective by when staff meetings should be happening we had, when we started off, we had every month and we would sit through, and it was it was a terrible Yeah, it was it was just you know, and now we have it once a quarter but it works perfectly. And also, what is shared at the staff meeting is transparency. So we know how much money comes in every single time. Okay, we know how it's spent, where it is spent, who are the the new donors that came on board and we celebrate and be like, okay, so what do we need to do you know, so there's always that the plan and transparency.

**Evan Driscoll 33:31**

Yeah, okay with the staff making sure they really know what's happening.

**Chrissy 33:36**

The cleaner to the driver, everybody's in the staff meeting. So everybody knows what's happening? Yes, everybody knows it's all hands on deck. On that day and we plan, hear everything, and we we celebrate everything together. So whether it is good or bad and we all get lectured together when it's time to say, but the printing guys this month or this term, you really was shocking. So please, we need to, you know, make sure that we don't print in color. And so I think those are all things that really engaged and to the staff wellness, and the feeling of wanting.

**Evan Driscoll** 34:22

Yeah, no, that's great advice. Thank you. We'll always take extra advice.

## Appendix F.9: SPIEEL

# SPIEEL interview

Mon, Nov 20, 2023 11:15AM • 48:25

### SUMMARY KEYWORDS

project, grants, funding, work, great, therapists, year, people, big, workshop, trauma, collaborate, apply, feel, run, organization, conferences, fundraising, terms, community

### SPEAKERS

Marlize Swanepoel, Ellie Ungashick, Evan Driscoll

#### **Marlize Swanepoel** 00:00

We formed in 2015, we were two drama therapists both Afrikaans speaking. At the time, there was some work happening in the wine business. And we wanted to, we wanted to expand on that work within the communities. And at the time also, and still, there are no public costs for us therapists in South Africa, like to work in community and not imply that you have to kind of go through the NGO print. Over the years, the work has really changed to, to become very intentional in working with large communities. I began my practice in a school with children. Similar to music works at extending to the children's system. Because that's where the problem lies, not with the actual people. So the workers were so intentional with addressing the generational trauma, through the arts, through the fights therapies that we grew flood music works with. Artists are employed drama practitioners, and we're not just doing this, if we were just therapists, we would all be left. And that's problematic. So there's a bigger diverse pool of practitioners to draw from as a collective. We also still our therapists collective. Even in my own being efficient on the questioning more and more, why are we drama? Because when we practice. And then there's a big element of activism and social impact links to the work as well, we can't just do it. It's not, it's not enough to address this service.

#### **Ellie Ungashick** 02:19

What do you do in Spiel like? What's your role? Everything? That's a common answer that we get.

#### **Marlize Swanepoel** 02:26

Yes, so. So we, two years ago, we constituted a hurracracy, which is how we want to run this joint. My co founders left, I think, four years ago, to go teach. And so for a few years, I was alone as the director. So I'm the founding director, if you like. And that was an unhealthy space for me to be here. A few years ago, a couple of years ago, I met my current co director, and we became chewing. So it's two of us around the home of this organization, we don't have an office in a building. So we are mobile in that sense. And we run a virtual office. That hurracrassie is, is about the fact that we are both mothers of young kids, and we want to build a system that accommodate families, she had her own trauma for having to leave a little baby at home and work long hours on farms or NGOs. And we, and we needed to shoot that. So that's why we posted and constituted this system. And it's real the flow and enabled project cutters made the practitioners running in mind themselves. They are responsible for the budget, they're responsible for the program, we have an umbrella program, but they are I mean, they left to do this themselves. And they loved him to spear so if you imagine lots of circles of projects, plugging into the mothership, that was the original vision for any answer, because we want to do this work or to have to start their own NGO.

#### **Ellie Ungashick** 04:15

That's great.

**Marlize Swanepoel 04:16**

But the problem is the funding, I've come to realize are so small, that if a funding pulls, in order to use the same one for every organization, we can't apply for more than one. So people actually are being forced to start their own NGO separate line for their funding. And that's that's kind of a barrier.

**Evan Driscoll 04:36**

So we're only able to apply for one. Yeah, yeah, I was. So

**Marlize Swanepoel 04:41**

So if they say we are we have seven projects in the alignments, we can only apply for funding for one of them. We weren't rated for music work. So watch part two with us. We are required to apply through skillful sequence. It has to be One organization project does. It makes no sense at all?

**Ellie Ungashick 05:08**

it's hard to beat different entities.

**Marlize Swanepoel 05:10**

Yeah.

**Evan Driscoll 05:11**

So then what exactly does your revenue mix look like organization.

**Marlize Swanepoel 05:16**

So for the last two years, we've mostly been project base, which means the co director, now we had, we have general funding coming in from a philanthropist. That's, that's what I want. I want to meet more people who believe in the work and has lots of money. And that will give us an allocated funding vision for the next five years. Guys, if you've got content. In reality, with the project base, and what I like about that is, is that we have clients coming to ask us to go and do these workshops. So these retreats, so it's a bit like when become a service provider, in that sense. That is how they survive when there's nothing.

**Ellie Ungashick 06:06**

So they pay the full cost of the services.

**Marlize Swanepoel 06:11**

Yeah. Because they don't pay overheads like vehicles or insurance, or salaries. Yeah, so we put a blind eye.. Yeah. Even the grants, even the grants are running on. We have small grants, we don't have big ones They have a couple of consistent models, but nothing. It's all project base. Yeah. So we use those classes, system items that covers basic costs, that does that 80% of the funding goes to the project, moving the toolkits. Other ways like, field things, which is good, which is good to show it in reports as well. But it's terrible for the sustainability management. And so I personally have survived by having a private practice.

**Evan Driscoll 07:16**

So you do like some side work basically. And then those grants are those like local grants that your getting. Okay. And is that like the corporate sector or...

**Ellie Ungashick 07:27**

the government local municipalities? We've got two, two of them. I have a story to tell you about that. We had a big funding call that's funded unallocated funding very small amount R2000. A few R2000 a month, but they've just closed up and said they are going to have to also do project based funding. Wow. I think been having very big corporate clients weightless. And they, them and the universities have mostly public

class projects. Okay. But mostly so then put all your eggs in one basket we absolutely have weightless foundation is taking up all of our space in that time. And we're doing most of our work. Which our universities do you guys work with?

**Marlize Swanepoel 08:33**  
UCT and Stellenbosch

**Evan Driscoll 08:38**  
Better to get those grants Did you just write to them? Or did you use like a grant database? Or was it like a personal connection?

**Marlize Swanepoel 08:48**  
Okay, that's changed was a membership, and then a little always relationships, a little bit of relationship a little bit going to the tea coffee meetings. And then we started getting friends. The others the two municipalities have been responding to calls lately talking about that for the City of Cape Town and Stellenbosch municipality, both granting a very small amounts and various taxes. So obey her governance. Both of them have sponsored us for about four years. Gave the I've seen the change over the last few years with people actually reaching out to us and wanting to understand the work they see was the first time they said that they needed to come out to this week the children really see the word right. Yeah. And they've changed the whole system. Online. It's been very smooth. They offer information sessions, but you don't want to go in order to apply them. I didn't watch the last colonial stance that this country feels like they still operate a paper based system, you have to attend the information sessions in person in order to fly. And then once you apply, you have to do it on paper and go hand in the application. Yes. Wow. And and just outside of Stellenbosch me able to beautiful project that's been running for as long as spiritual ceiling. So women who grew up in their home, educated her self created a fresh and a youth group from her home. She did a bit of training with us, and she's now a community arts facilitator. That's great with spirit. She's phenomenal. Instead of funding support and her youth project for a tiny bit, but it was it was always and last week, I missed an email to say that we were going to turn I were going to go to the information session, she doesn't have a laptop. So I do these things on her behalf. And this is how we do this. But my email, something happened. And I find things interesting. I didn't get an email. So YouTube, could you check on these things. So there's no middle school, which means you can't come into contamply. And the very real consequence of that was that the kids don't have the Friday club for another year. So I sent a long email last night to say, this gatekeeping is really bad

**Ellie Ungashick 11:38**  
good for you.

**Marlize Swanepoel 11:40**  
Because the system addressing systems that continue to cause harm. I didn't tell them that we're just gonna do it. Our own fundraising, and it's only 40,000 a year. And we actually decided to exit them and go, Okay, you are not working? Because prior to that, as I said, they're a little bit of what the work actually looks like go into something. So there's something about that, that you might encounter, as we are able to muscle on subsequently that actually, we don't have money, but we don't need you.

**Ellie Ungashick 12:16**  
Yeah, definitely. That's great.

**Evan Driscoll 12:19**  
Because at all, what is your general expense? So like, I know, you mentioned that as Project based. So how does that look on paper. Yeah, what you would spend it on?

**Ellie Ungashick 12:34**

You're talking about how like 80% of your money goes towards the projects. But what about that other 20%

**Marlize Swanepoel 12:41**

A person to advocate funding and the content would be the best person we employ. But generally, the salaries or rates, facilitators fees, that's the highest expense, and product has to pay. These facilitators are higher than usual rate, because we can't employ them full time. They are all people who have other jobs. But when a project comes, we want them to prioritize your budget because it pays well. And it looks up in that sense. Also in the system, but obviously we've decided to pay the therapists and the artists the same rates, which is a bit controversial. Supposedly hierarchy. But it does wonders for the moral. Yeah, then we already do equal works. Yeah. So this is the highest expense, I think travel because our work is in rural areas. Yeah. And hard to retain spent huge amounts of getting on four by fours and VMs. We can actually handle the resources, resources. We run limits make some moves without results.

**Ellie Ungashick 14:18**

that's great. I'm involved with the club on our college campus that does sound like that. Yeah, we did charities for like women's shelters in the area like donating products. I love it. It's great. Yeah, I was just wondering what are the projects look like? Like, are you guys collaborating with schools or is it like smaller groups or families

**Marlize Swanepoel 14:59**

The city of Cape Town is schools to law schools, and we go in and do 12 hours, series of three workshops. And it really is. It's like education, stress and trauma to the body. And how we can down regulate. It's very much within a collective framework, supporting each other, finding people with each other within the system. So that's for the kids. And then I can send you some some feedback. All it's healthy thing to just understand that like this, all this anxiety, yeah. If we look at it. And that's, that's the gist, similar in farming communities joined to add what happens in family systems where the reactive chance indicates trauma that gets perpetuated? So we kind of do both we do on space embodied work with the psychoeducation. Workshops. So we've got workshop wanting to know about story making and trauma.

**Ellie Ungashick 16:19**

Yeah.

**Marlize Swanepoel 16:23**

We haven't done that since the pandemic, that one was designed. Oh, wow. Women's workshops. Oh, and another one about connecting and using nature.

**Ellie Ungashick 16:38**

Yeah

**Marlize Swanepoel 16:39**

so they provide packaged up programs like service always go in because they're so different.

**Ellie Ungashick 16:48**

But that's, yeah, that's great. I feel like MusicWorks has kind of a similar approach, which is that like, healing aspect of arts and music is all of it so amazing. It's great to see in person too. We've been to a couple of schools that musicworks, like works at. And like it's so amazing to see like, how much it brings all the children together like that, like sense of community. For like, social emotional development,

**Marlize Swanepoel 17:14**

It speaks to the global south perspective of we heal with each other. And we don't feel that with one therapist in a room doesn't make sense. Many years ago, the video is still floating on YouTube. We collaborated with the musicians to do a mass celebration. And so that was beautiful.

**Ellie Ungashick 17:36**

Yeah, that sounds amazing.

**Marlize Swanepoel 17:38**

Yeah, that was our first big group workshop as well, to celebrate the harvest. Farming the small, which is insane, that doesn't farmers always avoid us. Really cool that him and his wife join.

**Ellie Ungashick 17:56**

Yeah. Do you use, like, development aspect, like healing stuff to market? Spieel I feel like I've checked out your guys's websites a little bit. But would you say that even when applying for grants, you use that as like, one of your main marketing aspects?

**Marlize Swanepoel 18:18**

We market ourselves as social development and strengthening social development and Collective resilience..

**Ellie Ungashick 18:51**

That's great. Did you see a difference? Like when you use the trauma work less with your grants?

**Marlize Swanepoel 19:00**

It depends on the audience. I was trying to think in the past where something's been spotted in the interested in my trauma with look like, you know, what is it sparks curiosity, but unpaid, and it's about social development. Yeah. Creating jobs for young facilitators. We really go. Yeah, I don't know. If we'll get the lotto. Things will change last week.

**Ellie Ungashick 19:32**

Yeah.

**Evan Driscoll 19:36**

how have you just marketed yourself in general, the general public just social media wise?

**Marlize Swanepoel 19:44**

we found that our strength is in slow, slow growth. So it's, it's, we have a lot of meetings and conversations but not big marketing emails. We have a little bit of a social media presence. but not a lot of time. And other avenues I speak a lot at conferences. So six people would invite the topic tonight. And then the audience widens. So yeah. recently done that at a conference. And from that came some bookings. Yeah. Yeah. Very cool. Just interesting by the academia. Social Development space.

**Evan Driscoll 20:32**

What are these conferences? Do you get like invited to that or Okay, yeah.

**Marlize Swanepoel 20:36**

Yeah. And that's the one door of research that we opened is what we've lost in on us writing academic articles.

**Ellie Ungashick 20:46**

That's what we're trying to do.

**Marlize Swanepoel 20:50**

I just read through one, and I'm going to just also give some thoughts, as we keep saying, It's good work. It's beautiful.

**Ellie Ungashick 21:05**

Yeah,

**Marlize Swanepoel 21:06**

but the process is; the amount of hours long. It's hard. It's also this particular process found very disempowering, very voiceless. The editors putting their frame. Yes. But it does give us clout to then go republish something can we bring into the conference? Last year, we did the chance or based on an article, so it helps.

**Ellie Ungashick 21:39**

Yeah.

**Evan Driscoll 21:40**

And then have you ever undergone any, like, rebranding at all in terms of logo name? No, nothing like that. Does how it is works?

**Marlize Swanepoel 21:52**

I didn't like the name Spiel. But I think it is, it is a brand in order to get emails, so we ended with, like, founded came up with it. And it's Africaans. And we spoke

**Ellie Ungashick 22:11**

Yeah, I was reading about the origin of the name. I thought it was an acronym. At first I thought it like stood for something. But I do like the origin of it.

**Marlize Swanepoel 22:19**

there is thinking behind it. Yeah, still. Yeah. Some people who call us up stiff and disconnected, which just spiel collected doesn't say anything about what Yeah. Makes sense. Anybody outside of something critical. I think we weren't really friends.

**Ellie Ungashick 22:42**

Yeah, that's awesome. I was asking about the wording that you use, like in terms of applying for grants, because something that we've heard from a lot of other NGOs is that that can be a huge factor in being successful. Yeah, it's hard.

**Marlize Swanepoel 23:00**

very big foundation application in partnership with someone else and we tried to get the language feedback was out of the panel. Five to two people got it. Three people going with you're completely off the mark. But it's like a CV affirmation every time I think the language shifts, according to the organization.

**Ellie Ungashick 23:23**

Yeah. It's a process.

**Evan Driscoll 23:27**



And then we're also wondering about your board. Do you have a board of directors and what role they play?

**Marlize Swanepoel 23:35**

Because I think our board is vital. The chair is the original co founder, she's moved on to chair and the two other members. Small board. Treasurer who owned a wine company came out into the crash sat in a little chair with me had a conversation something we can do this was the same year you had a child, but I think I really think this. It's pretty. Yeah. So he's the guy from time to time, sell a bottle of fine wine on behalf of spirit, and we're just get a cash injection. And it's not huge, but that's useful. And it's also been helpful in business plans. We've done our first full audit this year, which is really cool. And then other board members a social safety board of three, not very active, but available.

**Ellie Ungashick 24:45**

So they're just in charge of like overseeing the company and making sure that everything's there.

**Marlize Swanepoel 24:53**

No they're just there. But I think that was also intentional. They so enough constitution, they don't have hiring and firing rights. Yeah, in terms of the core workings of Spieel, but I really feel cushioned by them. We recently had a human rights issue coming up on one of the polls, and they rallied, and they pooled their resources. So so they're always support myself and the other coder there.

**Ellie Ungashick 25:22**

if needed all the time. Okay.

**Marlize Swanepoel 25:28**

And we have a little bit more interaction. So I lucked out.

**Ellie Ungashick 25:35**

That's great. That's great thing I would designate a treasurer to manage that background? Yes.

**Marlize Swanepoel 25:43**

We need a secretary though. Yeah.

**Evan Driscoll 25:49**

and then do you have like, a reserve fund or like contingency plans in case something goes wrong

**Marlize Swanepoel 25:55**

nothing. If it puts it supply period, I think is this could be like this. Because our strategy is to lay low until until the next project comes in, we' love that we dont have this overhead or staff on the books. So maybe six months visit? I think we can stay open.

**Ellie Ungashick 26:37**

is the treasurer, the one person that kind of oversees finance figures out things like the reserve fund. Okay.

**Marlize Swanepoel 26:45**

So so that's why it's very much within managed Planning Committee. ETFs are financial. Yes. Okay. And then you also property response at our AGM gives an opinion on what we need.

**Evan Driscoll 27:05**

Do you collaborate with any other nonprofit organizations? Yeah,

**Marlize Swanepoel 27:10**

yes. Absolutely. I think we should do more. But yeah, that's, that's ingrained in the belief system of the collective is to collaborate. We don't collaborate. The interesting point. We're very happy to work together as we as NGOs. But then when it comes to funding applications, everything changes. I didn't I once told you about our creation, or our collaboration with other NGOs. Think about four years ago, we formed an NGO leaders in this field, myself right next to other age. Oh, that's

**Ellie Ungashick 28:02**

great. That means to support each other. Yeah. Who are the two others?

**Marlize Swanepoel 28:07**

Butterfly Arts Project. All right. I think Jane came in Clancy, which is also as therapists project in Eastern, okay. And the people that register in Joburg, and also they, they've since then. And so this, this emotional support group developed into appendix do something that we have a project and we have an idea of chipping away. But we could not agree on finding it becomes such a contentious point, because we would hold the funding, what does that mean for that organization? Who's putting in the hours to provide? So it's just so we do that, when it comes to you know, whether...

**Ellie Ungashick 28:57**

Evan like in the limited interviews that we've done, like everybody handles funding so differently? Yeah, interesting, especially in terms of budgeting and when applying for grants and like the wording that they use are saying all that, like, I feel like everybody has their own approach is never consistent.

**Marlize Swanepoel 29:20**

That's true. And that makes you help to be able to fly across

**Ellie Ungashick 29:27**

Yeah. What have you found works for Spiel specifically? I mean, I know you talked about like the government grants, but is there any, like strategy that you've used before that

**Marlize Swanepoel 29:40**

in terms of specifically funding, fundraising? It's been through quite a deep reflexive process with the strategizing and so as a strategy that we have to live in terms and conditions Somebody said, checklist with very specific points to go, Okay, this year, we need to contact that person. And I it didn't happen. The year ran away and I never predicted the David Murray trust. So no, so we don't have we don't have a fundraising, income generating strategy. And I think that's just where we are right now. But it is it's obviously, when Raymond city person looking at sustainability. We all so engrossed in managing this is really a bit of a heck of a time to go maybe in about this amount. So that's what we do at the start of a we plan a budget and we estimate where things are gonna come in. They just change so yeah, its very difficult.

**Ellie Ungashick 30:59**

Yeah. When you're applying for grants to you tell them exactly what you need from them, like say, Oh, we want you to fund our art supplies. So okay,

**Marlize Swanepoel 31:08**

Every single grant is asking for an itemized budget. Okay, yeah, the ones that we applied for haven't done one that was just just like we want money. one of our biggest applications and they asked for quotations from the process of gathering data.

**Ellie Ungashick 31:31**

data. Would you say that you guys are pretty successful in that when you send them the itemized list? Just like

**Marlize Swanepoel 31:37**

I got it down there almost 10 years.

**Ellie Ungashick 31:42**

Sure. Yeah

**Marlize Swanepoel 31:44**

I think I think we I think I think we do have we do have now a safe budget of what we need any good I'd say its pretty much the same.

**Ellie Ungashick 31:55**

Yeah, we've heard the similar from especially friends like in terms of sending them here's exactly what this costs and what we need for this year. So good luck with that.

**Marlize Swanepoel 32:09**

But actually, the golden the North Star for us is a customer like when we leave now bones personal relationships with so they have been changing the way we ask them for example, we recently did a project of the day in the middle and I said can we not have the day because none of our practitioners are getting paid. So they change that so they added to a day rate for the practitioners and so now I feel next I Can I apply for a day rate.

**Ellie Ungashick 32:44**

Yeah.

**Marlize Swanepoel 32:48**

That's I feel like that comes from just getting to know

**Ellie Ungashick 32:52**

so is this like a long term funder that's been with you guys for a while? What's the name?

**Marlize Swanepoel 32:58**

Its the waitress foundation. So they run this social development groups on farms. They invited us to do this on a social worker as a service provider. Yeah, they don't give us a chunk of money at the beginning of the year it's project by project, the downside is I don't know what's gonna happen in January

**Evan Driscoll 33:27**

for the grantes you do recieve do you find a lot of our once offs or are they multi year grant deals or they just the project base grants.

**Marlize Swanepoel 33:38**

most have been in a financial year so 12 months so I'm talking about local small grants but they they get delivered late and they know it's late and they say its late so essentially when we have 12 grants its typically squashed into a six to 8 month timely implementation delivery not since we had promised that we'd run over three years. Okay, so it's typically shorter. So we cannot talk about impact. Yeah.

**Evan Driscoll 34:23**

do you accept in kind donations? Do you actively seek after those?

**Marlize Swanepoel 34:29**

We don't actively seek those. I've tried to a little bit with going to on a summit. We had a snap scan. And we put that on social media, but haven't had much success.

**Ellie Ungashick 34:45**

Okay. What social media did you say you're on?

**Marlize Swanepoel 34:48**

Instagram.

**Evan Driscoll 34:54**

Do you have advice for other NPOs to becoming financially sustainable?

**Marlize Swanepoel 35:06**

But I wonder in our climate in our country it's on something about shrinking down to, to where you are, and building relationships. So I've kind of, I've inherited the wine lens and the way to this foundation. It needs to shift. And being here in Woodstock, supporting St. George's schools here, building the relationships with this community, because I think that's where the funding and the binds are comfortable. I think it's problematic just, I don't I don't think that NGOs except the big ones with big overseas grants, like they I think they operate on a different level. But the smaller ones like us, I think we need to be community. And then we can collaborate with each other. Yeah, let's face a Western Cape grant, let's come together and do something.

**Ellie Ungashick 36:10**

I think there's something to be said there. But like knowing yourself as an organization and knowing that you're not going to be like trying to grab as much as you can, you know.

**Marlize Swanepoel 36:22**

Yeah. I'm also considering what it would mean for us, because we have strayed away just a national footprint. We've become an NPC. And I was really considered that. So then they meet. So these small projects these in a different way. Also, before anyone registered to talk to the ones that exist, so we. I was in I was in Western governments workshop the other day, where they said, by the end of October, they will do something like 300,000 registered engineers. Yeah. And only 48% of the times because we're so difficult to stay. Yeah.

**Ellie Ungashick 37:15**

Yeah. And that's great that you collaborate with so many other wives to see if they can like kind of, as you're saying, like plug into SPIEEL.

**Marlize Swanepoel 37:22**

I think that's the sticky part.

**Ellie Ungashick 37:27**

You're talking about international grants. Do you guys receive any international ones? Or is it all Cape Town based?

**Marlize Swanepoel 37:31**

It is very South African based. My desire, and I'm trying to do that with some conferences was to go there.

**Ellie Ungashick 37:39**

it makes sense. By the way, that's one of the huge things I found is that so much of the funding aspect is about making friends and having these connections are so difficult when you're such a community based groups.

**Marlize Swanepoel 38:01**

Yes.

**Ellie Ungashick 38:03**

Have that outreach.

**Marlize Swanepoel 38:05**

but an office opening in the world of social development and activism. Yeah, I've done a lot of spaces talking to fundraisers for the first time. Yes, defense, which is, which I'm excited about.

**Ellie Ungashick 38:19**

Yeah, that's amazing. When you talk to those funders, how do you sell Spiel to them? Like, how do you approach that conversation? Say like, you should, you should donate.

**Marlize Swanepoel 38:32**

So I was recently talking about conversations in social impact. I mean, I'm we were just together, talking together, eating together. And it's like, it's sharing the work. And if someone then goes, Oh, that sounds interesting. That's great. I could do your table lit, picked up post conference. And someone in that circle is going Oh, can we meet about that?

**Ellie Ungashick 39:00**

Yeah, that's awesome. Yeah, no, definitely. Yeah. Yeah. I think that's the best way to go about it.

**Evan Driscoll 39:17**

exactly. The best way to do it,

**Marlize Swanepoel 39:19**

yeah. That's about translating. Even corporate it's those after work conversation.

**Ellie Ungashick 39:28**

network networking. Yeah. That's a huge part of it.

**Evan Driscoll 39:35**

You ever find yourself going to outsourcing for your fundraising? Or do you typically do all the fundraising yourself or did you ever hire like a secondary person to do it?

**Marlize Swanepoel 39:53**

We do. We try to outsource a little bit with somebody to help us with the lotto. Okay, and I realized that. She's been a practitioner with us, she served in the pool management to access to someone who's not in the full workings of the organization because she was double dipping. Nevertheless. We still try to make some shortcuts and no, I wish.

**Ellie Ungashick 40:27**

As far as, yeah,

**Evan Driscoll 40:29**

we haven't found,

**Ellie Ungashick 40:30**

like, it hasn't worked out the greatest when people do, I think, especially when you're so in love with your project and what you do, like, it's hard to let people meddle with that. That's true. Especially like, the fact that like, when it's like, the director or the founder, like, it's hard to open that up to people's faces and to find somebody who understands it to the level that you do. That can be a challenge. Do you run all the social media and stuff as well?

**Marlize Swanepoel 41:05**

No there's a young person that helps? Oh, that's great.

**Ellie Ungashick 41:10**

Is it one of your people?

**Marlize Swanepoel 41:11**

she's a practitioner.

**Ellie Ungashick 41:18**

Yeah. That's great. But a similar approach where they just like they switch it off between their art practitioner. Yeah, it's like once a week. Yeah, it's a great system.

**Evan Driscoll 41:33**

You could honestly probably do project by project.

**Ellie Ungashick 41:41**

And how many people do you hire? For practitioners?

**Marlize Swanepoel 41:45**

Only two at a time to do a project. Okay. But oh, no, a translator as well. So three at a time. But if it's a week long, big project paper with a team of 4.

**Ellie Ungashick 41:59**

Are those usually the same people? Or is it whoever's in the area? Okay.

**Marlize Swanepoel 42:04**

So there's about a team of eight technicians.

**Evan Driscoll 42:08**

And have you ever found yourself like being offered a project, but you don't have the funds to do it?

**Marlize Swanepoel 42:15**

All the time. Yeah, if we do this free workshops and talks and conferences. Can you come and do a talk with us? And you can do a workshop with women? And we do that for free? Yeah. Yeah. I feel your if if we can get a funder that to say yes, for the year, and whoever asked you can offer that's probably amazing. Yeah, that's great. The Lotto is something that yeah, Department of Social Development was the other one. We set it up in such a way that...

**Ellie Ungashick 42:34**

is the lotto of like the government funding, or is that like a corporate?

**Marlize Swanepoel** 43:02

Yes.

**Evan Driscoll** 43:04

Sounds like one big funder could really solve a lot of problems.

**Marlize Swanepoel** 43:07

Or maybe create more? Yeah, I think I think government funding will probably create more, yes. In terms of more often, recently, I've been dealing with Asian philanthropy network, and they call the the Bill and Melinda Gates people, and so they feel like it's personal and targeted. That's the kind of something I would like to ask. Yeah.

**Ellie Ungashick** 43:43

Yeah, the government funding is tough. It seems like even when we were talking to friends, they get a lot of money from government. But they're trying to even like lessen their reliance on the government.

**Marlize Swanepoel** 43:55

Yeah, yeah. Yeah.

**Ellie Ungashick** 43:58

Check. See if we missed anything.

**Evan Driscoll** 44:00

END OF RELEVANT TOPICS I suppose. Oh, we were looking through your website and couldn't find any of the audited financial statements.

**Marlize Swanepoel** 44:10

Things Not on our website. She was

**Ellie Ungashick** 44:13

sometimes

**Evan Driscoll** 44:16

the other like search for like, Oh, they're not on me. Yeah. And

**Ellie Ungashick** 44:21

why would you?

**Evan Driscoll** 44:23

Why would Why would you go to because technically, it's like public information.

**Ellie Ungashick** 44:31

Like recognized like nonprofit organization and you get like funding from NIH grants, or like individually like donations from individuals because it's really customer

**Marlize Swanepoel** 44:39

putting on and do you think it would be against our favor if people see how little

**Evan Driscoll** 44:47

I think the more open you can be about your finances, the more likely you are to receive? Yeah, because using Works has like explained us their whole process and they're like yeah this one company came in

and they looked through every document every little thing I've searched through and then they were like oh everything checks out we'll give you money so it's not like oh you're struggling it's more oh you're using your money wisely that

**Ellie Ungashick 45:16**

also creates kind of a network of trust with these funders when they see that this huge funder with this huge vetting process before they donate has like given them the A okay yeah, other companies just

**Marlize Swanepoel 45:30**

received what should get the final sign is it today? I'm gonna ask it guy which is nice to put it on, and I'm like Yeah,

**Ellie Ungashick 45:41**

yeah. Or if you want to just send them to us as well like yes, she was definitely helpful for our research in last few years as well. Yeah, that'd be great. Yes sure.

**Evan Driscoll 45:54**

Yeah, that would definitely be beneficial putting them on our website yeah

**Ellie Ungashick 46:06**

What projects are you guys doing now?

**Marlize Swanepoel 46:07**

Schools projects have closed make sense? Yeah, I

**Ellie Ungashick 46:15**

do think I know that was a weird thing for us to get used to because it's winter for us right now finding

**Marlize Swanepoel 46:20**

now I'm sorry guys. I'm gonna have to go and put it on us.

**Evan Driscoll 46:27**

No problem. I think we got through all our questions. Yeah.

**Marlize Swanepoel 46:31**

We just had a team coming back for football in the north and I'm going to say can you explain to us this Saturday from which if you started this was the first organization with are able to sleep events from the farms at one venue and sessions they extraordinary wow that sounds so fun beautiful. And it's nice videos they really make sure that well so for the soap is different just for the day and screaming already they were being told to go to a workshop that they didn't know about so no one turned up and I heard that was proposed most about communication property so women like the next time which was organized so arranged transport safety issues human rights anyone can look if you drove your your car

**Ellie Ungashick 47:49**

those kind of did you guys arrange to transport it? Was it no the phone? Okay, that's great.

**Marlize Swanepoel 47:57**

So gay love and attention. No, no, I

**Ellie Ungashick 47:59**

love hearing



**Marlize Swanepoel** 48:03

in the image of a man and it's I think that's it for the year. Nice. We have somebody working with VPU painting staff wellness is one

**Ellie Ungashick** 48:19

yeah, thank you so much for talking with us. Really appreciate it.

## Appendix F.10: U-Turn

# U-Turn Interview

Wed, Nov 15, 2023 8:59AM • 1:15:33

### SUMMARY KEYWORDS

organization, homelessness, donors, program, year, money, nonprofit, work, donations, clients, shop, grant, social enterprises, big, businesses, donate, appeal, running, fundraising, annual report

### SPEAKERS

Evan Driscoll, Stephen Underwood, Esha Bajwa, Max Cisneros

**Evan Driscoll** 00:06

Yeah, so I guess we can just get into it then.

**Stephen Underwood** 00:08

Okay.

**Evan Driscoll** 00:09

Yeah. So um, just tell us a little bit about yourself and just the NPO that you work for.

**Stephen Underwood** 00:14

Okay. My name is Steve, Steve Underwood. I'm the fundraising officer for U Turn homeless ministries. I've been in this role for two years. And yeah, U Turn. We were founded in 1997. We equip individuals and communities with skills to overcome homelessness. That's our sort of tagline. We believe that we're a Christian organization. We believe that God made everyone intrinsically valuable. Yeah. And no one should have to kind of sink to that low level of having to live on the streets. That just shouldn't be the case. It's not good for the person themselves living on the street. It's not good for the community that they live in. So it's kind of one of these lose lose social problems that we have. And it seems to affect many, many countries. Yeah, it's, it's, it's it's a very unfortunate situation. So that's, that's the organization that say it was founded in 1997, so more than 25 years old. So that's where and I think I mentioned in the email, different organizations that go for different lifecycle. So it's, it is hard to compare, let's say a startup nonprofit with one that's been existing for 25 years. They'll have very different methods, you know, perspectives and over raising funds and operating and things like that. And even to be honest in different different industries, different sectors. So in homelessness, we have we have that every some sectors, every sector has some advantages and some disadvantages in homelessness. The advantage for us is that it's very, very visible, particularly in Cape Town. I mean, you guys you know, if you came from America, but one of the first things you've probably noticed there's a lot. There's a lot of people at traffic lights. You got to call the panhandling. It's it's not great everywhere, everywhere at a single traffic light, they'll often before Yeah, or even double up. It's really significant. So it's a bit in your face. It's very, very visible, and it tends to see the cardboard boxes. You see the folks so it's something where when you try to define the problem, it's very easy to see it on their face. If your organization is doing like rural development. That's far away. I don't know if such and such a small town has running water and I don't see it every day. And so it's not as visible a problem for MusicWorks. Yeah, you can tell me a little bit about that because I should know too much about it, but I suspect Yeah, it's the invisibility for them would not be as advantageous as customization basically

**Evan Driscoll** 02:55

MusicWorks is more they just bring music programs, more or less to Marginalized schools. Okay, so like the only people that really see these, the effect of this would be like the parents of the children and the teachers but they're also in these marginalized communities. So there's not really much of a voice or as a person advocating is really just music works. But then is there a negative side to the homelessness factor.

03:23

So I guess that was an advantage is high visibility. The disadvantages is it's very, very complex problem. Yeah. So providing solutions are often not as easy as, as people may perceive them to be. And it's actually incredibly expensive world, far more expensive than then people realize. Which is another which another challenge around it because people look at the sums of money and they say, well, we spent all over. So yeah, you were having to raise quite a significant sum of money to help, let's say a reasonably modest number of beneficiaries. So we have to frame that very carefully and the way we go about it, and I can I can chat more about how we do that, because it because you do also have to be strategic, okay. In terms of the way you set up your programs and and you seek for funding, just something that that MusicWorks, could learn from, and so yeah, I don't know, is that okay?

**Evan Driscoll** 04:31

That's perfect. And that so, yeah, we'll just keep going through them. So what role do you play and what responsibilities fall under your exact jurisdiction?

**Stephen Underwood** 04:41

So yeah, so I'm the fundraising officer, which doesn't mean all the fundraising sits with me. But, but if there's a sort of, if there's a funding tag to it, it generally gets sent in my way I work in the communications department, and that that team, as a whole collective pretty much works towards we say our vision is to develop resources and to change narratives that's that's our as a communications tool. That's why we exist. And developing resources is very obviously on the fundraising side resources such as money. Yeah, and but it doesn't have to. It can also be partnerships like if I know someone, they've got a building but not using it. They don't have to give me any money. But if they rent me their building for a low price, wonderful, that's a resource. If I know someone that they can volunteer, they've got their counselor with 20 years experience and they're willing to volunteer three days a week. That's a resource. I mean, that means we don't have to hire a counselor for that particular scenario. So so that's what we think when we when we say developing resources, not always just money. I mean, money is always great. Yeah, but it's also kind of understanding how resources exist elsewhere and not always just chasing money. But chasing those partnerships, which is which is quite important. And the partnerships often lead to money. So yeah, there's a saying in fundraising, which if you if you ask for money, you'll get advice. If you ask for advice, you'll get money. Yeah. So it's, it's it's an interesting and strange thing. But yeah, sometimes approaching people for money is not directly not always the best approach. Yeah, because I ask them for advice. You ask them for help you ask them for partnership. You say how can we and then that leads into better place it's been given it's more like the- Networking and then that can bring in- Exactly nurtures and nurtures that relationship.

**Evan Driscoll** 06:37

Do you do the grant writing for your organization?

06:42

Yes I do. Yeah, I do most of the gone writing. Most of the reporting on those grants as well, not all the time, but for most of them and yeah.

**Evan Driscoll** 06:52

So what is like the more or less the revenue mix look like for the organization in terms of like, does it come from the corporate sector foundations, trusts, individuals, legacies, etc, etc.

**Stephen Underwood** 07:05

Cool. So every year it changes a little bit. It all depends on on who made some big gift at that time. But our revenue mix, it's actually in our annual report for last year, you can I'm not sure it's in that one that

might be but I think it's in the annual report. Maybe it's about Yeah, so most of our revenue is what we call self generated. So that's- a that's a route that not a lot of nonprofits go through. But it is a very good sustainable model for funding. So what self generated for us is businesses that we run that raise money and that money comes into our organization. So we call them social enterprises. And the majority of us in social enterprises are charity shops. So we have 15 charity shops. We also run a nursery, a garden center that sells plants, we have a building and construction company. And downstairs we have a web development and coding. I'll take you down and show you that if you want to.

**Stephen Underwood 08:18**

You sell it at a discounted price. It'll just be people working on laptops. And for us. So one of the advantages we have is that our businesses are not just businesses, they also work sites for our clients. So if you go to a U Turn shop, the people working in the shop, our clients, they formerly homeless coming through the program. So as part of our actual delivery, we effectively united our program with our funding stream that's incredible. And so and so that gives us a certain sense of sustainability and our shops they have, let's say they have some significant business advantages. First of all, we get our stock for free because we asked the public to donate clothing donations, furniture, donations, sports equipment, anything we say, bring it to us. And then either we can offer to our clients at first phase like clothing for example. Or if we've got way too much clothing then we sell it in the shop and the money goes towards funding the work site. So it allows us to get more donations because we can say to the public number one, we can pretty much take anything. If you've got like an old bed or whatever we'll take it like it's it's all good. We'll find we'll find a shop for it somewhere they can sell it even like even things like DVDs and CDs like no one watches that anymore, you'll be surprised we have shops in different areas where people buy it's still I mean, at low price, it's not a Yeah. So So because we get our stock for free and it's a charity shop, it's pre loved clothing, it's pre loved goods obviously the prices are fairly low, which is which is great as well for for the market because they in this day and age people are looking for bargains and deals. This is more sort of luck than planning but at the moment is this trend towards thrifting and buying pre loved goods. So so it's like we kind of like perfectly in that niche where it really works. And then the shops and the businesses themselves. They are effectively an advert for us to the program. So someone will go into the shop because they just want some clothes. Basically they're they want to thrift they want a reasonable price. Their mindset is very much on almost say like selfish, self oriented, they're wanting something for themselves. But once they go in the shop and they meet our champs and they hear our stories and they see our branding and they realize oh this is not just a shop this is part of something bigger. They wake up to the bigger vision and now all of a sudden they're not just a customer in a shop in our supporter of YouTube. And we have the potential to then send them newsletters and appeals and perhaps they become donors and we started a whole relationship with them and it kind of ties in. You get that networking and get donations in a sense. Exactly, yeah. So that really works well and that's majority of our funding comes from that self generated. It also generates a lot of costs. It's not like a silver bullet. It's not like our shops bring in like millions and that's it. We have to pay the rent. We have to yes we get donations but we still have to fish them in trucks that consumed petrol and often a lot of the stuff we we collect is almost worthless. Like we can't do anything with it. It's broken. It's so and we got to find a way to move it on somewhere else. So there's this this costs of stuff. We hire in the shops we hired professional managers. So generally our managers have experience in retail and in the workplace. They're not from the program. And the reason we do that is because they're there to train the guys who are in the shops that makes it all from the program. So you want someone who's got real expertise that can train people who don't have much expertise.

**Evan Driscoll 11:53**

Is the hope that they move on from the program.

**Stephen Underwood 11:55**

Essentially.

**Evan Driscoll 11:56**

Yeah, move on from the shop once they're ready.

**Stephen Underwood 11:59**

Yeah, so so the way the program works, it's phased across four phases of development for people that live on the street. The first phase is basic needs because most folks living on the street that in we call it survival mode. Yeah, they don't thinking about long term planning. Like if you say, Oh, are you going to get off the street? What are you going to do a year from now that like nah nah, what am I going to eat today? Yeah, I'll worry about a year ago in a year's time. So then that sort of survival mentality and it's very hard to make plans or long term development when you're in that state of personal emergency. So we provide basic needs at that level, not for just the sake of providing basic needs, which a lot of people in the homelessness sector do, they just provide basic needs and that's it. For us. It's a tool to get our clients through the program on to the next step. So the next step is drug and alcohol rehab. Most clients do struggle with with substance abuse addictions, it's it's kind of the thing that caused them to land up on the street, or it's a coping mechanism when they got there. If they didn't have an issue before by the time they land up on the streets, they do. So we have phase two as drug and alcohol rehab, and at that phase, we put quite a bit of resources into the clients so we refer them to the drug and alcohol rehab, we don't run it ourselves but we do the referral for them. And we pay for their transport there and back, we pay for their food we pay for their shelter fees. So someone in phase two is no longer living on the street. They at least have a bed they have a place they in a stable environment where they can start to focus on on their recovery. And then in the mornings where they do the rehab, they come back to us in the afternoon so they stay connected the whole time. And they volunteer at our first phase they then so they help out in the first phase meal preparation doing the kind of the work duties, doing the classes, the counseling that sort of stuff. And so they always connected in and so for us, we say the opposite of addiction is connection. Okay, that's the opposite. So when someone's isolated when they were alone, when they've got nothing, no real purpose. In their life. Yeah, that's when they're gonna go to substances, because that's the only comfort and stable thing for them. But when someone's connected when they've got friends when they've got family when they've got things, goals to achieve, yeah, that's when they're going to engage in life and you know, they're going to establish. I mean, that I once heard a TED Talk and like I said, this could be a glass of vodka. Like there's nothing stopping me from making this up with vodka and drinking it. But why? Why would I do that? Because I want to get my work done. I want to have this kind of conversation or change, like I've got a much bigger purpose than just drinking a glass of vodka. So that's why I'm not driven to that, that addiction because I've got other goals in my life. So we try and get our clients connected. We try and make make them to see that there's more to life. There's better things. There's relationships, there's work, there's there's calls to achieve there things to do. And it really kind of helps them to overcome those- those addictions. Some of them are bad. A lot of the clients, heroin addicts or things which are really quite significant. But we've got even guys downstairs in Connect Solutions to overcome heroin. So it's amazing. Yeah, that is incredible to see the results. So after phase two, drug and alcohol rehab, then they go into phase three, which is the shops, then the shops, some of the businesses, that's when they start to focus on the on the work side of things until the sobriety is solved. They can't really build they'll never really progress in work. And phase three is our longest phase and it's actually- it's kind of the time that we've worked with our clients on their traumas so they work for four days a week in social enterprise, and either the shop or the nursery the building company, and then one day a week they do what we call personal development. So it's a full day with the therapist, where they were they were there were kind of life skills and also therapy to address those traumas that had landed them on the streets. And then in the beginning, it's quite internal sort of therapy work, and then towards the end that sort of become more external. So it's starting to look at like career planning and money management and time management and driving lessons and those sort of external things as they look to transition towards getting work in the open labor market. And then once they found the job in open labor market, and they've stayed sober, and they've secured housing on their own because we sponsor their shelter all the

way through their time with us. So So once they've got their job and they start earning, we also released savings for them. So while they're in the work readiness program, they earn stipend so that earning the whole time, but what we do is we put a portion to saving and a portion we give to our clients. So we cover basically everything for them. They don't really have need for money. They've got shelter, they've got food, they've got transport, so the money for them is almost like pocket money. So sorry to say it but that's that's- that's really to-, so we save a portion for them. We give the pocket money that they need for a little luxuries and day to day expenses. And then as they go through the program, we adjust that ratio so they start to get more and more in their own pockets. And they sought to cover more and more of their own expenses. Once they find their job. We release all of the savings that they have to try and help them get a deposit on a place, find or find accommodation. We also help with social housing, so kind of assist all the way through. But all our clients are graduates sober, employed, and housed and the reason we can do that is because of the way we hold the clients all the way through through the program, and most of it comes from that self generated revenue. Okay, so that allows us to be outcome based, not time based. Someone who's got like skills already, they landed up on the street for whatever reason, but they were actually quite skilled, maybe faster the program like eight months they've done some clients who have real issues can be on for three years or longer. And they just really struggle to transition from one state to another but that's that's how it is. But because of that self generated we don't we can we can have our third base basically covers itself because of that self generated income. Sounds and then yeah, yeah, just getting into the donations. And so then the rest of the revenue mix is coming from Yeah, donations. So 26% That's, that's private donations. Like I say, we've existed for 25 years. So we built up quite a network of of donors. We also have mechanisms to increase that and also to retain that. So we- so as part of the communications team, we would have one staff member that's dedicated to thanking our donors when making donation, and then also what we call upgrading them, which is building that relationship towards more engagement. So if someone donates clothing for example, we will find that we're thankful. So thank you so much for your clothing, and that's awesome. And then in a month's time or so. We'll phone and say, you know, there's other ways you can get involved you can, you can volunteer and you can donate financially. And so we try to upgrade them from say giving clothing to giving a one soft financial gift. If they're given a once a financial gift, we will then try to upgrade them to giving monthly so every month they give a gift. If you can get monthly donors that's for MusicWorks, that's the that's a real prize because once someone donates monthly their habit is almost like sit even if it's just R100 month, like I would rather have R100 month and R1000 one off. Because I know that R100 a month It'll keep going for years and years and years. I think the average monthly donor stays on for like six and a half years or something. They just they just it just keeps rolling. And so it's that those donations are quite important.

**Evan Driscoll** 19:44

So are these typically just like individuals or is it a lot of the corporate sector as well?

**Stephen Underwood** 19:50

So those donations are mostly individuals.

**Evan Driscoll** 19:53

Just people donating?

**Stephen Underwood** 19:54

Yeah, again, and, again, we have advantages of the sector.

**Evan Driscoll** 19:58

Everyone sees it.

**Stephen Underwood** 20:00

It's very visible, and also because we're a Christian organization, and this particular issue often aligns with churches and their vision. It's quite easy for us to phone up churches and say, "Hey, can we have a coffee can we come chat?" And then from there have an opportunity to speak to the church and tell them about their organization. And then many members of the church because in the Christian culture, let's call it you giving as part of like, your lifestyle, if I can call it that way. So there's so people in that situation they already primed as a way to give to help to want to support things, especially for those less fortunate. Yeah, so it's much easier to then, you know, to get supported from and obviously different people support different things. Some people were like, no, we want to support the children, which is fine. Support the children. Yeah, we don't personally help children, it's 18 and above, but others will be like "No, I want to help the homeless like those are the real people like that are on my heart." And those are the folks that we ended up easily converting to donors. So it's finding the people who your cause resonates with them. So for MusicWorks, they need to try to find diamonds who appreciate value and value the value of music. Yeah, they know like, what a difference it makes in people's lives. And that helps them to see oh, this program is actually really valuable.

**Evan Driscoll 21:27**

We've been trying to think of ways to more orient MusicWorks to be focused on the kids more because that's what their programs are affecting, the children. So we want to kind of push them in a direction less like music, based and more like, Oh, we're helping kids.

**Stephen Underwood 21:42**

And children is a wonderful thing. Everyone loves to give to children. They are they wonderful. That's your visible link for MusicWorks for sure.

**Evan Driscoll 21:54**

And then these individuals though, donators, are they typically based in Cape Town area, or is it overseas as well?

**Stephen Underwood 22:01**

So yeah, for the most part, it's Cape Town based. Okay. Because we really, we grind we work we would go and speak as we go and put up tables at shopping malls. Yeah, we were very active, going out in our local community and speaking, we also have a voucher system that that's effective as well. So we encourage members of public not to give cash to people living on the street that triggers them towards buying substances. Yeah, we encourage them to give vouchers which they can redeem in our centers for meals and clothing, showers and a bed for the night. Wow. So that allows us to go and offer something to the community. That's why our tagline is we equip individuals and communities with skills to overcome homelessness. So we don't just help the person living on the street. We help the person who wants to help the person. Yeah, by giving them the voucher, the tool to say this is how to help people living on the street. So that lets us to go to businesses because we have to sell those vouchers. So we ask businesses to distribute for us. We ask churches to distribute for us. And this creates this network of relationships, but it's locally based. There's no good for us trying to solve art as in Table View. And we have no way to redeem it. So yeah, we all kind of locally based.

**Evan Driscoll 23:19**

Do you have any just large donators at all from in the area or overseas or anything or is it just juggling individual people?

**Stephen Underwood 23:29**

We do, but it typically goes on cycles. It's called. One of the philanthropic organizations, they prefer to be anonymous. It's one of these investment companies. Let me put it that way. Okay. They, for example, give us R2 million a year okay. And they say use that money for whatever you want unrestricted finance,

which is very helpful, and that's we've had that agreement for for three years. For three years we'll get that R2 million we know it's coming. And we can budget we can plan we can really focus on that. We do get grants from from the government as well and those are in terms of the frequency of those grant calls. they're pretty consistent. So every year they'll make a call, but the amount that you get funded is not consistent, one year we got R1.5 million. This year, we got R300,000. It's hard to budget on that you never really know what you're gonna get- get from them. And that's, that's a huge challenge of putting your program together to be honest. Yeah, that fundamental income disparity. But yeah, we so we do get grant agreements, which are fairly consistent, but normally within a year or three year maximum.

**Evan Driscoll 24:43**

Do you reapply or is it typically just like it's over after that?

**Stephen Underwood 24:47**

So anything where we can reapply, but a lot of funders they like to actually withdraw after a certain period because they there's this notion in the n onprofit world of of a donor being overly of an organization being overly reliant on one donor and donors don't like that, that that sense at all. Okay, so that's that's the other challenge as a nonprofit is so we said we have a broad based funding mix. As you can see, it's broad based, and we appeal to donors based on that we say, we say your donation is important to us. We want to receive it. Yes. Like we're not desperate if you don't give it to us. We're not going to crumble down. Yeah, and there's nothing worse than kind of like desperation. Yeah, in general, like the more desperate and more you want something, the more crisp people are, like, Oh, this guy has become a disaster. So it's but but you still want that money. So you want to communicate the importance, but not your desperation. And that's kind of how we strike that balance.

**Evan Driscoll 25:48**

And then do you use any like grant writing databases at all like you apply to any programs that kind of get your name out there or just show you different grants you could apply to or not really?

**Stephen Underwood 26:00**

So yeah, we so we have our consistent grants that we that we typically apply for lets call it that, and then we do subscribe to an organization or website called Funds for Nonprofits. That's quite a good one. And what that does is you can you can set filters for what grants you want to be sent. So we would send filters for poverty relief or community development, something like that. Because we've got a nursery we also work in plants. And again, this was this is a strategic decision. So our nursery sells locally indigenous plants only. So if you, because most people they want to plant locally indigenous plants, but they don't know what the local indigenous plants. So you go to your local garden center. Yeah. Oh, that's a nice pretty red one. I'll buy that. I'll put it in my garden. Yeah, that's an exotic plant that doesn't necessarily sustain biodiversity. So in our nursery, whatever you buy, it's local, indigenous as it grows, and it grows here. It's meant to grow and protect the habitat. So that business then allows us to apply for grants because we now work in awesome biodiversity. We're not just working homelessness, we're working in biodiversity-

**Evan Driscoll 27:10**

And claim these different things that you've worked.

**Stephen Underwood 27:13**

So our Funds for Nonprofits is now ticket to biodiversity conservation. So I see any of those, I can apply for them but surely under those under that guide, so we diversify sort of our offering even even our clothing shops like we frame we frame clothing donations as keeping textiles out of landfill. By donating your clothes, you extend their life, otherwise, they just go into landfill and they leech die into the waterways and they ruin the environment. So donate them to us and let them live longer. If we can't use



them, we'll find a way to recycle them. And so we're always trying to sort of broaden the picture or the different streams. of things that might appeal to people. Someone might be like, to be honest, I don't really care too much about the homeless, but I am worried about the planet and so I'll donate my clothing to U Turn because I know that they're going to look after it in that sense.

**Esha Bajwa 28:08**

So you can market to multiple people who have multiple different like, wants or needs for the world.

**Stephen Underwood 28:14**

Exactly as far as we can. There's always limits like children for example, we don't assist children already work with them. So that's a limit for us, but for MusicWorks that's that's whole huge grant market. Yeah. Something like rhinos, we don't work with rhinos or save rhinos, or anything with rhinos or whales or so that for us is never a market for us that unless we open a social enterprise, it's a game farm or something like that. But I don't think we've got plans to do that. The social enterprises you do have to try to work in a niche which makes sense for you as a business because I can also lose money. It's a slight risk. Because you you're starting a business. So you renting premises, you're hiring staff.

**Evan Driscoll 28:56**

So that does not work, you can go under.

**Stephen Underwood 28:59**

Exactly, yeah.

**Evan Driscoll 29:01**

Then for actually marketing the organization and getting these donations. How do you do that?

**Stephen Underwood 29:08**

So in the constant we have a communications team, we we've got a very strong brand. As you can see, the green is very prevalent. We've been working as I said, again for 20+ years, getting the name out there. So yeah, we use social media, we use newsletters, we hold events where we try to capture people's data so that they can go into our database and we can send newsletters and communications to them.

**Max Cisneros 29:37**

Like fundraising events?

**Stephen Underwood 29:38**

Fundraising events, or even yeah, even if we're not raising funds, which just read we just, yeah, we're just getting people together so we can try and get those details and kind of introduce them to us as organization.

**Evan Driscoll 29:52**

So just set up tables in malls?

**Stephen Underwood 29:53**

Yeah. So lastly, I'll give you an example. Last year we had a- it was our 25th birthday anniversary. So we've kind of had a big party, and we just invited people to come to and- and a couple came to that and we talked about organization and they kind of got inspired and that was in October, and we didn't really raise any money on the night. We sold some coffees and some some food and stuff but it's like too simple. A few R1000, wasn't really wasn't much nothing life changing. But that couple then they got in touch with us and said hey, can we have a meeting we would like to chat and then ended up in February donating half a million towards a property, and then we were we were trying to get a bond for the rest.

And then the bank basically declined our bond. And so we said to them, Look, we've we haven't managed it. So they're like, "Okay, well, we'll pay the balance." So they ended up buying us House at R1.8 million. Because we had a birthday party. Like there was no way for us to plan or strategize that. But it doesn't happen unless you have those events unless you invite people to come and hear your story and learn about your organization.

**Evan Driscoll 31:02**

That networking aspect.

**Stephen Underwood 31:03**

Exactly so you've really got to have a long term because it gets really demoralizing if you have like because we still have events where like you know, maybe six people turn up and like yeah, oh, man, but you just got to keep pushing and grinding and one of those six people might be the donor that yeah, buys you a house in six months. Wow. That's incredible. So yeah, it's it's very hard work, but you just got to keep working and understand why you're doing it. So keeps that motivation up.

**Evan Driscoll 31:30**

Wondering so a lot of these individuals, donators and some of the large companies where they networked? Is that how you really met them? Or was it just you've sent out letters and then they get back to you or do they come to you?

**Stephen Underwood 31:44**

So I think in the beginning, it's very much sending out letters, sending out appeals, trying to have coffees trying to have meetings trying to leverage whenever you- whenever you for MusicWorks, like this is an important thing whenever you meet someone, you don't just ask them for funding and support you do but you also say to them, "Do you know anyone else who would resonate with our cause, can you introduce me to anyone else." And then you leapfrog from that. So now, I'm not cold calling Max. I'm not to say "Hey, Max, this is Steve I work for U Turn and you've never heard of me, and I have a coffee." I'm saying "Hey, Max, I got your number from Evan and he said, 'I should get in touch with you' are you free for a coffee" and already like there's a bit of trust development, because it's not just like a random person. So it's networking from one leaf from one to the other. So we do that with churches. If we have a pastor that we know they love us, they support what we do we say hey, do you pray with other pastors in the area? Is there like a fraternal is there and then can you introduce me to anyone else? And then he'll say yeah, Have you have you spoken to the Methodist Church on and from there and then when you go to the Methodist Church and you start there is so do you know if anyone you know have you spoken to the Presbyterian and had it just it just like yeah, and it kind of it links from one from one to the next.

**Evan Driscoll 33:03**

And then we're wondering so has U Turn ever underwent any rebranding at all like the logo, tagline name change?

**Stephen Underwood 33:13**

I'm not sure I see because it's such a long history. I would say the brand has evolved more than like a very distinct change. So it's not like we were red. And then we were like, Let's go for green. Yeah, it's it's evolved. It's changed slightly green used to be sort of this harsh green kind of can I grab a 2017 Annual Report.

**Evan Driscoll 33:35**

Yeah.

**Stephen Underwood 33:37**

And now it's a sort of soft degree. Oh, I see. But that so that's, that's from what is that five years back? So you see-

**Evan Driscoll 33:50**

There is a difference.

**Stephen Underwood 33:52**

There's definitely a difference. Could you call it a change or an evolution? it's to me it's more of an evolution but you can see the slogan is different. On the front it says "we believe in life of the homelessness"

**Evan Driscoll 34:03**

What's the new slogan?

**Stephen Underwood 34:05**

Now we say we "equip individuals and communities with skills to overcome homelessness."

**Evan Driscoll 34:16**

So just kind of how the organization develops, you develop the logo with it so in the changes?

**Stephen Underwood 34:21**

Yeah. So that that that is purely down to our sort of brand manager, our marketing kind. So she she moves with the times it's like it's so even like yellow she started introducing yellow we've never had yellow in the brand before but she slowly started introducing yellow and, and we you know, we started to see that pop up a lot more. So. Yeah, I don't know why these things change, but they do. Yeah, and it does help to stay awesome.

**Evan Driscoll 34:51**

So you have someone dedicated to like social media and getting basically?

**Stephen Underwood 34:56**

Yes we do.

**Evan Driscoll 34:57**

And what social media is, are you on?

**Stephen Underwood 35:00**

We are on we are on Facebook, on Instagram, YouTube, and LinkedIn. We haven't done TikTiok yet. Although we we we dabble a bit again, because we're such a big organization with different, what you call outlets. Some of our shops they do have TikTok accounts, sort of one in particular Mitchell's Playing Shop, the manager, she's young, she's trended, she has a TikTok account and so she does these very short videos a lot of chance like trying on different clothes and then they add an I'm not into these transitions or something where they jump and then they have a different outfit. Yeah, it's like marketing like these are the closer you get it at U Turn, and it's been one

**Evan Driscoll 35:43**

In particular, do you know how I like the major accounts, you know how often you'll use it and post on it? Is it pretty consistent?

**Stephen Underwood 35:50**

Yeah. So it has been more and more recently, we've been trying to be more intentional about it. So yeah, I would say we'd post pretty much every day, sometimes multiple posts today, especially because we've got a lot going on. But again, these are the advantages of a big organization with scale that someone like MusicWorks, wouldn't necessarily do. But yeah, we do. We do. Sort of like we did trending, whatever is trending at that moment, but we also do flow content, which consistent content so our flow content will be. For example, I Have a Dream, which is which is a little series that we do on social media, with our first phase clients. Where we interview them pictures, beautiful portrait pictures, and they just talk about what are their dreams or their ambitions because that's one of the ways when we speak. I said we change narratives and some other goal in the way we like to connect with the house to members of the public is that through that notion of dreams of saying like, we all have dreams like yeah, your dream is to graduate to get your degree, get a job or to you know, maybe travel and visit a country and and everyone has dreams and people living on the street, they have dreams too. They have hopes and ambitions. It's they're different to ours but their soul dreams still desires they want to fulfill and it connects the humanity of of both and that makes you realize one so we do like a series like that. We also do Champions Corner which is our clients, we call them champions, when they're on the program. So they just chat like what does it like to be a champion or what are your struggles and things like that. And that's like what we call flow content we do again, because we're a Christian organization. Every Sunday we do Word of the Week, where we were we used to just post like a Bible verse. And with the Bible verse, what we'd started doing is doing in different languages because the Bible is very easy to translate in other languages that translations are there already. So that then allows us to on our social media, we appeal to the English market, which is our majority market, but we also slide in some Afrikaans and we slide some isiXhosa as well. So people can see that "ah, this is my language" and they feel "this my organization" is no other charity that posted Zulu. Yeah, but you turn that so it again it builds that that sense of connection and, and appeal.

**Evan Driscoll 38:18**

I'm wondering so for MusicWorks, the directors kind of take on a lot of the roles that seem to be dispersed. So the heads of U Turn what's kind of their main goals.

**Stephen Underwood 38:30**

So so we have a let's say an executive committee, it's the CEO CFO, Chief of Business Development, Chief of Programs who runs the program, and then Chief Communications Officer, just joined us in communications. So yeah, I mean, if you talk to Jean-Ray our CEO he'll say like when you work in nonprofits like in the morning, you'll be sitting down with like flip charts and having like a client's business strategy. And then in the afternoon, you'll be tiling the kitchen. Because like, you know, it is a thing where you wear a lot of hats, but for them, you know, they focus mostly on governance, on on sort of making sure that the culture of the organization is maintained their work mostly on strategies so "where are we going?, what's our plan? How are we going to do it?" they will set the budgets. So when we work in fundraising, we know this is the specific budget and this is what we're going to try to fundraise for. And we have a we have an annual resource development plan. We don't just think, "what should we do today? Let's let's do a picnic, Let's let's do a picnic." We sit down in January and we say okay, this is the year. Okay, we've got Valentine's Day. We know that we're going to do anything for Valentine's Day. Yeah, doesn't resonate with homelessness. Maybe maybe not depends on the frame it. Yeah, we've got Easter, okay. Easter is like a big Christian holiday. We're a Christian organization. Let's do something around Easter. If we do something about Easter, can we do something around Valentine's day all day? Yeah. Okay, so we strategize. We plan and our fundraising basically works on the cycles of in February, it's the end of the tax year. So that's a time when businesses and very rich people will look at their money and they'll say this is how much I made. This is how much tax I'm gonna pay. If I give a donation I can I can lower my taxes. So from mid January till the end of February we push tax tech zero and all donations are tax deductible and that's important, if MusicWorks and not a PBO they need to try to get that. They are already a PBO. Okay, cool.

**Esha Bajwa** 40:04

They already have that tax status.

**Stephen Underwood** 40:41

So that's that's a that's that's a great kind of appeal is that your donations you were just taxed and the general sentiment in South Africa towards the government is very negative. And so you need to understand that don't give your money to the government to do we're going to they're going to waste it rather give it to us who will do something with it and help people and actually assist them. So so that's the sort of narrative around your your text type theory and giving. So in the February detector, and then the Easter time is normally March, April. Yeah, we'll definitely do an event around that. Because that's a nice time. It's a holiday. It's a long weekend. People have time to come up, they can come to thanksgiving church service, or last year we launched our nursery. So we'll do an event and we'll try and get people to come in winter. Again, this is specific to the niche of homelessness, when it gets cold and when it gets wet. People just lie on their warm beds and they think "I'm so glad I'm not out there on the street".

**Evan Driscoll** 41:43

Yeah, you kind of target like the what the community who is feeling for less than/

**Stephen Underwood** 41:43

In this terrible weather. And the compassion is very, very heightened. So we do a winter appeal of basically saying, you know, you know, warm someone's heart or bring someone in from the cold or you know, that kind of that kind of language and that that generally does quite well and then we'll do it again at Christmas time. We'll do like now we'll do a big campaign because in December people often get bonuses they get a check. And you never know different organizations like you can get more bonus than you then you expect to that depends like you often your boss will call you in and say bonus this year is going to be this much. When I've got I feel blessed I feel like I've received more than I expected my natural reaction is to to give to help someone less fortunate. Christmas is a time for giving. Yeah, and here it's summer and it's also summer holiday. People are in a good mood. So it's all of those things will affect into to to giving so so what we will not try to do is every single month say give us money, give us money, give us money give us money because the donor is gonna be like, Okay, I'm tired. Cheers. So we tried, we tried to do three asks a year tax year, and it's winter, It's Christmas. That's the spread of the the rock campaigns for our big artists. And then in the middle of all of that we're doing events and we're doing speaking at churches, and we're doing small little things where we can activate, but But it's good to have that annual plan and think about like what's what's kind of really working well. So I'm looking at your environment like what's around so our nursery is next door to Paddle Tennis. I don't know if you've seen this before. So Paddle Tennis is like this fast growing sport. And everyone knows about a corporate golf days and cooperate fundraisers

**Esha Bajwa** 43:41

We call it pickleball in America.

**Stephen Underwood** 43:42

Oh pickleball, cool. The golf days is like a done thing and everyone knows about it, but like Paddle is the rising thing. So we're going to potentially try and mix our host a paddle tournament when we come in play Paddle, and the money they pay for the tournament goes towards U Turn. And so we can cross pollinate people who play Paddle but don't know about U Turn, and we'll we'll learn about U Turn and people know about U Turn but don't play Paddle, will learn about Paddle, so its good for Paddle and its good for us. Yeah. That's a nice kind of synergy. And it's new. It's happening now like Paddle is the in thing so we move with that trend and the relationship we have because we're their neighbors. So you kind

of got to look around the environment see what's what's around your environment, where are the little advantages you can that you can take, you can exploit.

**Evan Driscoll 43:51**

Kind of switching directions here but what is your, the role of the Board of Directors?

**Stephen Underwood 44:36**

Okay, so our board is to be honest, they like for us they're like a break on a car which sounds a bit negative, but it's actually a good thing to do when you're driving in your car and you didn't have a break. You would pretty soon crash. So I think exec team are definitely the accelerator pedal. They work in day in and day out. Yeah. And their foot is flat down on the gas. Oh, go ahead. Yeah, to drive to go to. Then our board is like the break. They meet every two months. So they're not caught up in the day to day flow. And they get to hear that kind of big macro things and then like othermight be like oh, we're gonna start this nuclear power plant because we've got so loadshedding. It only costs R15 billion. And then the board will sit and they'll say, "I don't know, there's a lot of risk there, not to do this". So they will kind of help in terms of particularly risk management, financial risks looking at, you know, how is the money shaping up and if we go down this road, can we afford to sustain it? So it's very much a sort of a govern- governance and oversight type role. To be honest, they don't get involved too much in fundraising. We'd love to him to do more. They should a good board really should be in fundraising. And most of our board that they like high fliers as well. We're quite fortunate to have really high functioning board members. That's another thing which which recommend if you can get some hi caliber board memebers

**Evan Driscoll 46:12**

Local members or community members are they are there some from overseas?

**Stephen Underwood 46:17**

So so all of them are local. But again, mostly connected to churches and connected to to businesses.

**Evan Driscoll 46:26**

You typically find them just through networking and then offering them seats?

**Stephen Underwood 46:31**

Yeah, so so they volunteer it's it's pretty much for them to give back. And and it's the commitment is not too bad on their side, but it's still meeting once every two months, which the frequency adds up and then when we do grants, we have to get signatures and it copies from right suppose and who knows what else. But yeah, they provide I'd say that overarching sort of risk management, financial sort of management for the for the executive team, okay, and just general sort of strategy and just being able to sign board ideas from them.

**Evan Driscoll 47:04**

Then how many are there total? Just board members?

**Stephen Underwood 47:08**

They are I think we've got eight.

**Evan Driscoll 47:11**

And does that fluctuate at all? Or is it typically consistent?

**Stephen Underwood 47:14**

So since I've been here, the seven board members have been here for the last two years. And then we've just added an eighth. So yeah, we also, I mean, in South Africa, we also have sort of transformation kind

of situations in terms of trying to make sure our board and our leadership are represented, sort of racially so that's another thing where we were trying to add board members and change the racial makeup of it. So that's why we've kind of add in board members to get different voices on the board. But But yeah, it's it's, it's been pretty consistent for the last two years.

**Evan Driscoll 47:56**

That's good to know. And then um, so do you know what your expense mix looks like for the organization at all? It's right in there?

**Stephen Underwood 48:04**

But in very broad categories, okay. So, so Social Enterprises that are businesses so like I say, we get lots of money in from them from there. We spend money out on them as well, but because they are worksites, that it's also our program. Which is which is great. So we've doubled up on that Work Readiness, that's our phase three. That's all the therapy costs that I mentioned, at the shelter, and then Change Readiness. That's our first phase that's providing all the meals or the counseling, and all of the group work. And then Support Functions is us up here in head office and accountants and that sort of stuff. And yeah, 5% Sustainability, that's pretty much fundraising, that falls into the admin. So

**Evan Driscoll 48:52**

Then the actual finances of the organization. Is it multiple people work, working to organize that or is it just on one on one person?

**Stephen Underwood 49:01**

So we have a Chief Financial Officer who's whose primary responsibility sits with him he works with a team of other finance folk again, the launches have been bigger. But but but after our Chief Finance Officer is very much let's call it he accounts for the money in the sense that he knows what comes in he knows what goes out and make sure the books balance from- from like bits. Call of the line items side of things. How we actually spend the money is more down to the executive committee as a group and particularly that CEO side aka our CFO will make sure that what comes in and what goes out balances in it, but the executive board will say, Well, this is going to come in from social enterprise and it's going to go out on he tries to to balance it according to that so it makes sense. So it's it's I said it's a team effort from from exco [Executive Board] but definitely our CEO is definitely kind of sits that way, the main impetus of where where where we are programs needs to develop.

**Evan Driscoll 50:11**

Then do you have any contingency plans or like reserve funds in case anything does occur?

**Stephen Underwood 50:17**

We do. So, we have a reserve policy, but we're not always able to follow the policy. And this is this is our weaknesses organization. So being a big organization with scale, advantages and disadvantages, reserves is a big disadvantage. So when I joined, I think we were like R14 million a year with our budget. So that's almost just over a million Rand a month. Yeah. To have three months of reserves. You need say 3 million in the account. Yeah. Whereas now like if the budget is R36 million, yeah, three months is R9 million. I can tell you how we don't have 9 million. Yeah. So So in that sense, we do. We are exposed to quite a bit of financial risk, in case but our contingency plan is supposed to be I think it's six weeks of operating costs in reserves, okay. Ideally, would be three months of operating costs. But I think to be honest, at the moment, we're sitting at about four weeks of operating reserves, so we're kind of going month to month at the moment, which is not ideal for a big organization

**Evan Driscoll 51:23**

Is that due to just not getting grants or just the sometimes the-

**Stephen Underwood 51:28**

It's again, it's the growth of the organization, that now our reserves, where we had R3 million in the past and that was it, that'll will cover 3 months, now it just covers one month. And also, reserves is very hard to fundraise for. It's hard to go to people and say, there's people living on the streets. Give us money so we can save it. Yeah, makes sense. And it's almost like I mean, if we had R9 million in our account, I'm almost worried a little bit about the reaction from donors. That's why you're sitting on all this cash and there's people there. Okay,

**Evan Driscoll 52:02**

It's hard to really keep a reserve fund in this.

**Stephen Underwood 52:05**

Yeah, so you've got it. It's tricky to do. But we've got something that we definitely can I think improve. It's it's something definitely to work on. But yes, in theory that is getting sits with the excavator and with the accounting team, to make sure that what we spend is less than then what we what we come in and that that is building the reserves consistently so so we also have we've got we've we've got an asset register as well so it's not it's not all a disaster like we've we've we've had a lot of money come in and we've grown like that house for example. Yeah people bought for us that's that's an asset Yeah, had to sell it. Yeah, could could sell it release all that money except so obviously we don't want to, you know, we want to try and keep it as much as possible in the program. So we have a healthy asset register, which is part of the contingency, and we have the reserve- reserve funding in place but yeah, it's not as good as it could be.

**Evan Driscoll 53:04**

And then um, have their I don't know if you would know this, but in the history of the organization, do you know if there's been any economic hardships at all?

**Stephen Underwood 53:10**

Yes, there was. I think it was in I think it was, I think it was actually this annual report [2018 Annual Report]. Yeah. So in this year, 2018. We basically got to the point where, okay, we have this in the account, and the salaries are that we're not going to be able to pay people Yeah. And so they did an SOS campaign like an emergency appeal. And as you can see, that bought in 1.1 million, which topped up income above the expenditure. If we hadn't had that appeal, we would have been would have been bellow it again, wouldn't have been able to pay staff and keep the organization going. So that's, that's always like if the donors is really loving support you, that's always like a weapon that you've got in your pocket.

**Evan Driscoll 53:11**

So you reach out to the donors. Yes, they were like we really need this.

**Stephen Underwood 54:10**

Yes. And they came forward and donated. That's not something you want to do very often. Yeah, they only want to do that really in a real genuine emergency. Yeah, because otherwise you'd like that story of the boy that cried wolf. Yeah, people will say on one another emergency. Come on. Yeah. So use that kind of tactic sparingly but that can be done if in huge financial trouble, but you have to again, have built up the support better. Yeah. Love you and say, We don't want to see U Turn and gone. We can recognize what you're doing and you know, we want to save it. And if you don't have that support base, you will appeal and people will be like I've never even heard of the Stephen Lewis foundation. Yeah. So yeah, it's, it works together ideas in 2018. We did have that financial difficulty.

**Evan Driscoll 55:01**

Do you know how you got into that situation was just a lack of grants?



**Stephen Underwood 55:05**

I wasn't I wasn't here at the time. So I don't know but but you know, it's it can just be a funder that pulls out-

**Evan Driscoll 55:14**

and then you just don't have the funds needed

**Stephen Underwood 55:15**

And you don't have the funds coming in. And it can be that you overextend yourself. So things always cost more than you expect. So even that wonderful house that those donors gave us, which we delighted for, yeah, the running costs of it are still on us. Yeah. Which if we didn't have the hospital but never running costs, the cost of keeping the clients in the house, otherwise we just have an empty house. It's pointless. Yeah, that's on us. Yeah. So and also donors, they sometimes donate to specific things which is called designated funding. Yeah. And that doesn't always help the organization in terms of their running costs or their flexibility because that money must go to that specific thing. So it means that you've received this grant from organization but it can only go to that specific thing. And if you're under financial pressure, it doesn't really ease that pressure. It's like- -because you can't allocate it towards what you need- -elsewhere, which is actually what we need to do. At that point. We need to contract our program. That funding is saying no, now we expand your program, we funding that expansion. And so it doesn't give you that flexibility. So it can it can be hard as a nonprofit, your expenses always constant. Yeah, but your income is never ever consistent.

**Evan Driscoll 56:34**

And then, do you collab- or do you collaborate with any other nonprofits locally?

**Stephen Underwood 56:44**

Again, in homelessness is such a big problem. But it's hard to solve on our own. So the voucher system itself that I told you about, we partnered with another organization called MES. So we redeem vouchers and our service centers MES from the minute there's, so that gives our voucher more spread more, it's a better tool. So there's not just three places that can be redeemed, there's now five. So we partner very closely with them. We partner with the city for the drug rehab, we don't run out and rehabs we assist people. We equip people with skills to overcome homelessness. But if someone's doing a great rehab, why pay for and start your own rehab or you can just refer them to get to rehab and come back to us. So even shelters we don't run that many shelters. We've got a few transitional houses, but most of our clients, they stay in third party shelters. So someone else runs the shelter, we pay the fees, we recover it, but but we don't actually run the shelter ourselves and incur all of those costs. We just use that service. So so yeah. We partner with with lots of NGOs within the sector. Okay.

**Evan Driscoll 57:53**

Yeah. Yeah, that's amazing. And then what advice do you have for other NPOs in terms of becoming financially sustainable if you have any?

**Stephen Underwood 58:03**

Yeah, again, it depends on their lifecycle and stuff like that. But but for MusicWorks, it's definitely to to find and and to try and find you have your think of that. Think of who your ideal donor is trying to profile that person. And then try to segment the market as a word to find them go out to those- those donors so if it's, if it's a music program, you want to be reaching out to musicians and reaching out to people in the arts. You want to you want to be targeting that category of people who appreciate music or even framing your stories around. The difference that music can make. Children is the other route you go down which is which is perfect. Loads of people want to help households. Yeah. And so it's framing your stories

around around how your program actually helps and making those stories really, really captivating. As you can see from our reports, we've got lots of data and stats and stuff like that. That's also really important is having have a good Theory of Change in your program. What are you actually doing? does it actually work and being able to report on that. So you can say to the donors that that money you gave, we did this class, and this was the outcome? So donors feel like yeah, their donation made an impact. We made a real difference. So So getting those stories out there frame framing those stories, and then that's as a nonprofit, that's effectively that's effectively what you sell, sorry to put it in that way. Yeah, you sell stories. You sell stories of change, and that's what people buy when they donate it buying that story that the rhino was going to be extinct and wipes off the earth. And now it's because of you. Yeah. And you're not going to support the rhinos unless you've seen one on Safari. Beauty of the medicine they say wow, we can't lose this animal. So I'm moving so it's it's making sure that donors understand what the music program does appealing to them around why the children are born and why the music helps with with their development. Yeah, for ECDs like I really appreciate the work of ECDs because the the children that don't go through the early childhood development programs at ECD. Yeah, they end up with us. Yeah, to be honest. So it's almost like early intervention for for homelessness.

**Evan Driscoll** 1:00:29

That is what we kind of want MusicWorks to get at., it's more like yeah, focus on the fact that you're helping these kids really you just develop mentally and so they're able to thrive later on.

**Stephen Underwood** 1:00:40

Yes. And effectively. You're you're building the nation through, you connect them to a bigger vision. For for, for donors who are who are overseas, if that's an angle, they want to go down that sort of nation building of giving back to the country is a good angle. We haven't really gone down that road at the moment just because we've been harvest harvesting locally, but it is something that we should intend to do, because there's a lot of South Africans that have left South Africa. Yeah, but their heart is still here. So they do want to get back to the country. But yeah, I would say for them, get your Theory of Change your program, what it actually does, very, very crystal clear. Measurable outcomes for us, our outcomes is sobriety, employment, housing. Yeah, simple as that. That's our outcomes. We know exactly what we're trying to achieve. We can report on it that every graduate at U Turn and we do a six month follow up survey to see "Are you still sober? Are you still employed? Are you still housed?" and over 80% of our graduates are sober employers and long term once they've left the program. So that's a step that we report that's up impact that we can report and so knowing that Theory of Change, what is your story and then your your big narrative story and then weaving in those little stories like how does it apply to this job? Does it apply to that job, and really sell those stories? That's what the donors like.

**Evan Driscoll** 1:02:03

Yeah, I don't think I had any other questions did you got anything come to mind? Do you have any questions for us at all or?

**Stephen Underwood** 1:02:14

Nothing. I'm curious about Music, but yeah, to be honest, I don't know much about them. Are they?

**Evan Driscoll** 1:02:21

They're a great organization. They are so we've gone to a few of to, almost all their programs, They basically it just like a music class for children and like the real impact they're trying to make is like social psychological development for these kids.

**Esha Bajwa** 1:02:39

Emotional like development skills through music, and also seeing someone who's like a gang- a gang member, or seeing someone who like a male figure, who's actually making a positive change in their life is really important, too.

**Evan Driscoll** 1:02:55

Because in these communities like we were dropped off like not even a block from like the school gate by Uber because we were visiting the school and I was like, "You can't leave us here like you got to get us to the gate" and because I just so I didn't trust the area, but these kids are living in these areas. So you can tell like the impact, that the negative impacts are on them. So they really need something positive to like, support that. Yeah. But hey, if you ever want to get in contact MusicWorks. They are a great organization.

**Stephen Underwood** 1:03:28

There's um, there's a book by Angela Duckworth called Grit. And she talks about the importance of after school programs. The basic argument in that book is the longer someone is in schools, the more successful their life will be, even if they're doing a music program or sports or whatever. As long as they're in the school where they're safe and not in the community where they're not safe. Yeah, that that's a big game changer. So it's a good book.

**Evan Driscoll** 1:03:54

Angela Duckworth?

**Stephen Underwood** 1:03:55

It's quite a well known book, but it's, it's a good- For them it's a it's a it's a narrative shaper. Like for us. One of our narrative shapers was Malcolm Gladwell. He wrote a book, sorry, write an article called Million Dollar Murray. And in that article, and he's a very charismatic writer. He writes very well. He profiled a guy called Murray Barr, and he said basically Maurry Barr lived in Reno, Nevada. He costs the government a million dollars over the course of his life through police pickups, court fees, medical bills, all the challenges that his life expensed to the government eventually cost a million dollars and he was like, it would actually have just been cheaper to buy him an apartment and subsidize an income and you know, in real life and then just like manage the problem of him living on the street, and it helps us to shift people's mindset around the cost because I mentioned to the exorbitant cost of helping people living on the street. If we don't help people living on the street, there's a significant cost to us as a society.

**Evan Driscoll** 1:04:57

So you market that idea?

**Stephen Underwood** 1:05:00

So we produced The Cost of Homelessness study in 2019. So we calculated that R744 million a year is spent on homelessness just on maintaining it not on helping it just maintaining and when you see those sums of money, then it's not so bad to give to a program that's running a R30 million a year.

**Evan Driscoll** 1:05:19

That money could go towards helping-

**Stephen Underwood** 1:05:21

Exactly. So it's having those meta narratives as well as why why what to do you do really, really matters.

**Evan Driscoll** 1:05:26

Where do you market those narratives through through your cost-cost analysis?

**Stephen Underwood** 1:05:32

So Cost of Homelessness we we always refer to it. Whenever we write opinions in the newspaper. It's the only data homelessness that's that's kind of around in Cape Town. We did an AGM when we launched it, and we do studies. Whenever we speak at a business breakfasts, we always draw stats from it. And so we were constantly referring back to it.

**Evan Driscoll** 1:05:53

People are like, Oh, wow, that's-

**Stephen Underwood** 1:05:57

Journalists like to reference it because there's no information on analysis out there so that's the only stat, so journalists like to reference it is not to call you and say hey, did you do the cost of Yes, we did it and we haven't. So it kind of it snowballs into into more and more opportunities but but having that understanding like why what your program does is important.

**Evan Driscoll** 1:06:19

We have the financials right?

**Esha Bajwa** 1:06:21

I didn't see any. Do you have like the audited financial statements on your website? I saw like you have these finances on your annual reports but-

**Stephen Underwood** 1:06:29

We dont have them on the website but I can-

**Evan Driscoll** 1:06:30

Could you please email them to us back like- I don't even know. Oh, wait when was the crisis?

**Esha Bajwa** 1:06:37

Back to 2016?

**Evan Driscoll** 1:06:38

20? Whatever. Leverage 2018? Yeah. Yeah, come back like 2017 maybe, so we could have that. That'd be great. Anything.

**Stephen Underwood** 1:06:48

So I'll check, I'll check the archives.

**Evan Driscoll** 1:06:53

Oh, yeah. And then I was also wondering. I just had this thought. Are the founders still involved in the organization at all or not anymore?

**Stephen Underwood** 1:06:58

So, the answer is yes and no. Okay. I can send you a really nice article that was recently written about our founder, Our founder is Collen, she just helped people at a door that's how it started, wanting to make a difference. She had she worked extremely hard in the beginning. At that time, we did work with children and adults and children. And the stress for her running organization was was getting too much and it's actually a bit of a sad story that one of the children actually passed away. And then kind of just tipped over the edge. And she she kind of had a had a bit of a breakdown and she she lost it. And at that point, she couldn't leave the organization anymore. So she sent, handed over to a gentleman called Sam Foss, who was an industrial engineer. So everything we do everything we think about is the story is is selling so

I'm selling you a story about our origin and about. So Colleen Lewis, she was the heart of YouTube. She was the love she was the compassion. She cared for people. That was like woven into us. Sam Foss the industrial engineer, he was the systems we love all these people, but how are we going to help them efficiently, like solve this problem? And he will he built out program basically so clean our program was always a bit like up and down all over the place, Sam was like, regimented program. All of this data comes from from the Salesforce CRM that he put in place that he built

**Esha Bajwa** 1:08:26

Wow you guys are using Salesforce. Amazing.

**Stephen Underwood** 1:08:29

Yeah so I can show you some of our dashboards so he put all the systems in place so he's very much the head so Colleen was the heart Sam was the head. Our new director Jean-Ray who who works now, he's been the scale like I said, the accelerator pedal. He was like, yeah, we've we've got everything here, now we got to scale it. Okay. Under his leadership, you'll see in the finances this just huge growth really because yeah, Sam was always a bit risk averse, or his Jean-Ray doesn't have as much- he's got a much higher risk tolerance. So he's much more prepared to just go just go for it. We'll figure it out kind of thing. And but but that's, that's what shaped us as an organization and we still have that as in our DNA and it's that heart of loving and caring for people, but also then system of wanting to help them efficiently and wanting to help as many people as we can to scale. So Colleen is not involved in the organization day to day running of it. But she she she's like she's amazed at like this style and how it's grown. It's helping so many people. And for her, she she comes in she spoke on a birthday anniversary. It's just she speaks at events from time to time. And like, I'll send you the article on her. It's, it's amazing. Her story is really amazing. And we're very grateful to have her associated to us. Yeah, it's not not in the day to day running anymore.

**Esha Bajwa** 1:09:59

One thing I do appreciate you mentioned before, it's like the nonprofit lifecycle like and we've been doing our own literature review and research on it. And this is a clear cut like case study on the NPO lifecycle that we've been researching. It's amazing, like to actually see- out in the real world and like not just like, academic- academia, words on paper.

**Evan Driscoll** 1:10:22

I was just wondering to do you know, like, because obviously you're a huge you're the biggest nonprofit you've spoken to yet. Do you know if, um, what allowed you to expand like that, like, was it a large grant and just let you do that or did you slowly build those businesses and that brought in money just keep expanding?

**Stephen Underwood** 1:10:43

So I think it was intentionality around replication. So Sam he built the system, but the system was always, we need to be able to replicate it. Like if if this just helps a few people in Clermont, we're never going to really shift the dial on homelessness. Our program has to work wherever we go. So his intention was was built on on replication. But we didn't necessarily have the money to implement Yes. But that's the important thing is to think in terms of your program, how you're going to replicate it, so that when the money comes, you're then able to to scale it. So for us yes, we we did have quite a big surge in income. Ironically, COVID was was beneficial for us. So because we were quite well positioned at that stage, and homelessness is so visible, people actually gave during COVID.

**Evan Driscoll** 1:11:39

Really so that's really where it's spiked we're able to-

**Stephen Underwood** 1:11:43

So we help way more people. I think in 2019, we helped about 900 clients and in 2020 we helped 2500, but the need was there and yeah, when that need is there people give they give to them there was that sense of emergency, we didn't have to do an emergency appeal. It was that sense of like it was-

**Evan Driscoll** 1:12:05

We need to give it.

**Stephen Underwood** 1:12:07

And then And then last year we got quite a big grant as well from from the National Treasury but 6 million to open more social enterprises. So that's helped us grow our program. And our self generating revenue as well.

**Evan Driscoll** 1:12:19

The National Treasury, so the government?

**Stephen Underwood** 1:12:20

Yeah. So there's different levels of government we get funding from all levels so National Treasury, then there's municipal, government and then a local so we try and we try to access through all three but that was the first time we ever got a grant from from national government. R6 million and we were able to execute that effectively. So now this Yeah, we currently have a grant application of R10 million with the same organization pending. So we'll find out later if we get that. Hopefully we will. So again, it's these things that that that we're again one thing one opportunity builds on another but I would say COVID was was a catalyst in Jean-Ray coming in as a director instead of Sam was a catalyst for growth because because like I said, he's a lot less risk averse. And those and that big grant from from Johnson definitely helped to grow the program. That was R6 million of R30 million was still you know, as a significant chunk, but we still have other money coming in, regardless of that, because it's important not to get reliant on one on that on that one donor. Yeah, yeah. There's one other thing that I was gonna say I did allude to in the beginning is every nonprofit faces this this question is, what do you do with your resources? And this is another question and basically, it needs to think about it and how they frame the story. So you can either help a lot of people with very low impact, like we could use our money and give every person in South Africa one sandwich like that, so we could do it. Or we could use all our money on one person and put them up in a hotel and like the best experience. Those are the two three, almost no impact for everyone or huge impact for one small person. But what is the best strategy out so we actually tried to do both. So at our first phase, you'll see in our annual report, we serve in the 1000s. We serve three and a 3500-4000 people with basic needs, we keep them alive, and that's a lifeline for them. So we help a lot of people with meals with basic support, but on our actual program itself, working in nonprofits, we have 150 spaces, so it's a lot less, but that's a deep life changing work for those individuals. So again, we can push both those buttons, some people they want, they want to see their dollars go far and do a lot. feed a lot of people they want big numbers, so we will provide the big numbers. Others say no, no, I actually want to see someone's life change. Like I want it to be meaningful. And I just want them to have a meal for today. And that's it. I want them to you know, really change and their families to change and generations and have an impact. Yeah. And so well, that's all that's left and surely that's how agreements program. So again, it's how are they going to frame to their donors. Like what they worked on? Is it like one recorded lesson for a child that's not going to stand in line? Or, or maybe it will if they frame it in a certain way because that's the entry point for their child into more music lessons. So it's for them to think about that question, but that is that is the question is what do you do with your money? Like, how do you actually utilize that and trying to hit both of those? touch points is good.

**Evan Driscoll** 1:15:26

I got nothing else. No. Perfect. Yeah.

**Stephen Underwood** 1:15:29  
Thanks guys.

## **Appendix G: Inductive Coding Document**

Item is included as a supplemental material



## **Appendix H: Deductive Coding Document**

Item is included as a supplemental material