

Setting Up A Disaster Fund

A step-by-step guide to planning for and creating a disaster fund before disaster occurs.

Determine goals and audiences

1. Answer critical questions before forming a fund prior to a disaster.

- What do we want to accomplish with this disaster fund?
- Who are the people in need in the disaster-affected community? Have we worked in this community before?
- Who do we want our community to be? For example: we want to convene key stakeholders, we want to serve older adults, or we want to follow our health expertise and work with nongovernmental organizations (NGOs) to serve health needs.
- Who will guide our funding decisions—committee, board, staff?
- Who are the stakeholders we want to serve? Board, investors, fund holders, social safety net providers, individuals, etc.?
- Who else might be setting up disaster funds? Are there ways to collaborate or work together (combined efforts strengthens long-term recovery results)?

Develop standards and processes

2. Determine the standards that you will use to vet NGOs.

- Develop a list of area experts (for example, if you are rebuilding schools: educators from that community, and a program manager who has completed a school rebuild project following a disaster elsewhere might be experts to consider) that you can rely on to help steward funds.
- Consider pre-vetting organizations if you plan to give immediately after a disaster.
- When possible, reach out and support local organizations.

3. Plan ahead. You won't have time for the tedious details in the aftermath of a disaster!

- Connect with a bank partner to establish an account that can be quickly activated to receive funds.
- Determine how you will receive online donations.
- Decide what the administrative fee will be to manage funds. When determining this, consider the fund amount and the staff time needed to shepherd funds.
- Consider whether you will need to hire personnel to raise money for or administer the fund.
- Determine when and how you will administer funds. For example, whether you will allocate some funds for immediate relief and the remainder for mid- and long-term needs, or if you will fund preparedness and mitigation measures.

Establish your network

4. Be informed. Stop, look, and listen.

- Reach out to NGOs in your community or area of work. Deepen your network with them and learn about what needs they anticipate in the wake of a disaster.
- Contact community foundation funders and regional associations to learn how they see their disaster recovery role.
- Determine if there are other funders (corporations or businesses, for example) that you should be including in your disaster fund strategy.
- Educate your organization on the disasters, populations, and partners you are likely to respond to and with before a disaster occurs.

5. Build relationships with funding partners.

- Learn about funders' disaster-related goals and interests before disaster strikes.
- When you launch your disaster fund, share the goals of the fund, how to give to the fund, and who to contact to learn more about your work.
- Educate funders on the specific disaster risks facing your community and how they can work with you and other funders to mitigate vulnerabilities and respond to events.
- Be transparent and provide the criteria you are using to determine grant recipients.

6. Collaborate with elected officials and community organizations.

- Establish relationships ahead of time with your elected officials (mayors, governors, congressional delegations). Discuss the ideal way to set up a fund following a disaster and how you can work together.
- Bring elected officials, corporations, community foundations, and regional associations together for the most successful long-term recovery efforts.
- Avoid the confusion and conflicts that come from having multiple groups launching competing disaster funds by having conversations ahead of time and during the launch phase of a fund.

Plan to follow up

7. Be accountable and transparent.

- Be transparent with donors on the process and timing for fund distribution.
- Follow up with donors on grantees, projects, and the impact of their funding.
- Share pictures and short stories about grantees and their work with the general public to heighten the profile of your organization, your funders, and encourage future gifts.

Remember

The Center for Disaster Philanthropy is here to assist you. Reach out to CDP's staff before or after a disaster has struck your community. They are ready to provide thought-leadership, advice on establishing disaster funds, and connections to colleagues around the nation who can support and inform your efforts.

Center for Disaster Philanthropy

1201 Connecticut Ave. NW, Suite 300, Washington, DC 20036

T: 1 202 595 1026 | F: 1 202 833 5540

@funds4disaster