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.