Jerome Leclanche <jerome@leclan.ch>
DjangoCon EU, Porto, PT • 2022-09-23



# Open Source and Sponsorships When, Why, How?

## Hello, I'm...

#### Jerome Leclanche

<jerome@leclan.ch>
https://leclan.ch



- Tech consultant / developer / CTO
- Programming since 2004
- Open source since 2006
- Django since 2008



## A story about OpenSSH

(2013)

## A story about OpenSSH

"The project won't be able to cover 20 thousand dollars in electrical expenses"

"OpenBSD will shut down if we do not have the funding to keep the lights on"

BOB BECK



# Feeling inspired yet?

LET'S DONATE TO OPENBSD

#### **OpenBSD** Donations

The OpenBSD Project is volunteer-driven software group funded by donations. Besides OpenBSD itself, we also develop important software like <u>OpenSSH</u>, <u>LibreSSL</u>, <u>OpenNTPD</u>, <u>OpenSMTPD</u>, the ubiquitous **pf** packet filter, the quality work of our ports development process, and many others. This ecosystem is all handled under the same funding umbrella.

We hope our quality software will result in contributions that maintain our build/development infrastructure, pay our electrical/internet costs, and allow us to continue operating <u>very productive developer</u> <u>hackathon events</u>.

The OpenBSD Foundation is a Canadian not-for-profit corporation that assists the OpenBSD Project according to government-approved charter rules, as exemplified by their funding activities from previous years.

Canadian tax structure does not consider "software projects" eligible for charitable contribution, so the donations are not generally tax deductible. In many circumstances they can be deducted as an operating expense, so ask for the advice of your own accountant. In some countries corporations can deduct their donations under the terms of "Good Will". Those who require strict-format contribution receipts should contact the directors.

The OpenBSD Foundation collects donations by Cheque, Bank Draft, PayPal, PayPal recurring, or Bitcoin.

In addition, contributions of funds or <u>hardware</u> can also be made directly to the OpenBSD Project:

- Cheques: Theo de Raadt, 812 23rd Ave SE, Calgary, Alberta, Canada T2G 1N8
- PayPal: CAD

Donate

• PayPal: EUR

Donate

· PayPal: USD

Donate

Such contributions are considered strictly gifts to the OpenBSD Project, and are not related in any way to the OpenBSD Foundation.

# Asking for donations doesn't work for companies.

#### This is your competition:



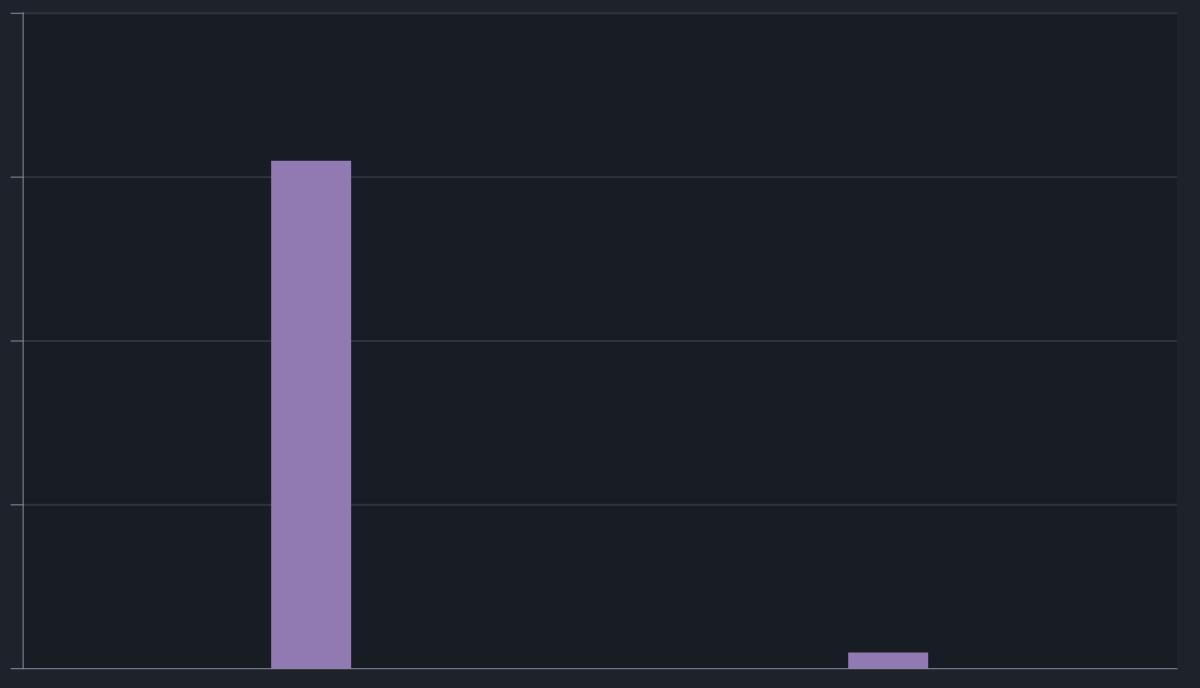






& other 501(c)(3) charitable organizations

### SELL SERVICES INSTEAD



Development budget: Basically infinite

Donation budget: Whatever's left

## What to sell?

#### Dedicated / priority support (monthly)

- Email support with SLA
- Video calls / month (up to N hours)
- Emergency contact agreement

#### Contract work / consulting (hourly)

- Custom features
- Integrations
- Install / Upgrade for the client

#### Advertising (low-effort, monthly)

- Your logo in the README/docs
- Your relevant job ad here
- Suddenly you're in the marketing budget

### How to sell?

## Prerequisites...

#### Somewhere to handle payments

- Take debit/credit card
- Generate invoices and receipts

#### **Showcase sponsorship benefits**

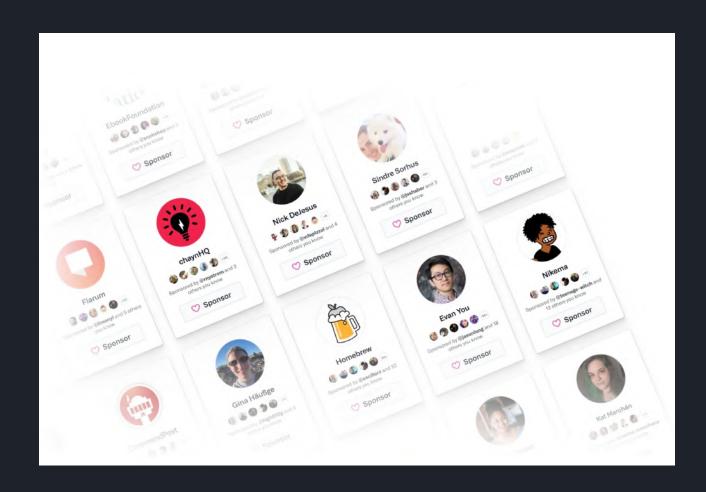
• A "sponsorship tiers" page with all the different prices

#### **Declaring the income**

- Register an "independent activity" (easy, often high taxes)
- Create a company (harder, more expensive, lower taxes)
- This is different in every country
- I'm not an accountant. Talk to one.



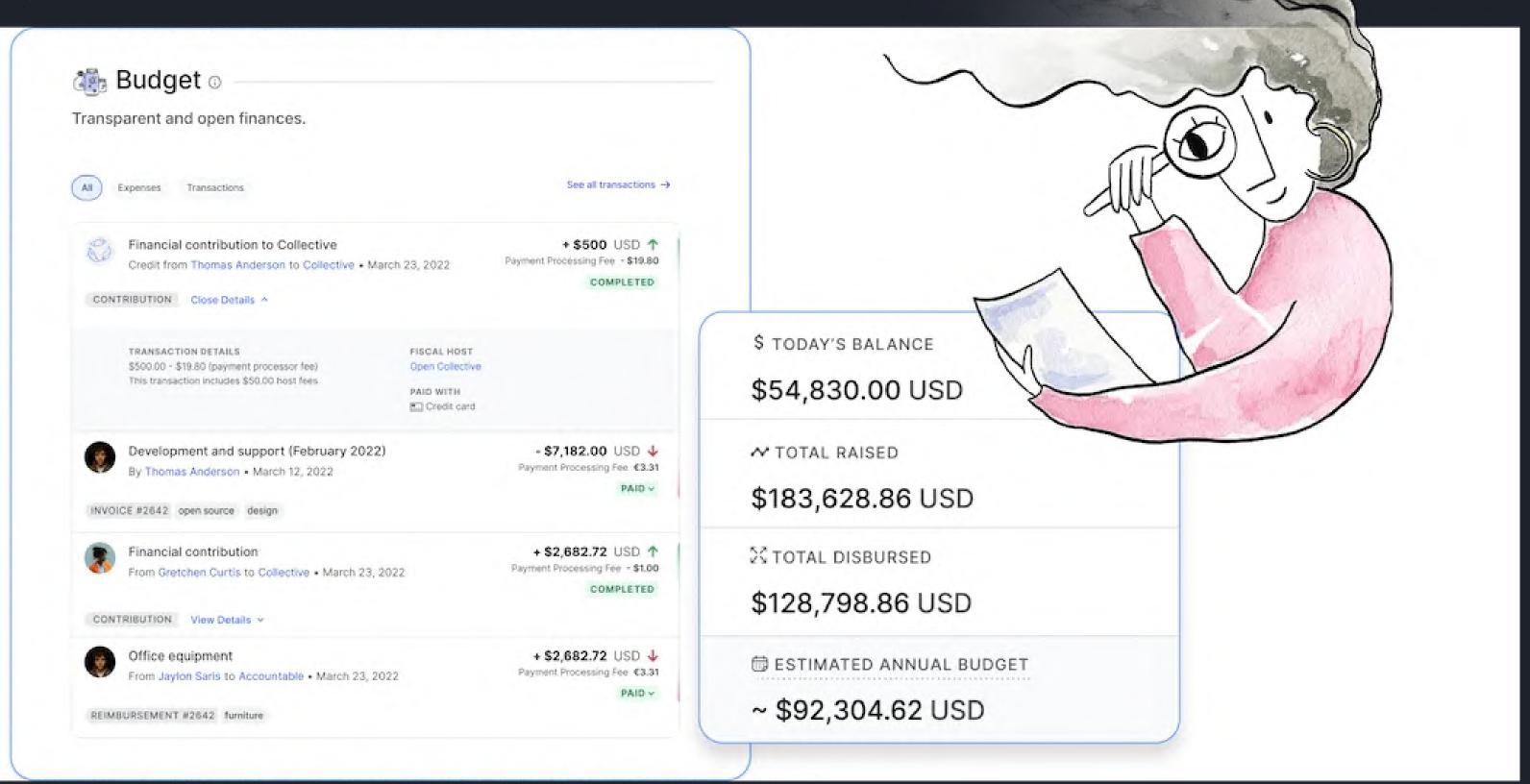
## Github Sponsors



https://github.com/sponsors

- Well-documented
- Well-established (companies trust Github)
- Will get you 90% of the way very quickly

## **Open Collective**



## Our prerequisites

#### Somewhere to handle payments

- Private and public contributions
- Many payment methods supported
- Invoices & receipts generation

#### **Showcase sponsorship benefits**

- Multiple recurring & one-off tier
- Public list of contributors

#### **Declaring the income**

- Dedicated bank account (via Fiscal Host system)
- Expense filing & reporting

## **Bonus Features**

#### Virtual cards for project expenses

Pay for your domain name & CI minutes without filing expenses

#### **Expense approval system**

Allow external contributors to easily get paid

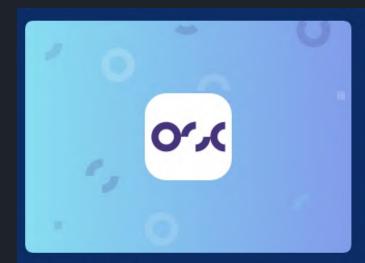
#### Transparent public ledger

Show where the donated money goes

#### **Integrates with Github Sponsors**

Github sponsorships can flow into OpenCollective

## Fiscal Hosts: Legal & financial toolbox



United States

#### **Open Source Collective**

A US 501(c)(6) nonprofit entity serving as fiscal host to open source projects and related communities around the world.



Europe

#### **Open Collective Europe**

A Brussels-based nonprofit hosting groups across Europe, including open source projects and community social action.

- Dedicated billing address
- Dedicated bank account
- Virtual debit cards
- Registered charitable activities
- Pricing: varies (5-10% cut)



## Demo

OPEN COLLECTIVE



## Questions

(AND ANSWERS)

## Credits

#### Fair-use images

- The OpenBSD Foundation
- Github
- Open Collective

#### Logos

- The Electronic Frontier Foundation
- The American Civil Liberties Union
- St. Jude Children's Research Hospital
- MSF Médecins Sans Frontières
- Open Source Collective
- Open Collective Europe

#### **Presentation & Design**

• Pitch (pitch.com)

# Thank you!

#### More ...

- https://leclan.ch
- <u>twitter.com/Adys</u>
- github.com/jleclanche