Online Fundraising Tools 101

Craigslist Foundation Nonprofit Boot Camp
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Robert L. Weiner
Robert L. Weiner Consulting
robert@rlweiner.com   www.rlweiner.com   415.643.8955

CompuMentor
home of **techsoup**.org

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Agenda

- ## What is Online Giving?
- ## Options:
  - – Do it Yourself
  - – Charity Portals
  - – Donation Processors
  - – Other choices
- ## Issues to Consider When Choosing
- ## Resources
- ## Vendor Q&A:
  - – Entango, Groundspring, Network for Good

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What Is Online Giving?

- Internet software that allows a web visitor to donate money using a credit card.

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Technical Issues

- Integration with your web site & design.

- Secure web server.

- Merchant account.

- Payment gateway or credit card terminal.

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More Technical Issues

- Gift designation options.

- Recurring gifts.

- Receipting.

- Integration with your donor database.

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Approaches to Online Fundraising

Do It Yourself

- – Install a secure server.

- – Design donations web page.

- – Transmit credit card info to bank (often manually).

- – Enter data in donor database (often manually).

- – Issue receipt (email or USPS, usually manually).

Do It Yourself

Pros:

- Complete control over design, text, donor options, and security.
- Can be inexpensive, especially if you already have a payment gateway and a web designer.

Cons:

- Need a web designer.
- Must keep up with security technology.
- Costs and timeline hard to predict.
- State registration.
- Usually not fully automated:
  - Can't validate or charge credit card in real time.
  - Can't issue receipt until credit card has been charged.
  - Can't take donations at 11:55 pm on 12/31.

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Approaches to Online Fundraising

Charity Portal

   (Network For Good, JustGive.org)

- Your donations page probably already exists. Just link to it.

- No setup or monthly costs.

- Low per-transaction cost (3%).

- No state registration.

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Charity Portal

Pros:

- Inexpensive.
- Instant – your page probably exists already.
- No state registration.

Cons:

- No control over design, text, receipt, or donor options.
- Donors give to *their* foundation, not to you.
- Donors can be anonymous. You might not be able to thank or re-solicit them.
- Payments usually sent to you once a month.
- Have to rely on their security.
- They have your data.

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Approaches to Online Fundraising

Donation Processor

(GroundSpring, Entango)

- Complete control over page design and receipt.

- Usually a setup charge, often a monthly charge, per-transaction charges can be high.

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Donation Processor

Pros:

- Control over design, text, receipt, and donor options.

- Donors give to you (not the case w/ GroundSpring).

- Payments sent to your bank.

- Fully automated (though entry in database is usually manual or upload).

Cons:

- Setup cost.

- Often a monthly charge even if you don't get any donations.

- Need to design donations page.

- Have to rely on their security.

- They have your data.

- State registration?

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Approaches to Online Fundraising

None of the Above

- PayPal

- Integrated systems:
  - Raiser's Edge
  - eTapestry
  - GivenGain
  - LocalVoice
  - Kintera
  - CitySoft
  - Convio
  - GetActive
  - The Data Bank

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Issues to Consider When Shopping

- Customer service (to donors and your organization).

- How much control will you have?
  - color, graphics, layout, links to other parts of your site, the number of funds donors can give to, ask levels.

- How, and how quickly, can you make changes in your online giving page?

- How much control will you have over the wording of the receipt to the donor?

- To whom is the donor actually giving?
  - What if the donor asks to be anonymous?

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Issues to Consider When Shopping

- How will you find out that a donation has been made?

- What information will the vendor provide about the donation? Are the reports clear and timely?

- How, and how quickly, will you receive the donations?

- Can the vendor accept multi-payment donations (e.g. the donor pays $120 in 12 monthly payments)?

- How will you get the donations into your donor database?

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Issues to Consider When Shopping

- ## What are the fees options?

  - If they charge based on the value of the gift, is there a maximum charge? Is there a setup fee? Is there a minimum monthly fee? Does the fee include the credit card processing charges?

- ## Do they offer other services that you might want to use in combination with online giving

  - ticket sales, email marketing, online surveys, auctions, shopping carts?

- ## How easy is it to make a gift?

- ## Do you need to register with every state?

Resources

Affinity Resources: *Comparison of Online Donation Services*
www.affinityresources.com/pgs/awz55Online2.shtml

Alder Consulting: *Accepting Credit Cards Online on a Shoestring*
www.alderconsulting.com/creditcard.html

One Northwest*: Accepting Credit Cards on Your Website*
www.onenw.org/bin/page.cfm/pageid/70

One Northwest*: Online Donation Tools Comparison Matrix*
www.onenw.org/content/online-donation-tools-matrix-1.3.xls

National Association of State Charity Officials*: Charleston Principles for online solicitations*
www.nasconet.org/Charleston Principles%2C Final.pdf/file_view

NonProfit Times*: Special Report on Online Payment System Options*
http://www.nptimes.com/instantfund/Sep05/sreport_1sep05.html

TechSoup: *Online Donations: Sorting Out the Chaos*
http://www.techsoup.org/howto/articles/funding/page1208.cfm

More resources are posted at www.rlweiner.com/resources.html

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