

# ***How to Get the Most Out of Your Fundraising Database***

***Raising Change: A Social Justice Fundraising Conference***

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# *My Agenda*

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- How can a donor database help fundraisers work more effectively?
- Why you should not use Excel as a donor database.
- Why building your own database should be your last resort.
- Care and feeding of your database.

# Using Data to Fundraise

## A donor database can assist with:

- Segmenting mailing lists.
- Tracking prospects and tasks.
- Measuring and forecasting.
- Stewarding your current donors.
- Identifying future donors.
- Asking the right person for the right gift at the right time for the right purpose.

# Direct Marketing – Basics

- Your database must be able to tell you who gave before:
  - When?
  - How Much?
  - To What (which mailing?)
  - For What (fund or purpose).
- How did past campaigns perform?
- How did any outside lists perform?

# *Direct Marketing – Basics*

- Must be able to exclude constituents from mail & solicitations for various reasons:
  - No mail
  - No solicitations
  - No calls
  - No email
  - No email solicitations.

# *Direct Marketing – More Advanced*

- Can target appeals and analyze results based on Recency, Frequency, Money (RFM), and source.
  - Who hasn't renewed?
  - Who has given for > n years?
  - Giving club level, most recent gift amount.
  - Over \$x total/lifetime?
  - Campaign, package, segment, list.
- Ability to create an intelligent “ask string.”
  - Ask \$100 donor for \$125, not \$25.

# *Corporate & Foundation – Basics*

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- Ability to track tasks, deadlines, notes, and contact reports.
- Ticklers for upcoming actions.
- Ability to track status of proposals (e.g., planned; awaiting response; if refused, can we resubmit?).

# Corporate & Foundation – More Advanced

- Grant terms (restrictions, reporting requirements, recognition, renewability).
- Pipeline report: what's planned, what's awaiting response, ask amounts.



# Major Giving – Basics

- Same as Corporate & Foundation:
  - Tasks, notes, contact reports, ticklers.
  - Status of proposals.
- Who are your top prospects?
  - What are their interests? Capacity? Inclination?
- What is each prospect's status or stage?
  - Research, Qualification, Cultivation, Solicitation, Stewardship, Not a Prospect.

# Major Giving – More Advanced

- Quick donor view:
  - Largest gift, most recent gift, giving club, membership status, or lifetime giving.
- Ability to track relationships between:
  - Spouses
  - Businesses & owners, employees
  - Donor Advised Funds
  - Family Foundations
  - Prospects and other nonprofits

# *Planned Giving – Basics*

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- Ability to track inquiries and bequests.

## *Level Two*

- Manage a PG mailing list &/or society.
- Track proposals, actions, ticklers, contact reports, and notes.
- Track total bequest money received.

## *Planned Giving – More Advanced*

- Track multiple planned gift vehicles (bequests, annuities, life estates, pooled income funds, and trusts).
- Track details of each PG:
  - Executor or trustee.
  - Other beneficiaries.
  - Market/estimated/actual values.
  - Estimated/actual maturity.
  - Projected payout information.

# Development Services - Basics

- Allocating gifts to correct funds.
- Issuing accurate, legal receipts to hard-credit donors.
  - Deducting *quid pro quo* values, raffles, auction Fair Market Values, etc.
- \$ received = \$ sent to Accounting.
  - Integration with accounting database.
- Pledge reminders, payments, balances.
- Audit trail for any changes to posted gifts.

# *Development Services – More Advanced*

- Pledge management
  - Scheduling, reminders, payments, balance due.
- Audit trail for any changes to posted gifts.
- Automatic calculation of giving clubs based on rules (e.g., cash only, gifts plus pledges, combined hard and soft credit).

## *Other Areas Where a Database Can Help*

- **Events Management**
  - Attendees, guests, \$, seating, costs.
- **Donor Stewardship**
  - Updates on initiatives or funds, funder reports, event invitations, visits.
- **Volunteer Management**
  - Interests, skills, availability, scheduling, hrs. worked.

# *Other Areas Where a Database Can Help*

- Prospect Research
  - Tracking research completed, identifying new prospects, data mining.
- Online Activities
  - Email solicitations
  - Online payments
  - Event registrations
  - Volunteer signups.



## *Why Not Use Excel?*

- “Flat file.” Not designed for one-to-many linkages, like:
  - Multiple gifts from 1 donor.
  - Pledge payments.
  - Multiple addresses.
- Have to add a new column for every gift or enter donor > once.

# Why Not Use Excel?

- Hard to track relationships:
  - Spouses with separate records.
  - Households.
  - Employment.
- No integrity rules, e.g.:
  - Valid State codes, titles, fund codes, appeal codes.
  - Only 3-digit area codes.

# Why Not Use Excel?

- Hard to track “soft credits”:
  - Credit individual for corporate match or gift via business or Donor Advised Fund.
- Minimal security. Easy to delete or change data.
- Hard to create multi-step queries.
  - Who has attended > 2 events & given > 3 years?
- Can get too big to view or print.

## *Why Not Build Your Own?*

- Risk (how do you know it will work?).
- Distraction (fundraisers must become database designers).
- Support & Maintenance (who you gonna call?).
- Documentation (will there be any?).
- Training (a game of “telephone”?).
- User Community (there won’t be one).
- Cost (how can you get a firm price?).

# Care and Feeding

From Bill Connors, "Being Good to Your Database," *Advancing Philanthropy*, May 2007

- *Run backups regularly. Test periodically.*
- *Provide training.*
- *Enforce good security.*
  - *Individual logins.*
  - *Appropriate access levels.*
  - *Physical security of the server.*
  - *Beware of exported data, esp. on laptops.*
- *Document policies and procedures.*
  - *How to get data in and out properly.*

# Lessons

- A donor database can help fundraisers work more effectively.
  - This is only possible if data is captured and shared appropriately.
- Resist the temptation to use Excel.
- Building your own database should be your last resort.
- Databases need ongoing support: training, security, backups, documentation.

# Resources

Mills-Groninger, Tim: *The Soft(ware) Side of Fundraising Effectiveness*

[www.nptimes.com/07Sep/070901SR2.pdf](http://www.nptimes.com/07Sep/070901SR2.pdf)

Petulla , Maria: *Making Order Out of Chaos: How a Good Fundraising Database Can Help You Raise More Money*

[www.grassrootsfundraising.org/magazine/feature27\\_2.pdf](http://www.grassrootsfundraising.org/magazine/feature27_2.pdf)

TechSoup: *Selecting Donor Management Software*

[www.techsoup.org/howto/articles/databases/page2190.cfm](http://www.techsoup.org/howto/articles/databases/page2190.cfm)

TechSoup's Technology for Fundraising discussion forum

[www.techsoup.org/forums/index.cfm?fuseaction=list&forum=2022&cid=117](http://www.techsoup.org/forums/index.cfm?fuseaction=list&forum=2022&cid=117)

Weiner, Robert: *Finding the Perfect Fundraising Database in an Imperfect World*

[www.rlweiner.com/grf/grf\\_finding\\_perfect\\_database.pdf](http://www.rlweiner.com/grf/grf_finding_perfect_database.pdf)

Weiner, Robert: *Ten Common Mistakes in Selecting Donor Databases*

[www.idealware.org/articles/ten\\_common\\_mistakes\\_in\\_selecting\\_donor\\_databases.php](http://www.idealware.org/articles/ten_common_mistakes_in_selecting_donor_databases.php)

Weiner, Robert: *Why Building Your Own Database Should Be Your Last Resort*

[www.rlweiner.com/nten/why\\_building\\_your\\_own\\_database\\_should\\_be\\_your\\_last\\_resort.pdf](http://www.rlweiner.com/nten/why_building_your_own_database_should_be_your_last_resort.pdf)

More resources are posted at [www.rlweiner.com/resources.html](http://www.rlweiner.com/resources.html)