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Fundraising Reports and Fundraising Operations

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FUNDRAISING REPORTS AND FUNDRAISING OPERATIONS

TOOLKIT NAME

Reporting/Measurement

DEVELOPED BY

NETWORK
FUNDRAISING
SERVICES

In partnership with W4Sight

Fundraising reports and the operations supporting fundraising are key components to your food bank's success. This document suggests measurements to include in your fundraising reporting, as well as best practices for development operations. These separate but related topics are divided into two sections below.

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Fundraising Reports

Fundraising Reports provide measurable values demonstrating how effectively you are achieving your fundraising goals.

INTRODUCTION TO FUNDRAISING REPORTS

How do *Key Performance Indicators* (KPIs) help our development team?

Key Performance Indicators (KPIs) tell a story about your fundraising efforts and are more than just numbers! Use these results to understand fundraising performance and trends, develop fundraising strategies and set achievable targets. All nonprofit organizations have unique sets of challenges. Focus on the internal benchmarks that your team determines have value and meet your food bank's needs. Ideally, these measures should allow you to take immediate action.

How do we introduce new KPIs without disrupting our longitudinal analysis?

→ It's okay to break with the past way of doing things.

→ Criteria often change from year to year, which affects the accuracy of past analyses.

→ Communicate to your key stakeholders and development team members why these new KPIs are beneficial and *why they will help your fundraising.*

How do we know when to report out from our fundraising CRM and when to report out from our accounting system?

→ Overall Fundraising/Event /Channel/Appeal performance reporting should come from your development CRM.

→ Cashflow analysis, budgets, tax reporting should be generated from the accounting system.

Are there standard reports that we should produce?

→ *Yes!* Recommended reports can be found in the Guide to Development SOPs. This document mirrors those guidelines and provides additional reports that may prove useful to your food bank, depending upon your needs and goals.

When your CRM has standardized reports, should you limit yourself to using those?

→ The Guide to Development SOPs recommends using standard CRM reports whenever possible.

→ There is no simple answer to this question. There are tradeoffs between using standard reports and customized reports:

  • CRM generated reports/dashboards may not provide your wish list of customized fields. However, CRM standard reports most likely provide the information you need, just not with the bells and whistles of additional fields or elaborate formatting.

- Often staff ask for their customized "dream" report when a built-in report will produce the results needed. Be mindful of staffing and time constraints. Don't let the perfect be the enemy of the good.

- Sometimes, your CRM may not be able to provide the desired information in a report and a manually generated custom report is needed. No matter the method, make sure the report provides the information required in your SOPs.

- Whether you use CRM generated or customized reports, *it is critical that everyone is using the most recent version of the report.*

⟶ If your CRM does not offer standard reports, reporting tools are available such as Microsoft Power BI, Tableau, Domo, and Google Data Studio.

GUIDING PRINCIPLES

⟶ Reports should **provide actionable insights** to improve strategies and fundraising results.

- For example, your report of first-year donor retention rate shows that this year only 65% of first year donors renewed their gifts. What does that tell you? Check with your fundraisers to see how those first-time donors were stewarded. Did they receive a first-time donor letter, a phone call or a handwritten note? Were they sent invitations to any activities or events? Lack of communication by the organization is the primary reason first-time donors are not retained. Use this information to adjust your fundraising strategy to keep new donors.

- You analyze the fundraising amounts for a specific activity, such as a year-end appeal and find that your donors giving under $500 keeps decreasing. What strategies can you put in place to retain and re-engage those donors?

⟶ Discuss **reporting needs** at the beginning of a fundraising project cycle…how will we know it is successful?

- Set a **goal** up front for the fundraising activity

- **Establish the parameters** for your reports and make sure they reflect your goals

- Choose an **appropriate timeframe** soon after the activity for a postmortem to analyze results while everything is fresh (6 weeks after an appeal ends, etc.)

- **Assess why** the outcome unfolded the way it did

- **Determine** ways to improve for future fundraising activities

- **Sustainability of reports** – Can we create a few reports where users can slice and dice, rather than creating many reports? Using relative date range selections such as "this year", "last fiscal year" whenever possible enhances the sustainability of the reports and reduces criteria maintenance.

⟶ Confidentiality of donor information should be first and foremost when reports include specific donor information.

SUGGESTED STEPS FOR FUNDRAISING REPORTING

Develop a Fundraising Report Strategy

⟶ Why a Fundraising Report Strategy is important –
A Fundraising Report Strategy provides the road map to your reports. Often, staff are unsure of which reports already exist as standard reports that are quick to produce. They don't know who owns or manages the report or how to locate the report. Requesting reports at the last minute can burden a small development team and can often be difficult to get right if the criteria has not been thought through. Most importantly, ad hoc reports, copying or cloning reports leads to confusion.

⟶ Your report strategy should address the following:

- What reports are needed - which are built-in CRM reports, and which are customized (see reporting needs above). Decide what you want to measure and if you can act on the report results? Do the reports reflect your business needs?

- Audience/Distribution – Who needs which reports…Are Fundraising reports shared with departments outside of Development? Finance? Board? Decide who can access and reinforce confidentiality.

- Purpose of each report – monthly financial progress to leadership, specific fundraising activity success, financial reconciliation, moves management pipeline, etc.

- Do you want year to year comparisons, or just year to date numbers?

- Are Donor Performance measurements needed for specific donor segments, such as board members, volunteers, major donors?

- Do year to year comparisons need to drill down? Filtering needs such as fundraising by source (foundation, corporation, individual), event, appeal performance, gift type.

- Schedule of the report (ad hoc or self-serve as needed, distributed weekly/monthly)

- Location - Website, dashboard, shared cloud, etc.

- Ownership - Who owns the report?

⟶ Maintain a schedule to review and revise the Fundraising Report Strategy

- How are changes to reports discussed/approved

- Report strategy should be reviewed regularly by staff to make sure there is agreement on which reports need to be maintained

- How to request new reports

- Ownership of shared reports

- The "owner" should manage the guide/directory to the shared reports and educate staff on how to find the reports

⤳ Define Fundraising Terms

It is important to define the terms used in your reports so that team members from fundraisers to operations staff are on the same page. Refer to the Guide to Development SOPs for NFS recommendations. These are just a few examples for your team to review and define:

- Money raised – Revenue received vs Revenue committed (pledged), Cash vs Progress. What terminology do you use?

- Last Year/This Year – Do you want to report on the Fiscal Year or Calendar Year? Or are they the same?

- Soft credit – Recognition for a gift of constituent(s) who is not the donor (i.e., spouse, individual recommending a donor-advised fund gift).

- Number of Donors – Does this number include Individuals, Organizations, or both?

- Source or Constituency – Who is donating…Individuals, Corporations, Foundations, Board, etc.

⤳ Deliverable Dates

Communicate to your team clear expectations about the amount of time it will take to generate a report or mailing list. Keep staffing and work volume considerations in mind when deciding on reporting deadlines.

Surprisingly, CRMs can be limited and vary in their reporting ability, and it truly may not be possible to develop a desired report using the CRM. Compromise will be required, and the tradeoff sometimes results in additional manual work. This means that requestors need to allow enough time for the data to be reviewed and the report generated.

Some reports may be automated and use data from a data warehouse that is delayed by a day. In these cases, it is particularly important to understand when additional data needs to be entered so that it appears on a scheduled report.

FUNDRAISING KPIs

These are some Key Performance Indicators used by a wide variety of non-profit organizations. Evaluate these options to select the indicators most relevant to your food bank and how you will use this information.

Financial Reporting

Financial reporting begins with Development providing a standard monthly revenue report and a monthly budget to actual report by revenue source and method. Finance balances (reconciles) with the general ledger using these reports. This reconciliation process enables finance to prepare a quarterly financial statement according to Generally Accepted Accounting Principles (GAAP). Reports are shared at least quarterly with the executive leadership team and Board of Directors.

Food banks must comply with financial requirements set in Appendix F and J of the Partner Food Bank Agreement. Reference the Reconciliation Guidelines in the Reporting/ Measurement Toolkit for details about Financial Reporting.

Campaign and Channel Reports

Campaigns are fundraising efforts that happen over an extended period of time and highlight a specific, predetermined goal. Nonprofits use fundraising campaigns to raise awareness about their missions, and more specifically, the program or initiative for which they are currently soliciting donations. Channel or Appeal fundraising is a targeted fundraising method. The Channel or means of delivering the solicitation could be social media, email, direct mail, or through your website. An appeal is targeted fundraising by audience segmentation, such as donors over a certain gift amount, a season such as a fall or holiday appeal, or for a specific purpose (Giving Tuesday, COVID relief, etc.). These terms will vary depending upon the terms used by your CRM.

FUNDRAISING REPORTS—*continued*

Campaign and Channel Reports

	REPORT PURPOSE	REPORT OUTPUT
Revenue By Channel/ Appeal	This report will be helpful to show how much was raised and where it came from (for example, spring appeal, annual gala, small donor recognition event, grants, etc.). Results should total 100% of your fundraising.	→ Report output should include goal, total raised, percent of goal, total number of donors, total number solicited, response rate, average gift amount.
Year to Year Event Fundraising	Assess the performance of the fundraising event within the correct context → Were factors causing an increase/decrease out of your control (COVID, weather, outlier donation) → Factors within your control which resulted in an increase/decrease of donations (keynote speaker draw, targeted donor solicitation, increased board or major donor participation)	→ Report output should include goal, total raised, percent of goal, total number of donors. Additional output fields include the number of tickets sold and ticket revenue, totals from event revenue streams such as auction, raffle, paddle raise, sponsorship revenue by fundraiser/team, etc. → Establish business rules for including/excluding soft credits on event or sponsorship recognition lists. For example, a trustee's firm donates towards the event and some organizations may choose to list the firm name as well as the trustee's name for the same donation within the recognition list in the event program as a gesture of goodwill to the trustee.
Direct Mail or Online Email Campaign Comparisons	Assess the performance year to year, season to season → Was the segmentation effective? Think about how this will affect your fundraising strategy for the remainder of this year and for next year. → Messaging – Does it change for different segments/audiences? → Data accuracy – Your returned mail and/or email bounce back rates reflect how clean your data is. Make data updates promptly, at a minimum before the next campaign. → Be mindful that you are recording gifts consistently from year to year (especially year-end donations). Reports may not provide a direct comparison if the criteria changes.	→ Report output should include goal, total raised, gift rate of return (% of gifts to total mailed/emailed), % of returned mail or email bounce rate, as well as open and click rates for email campaigns.

Additional KPIs For Consideration

⇢ **If your food bank supports one of these fundraising methods:**

- **Recurring/Monthly/Sustaining Gift Percentage** – Establish a goal for these donors. Reference the <u>Guide to Development SOPs in the Database/CRM Toolkit</u> for the reporting requirement for your monthly giving program.

- **Online Gift Percentage** – Establish a goal for online giving

⇢ *Fundraising to date – Usually fiscal year; cumulative to date*

- By source, i.e., funds received by month as segmented in organizational budgets (this report will require customization).

- By method, based upon gift coding details, such as campaign or appeal.

⇢ **Comparative Fundraising to previous year to date** – Two time periods to determine whether constituents have increased/decreased giving, with summary totals and % variance.

⇢ **Monthly revenue reconciliation report** – This report provides a detailed list of all gifts by donor. Reference the Reconciliation Guideline*s* for more information.

⇢ **Fundraising ROI** – How much are you spending to bring in donations? This measure can be modified to provide an ROI for an event or fundraising activity as well. [(Campaign funds raised – Total Campaign Cost)/Total Campaign Cost] x 100 = Campaign ROI

Donor Dashboards

CRM generated donor dashboards are a great "at a glance" barometer of your fundraising efforts. *Creation and formatting of reports vs dashboards will depend upon functionality of CRMs.*

RETENTION / ACQUISITION / LAPSED / MAJOR GIFTS

⇢ Review these percentages and develop a donor retention plan for various donor segments (new, lapsed, recurring, major gifts)

- Strategies will differ based on donor source (individual, major donor, board, alumni).

- Take care when segmenting so that you do not double count donors. For example, a major donor may also be a board member. If you report out board member giving separately, exclude them from other segments.

- Segmentation is beneficial when your content is tailored to each segment.

- Small segment groups will not prove helpful. If your results are providing small data sets, reevaluate your segmentation to see if it truly useful.

⇢ Donor Retention – Consecutive years report by donor

⇢ Lapsed Donors (last year but not this year, some years but not this year)

⇢ Acquisition/New Donor Report – define what "new" donor means (for example, if a donor gave 20 years ago but not since, would you consider them a new donor?

Additional Donor Performance Measurements

These measurements are useful in developing strategies and tactics that make a difference in your fundraising efforts:

⇢ Donor Growth year to year. A decrease would raise a flag to discuss strategies

⇢ First year (new) donor retention – how many donors are "one and done"?

⇢ Year-to-year donor retention – if this year's retention takes a downward trend, strategies are needed to develop long term supporters

⇢ Major Donor Dependency Benchmark - How dependent are you upon your largest donors?

⇢ Benchmark: 80% of your fundraising revenue comes from 20% of donors. As wealth inequality increases, that benchmark may likely be 90%/10%

⇢ Donation Growth – year to year change in donation revenue

⇢ Average Gift Size Growth – develop strategy to get donors to increase their donation by x% over the previous year (10%? 25%?). Leverage the relationships you already have to increase donations

Fundraising Operations

Metrics for measuring the performance of business processes can be challenging. Staffing, manual vs automated processes, and human factors need to be considered. Operations guidelines may be more valuable than business process metrics.

INTRODUCTION TO FUNDRAISING OPERATIONS PROCESS

Why do we need process guidelines for gift entry and acknowledgement?

⇢ Establishing processes will enable your development team to keep the gift entry workflow running efficiently. Gift acknowledgement is a key component in donor stewardship. Gift volume cycles (events, year-end fundraising) and staffing will change your gift processing timeline.

How do we begin to establish expectations around our fundraising operations processes?

⇢ Expectations regarding the operations process should involve the entire development team. Have a line item on your staff meeting agenda to establish and manage these expectations.

GUIDING PRINCIPLES

Automate your daily gift report by relying on your CRM's reporting or querying capability.

⇢ Your report format and detail should reflect the purpose of the report

- Are fundraisers looking for soft credit information so they can reach out to these individuals?

- Is the source/constituent type important to include?

- If the gift is a pledge payment, a pledge balance column is helpful to fundraisers.

- Include appeal coding to provide context for the gift.

- Do fundraisers need to know if a gift was made online?

⇢ The operations process should be a balance between efficiency and your food bank's culture.

⇢ Build a collaborative relationship between operations and leadership. Respect goes both ways.

⇢ The operations team should explain their processes. Often leadership is not aware of the time involved in certain procedures.

⇢ Operations staff can be proactive about suggesting process improvements.

⇢ Staffing considerations – the number of individuals processing gifts and acknowledgements will have a bearing on managing expectations.

Document your processes, manual and automated. The Guide to Development SOPs provides many guidelines and tips for process improvement.

⟶ Develop standards and policies so that gift entry and donor acknowledgement are consistent.

⟶ Number of manual processes - what can be automated via import or better integration.

⟶ Do not over-automate. For example, are you distributing gift batch reports *and* generating a daily gift report? Does your team really need both? Are you copying staff on auto generated tax receipts?

⟶ Review processes annually. A good time to review your processes and update acknowledgement templates is at the end of the fiscal year/beginning of the new year. If that time frame is too busy, choose a "slow time" to update. Sound processes will only need a few tweaks. Acknowledgement templates need a refresh at a minimum annually. Specific appeal or event acknowledgement template revisions should be built into your planning process for the fundraising project.

SUGGESTED STEPS FOR OPERATIONS PROCESSES

Donor & Gift Entry

GIFT ENTRY PROCESS

⟶ Have a standardized process to minimize judgement calls in gift entry; strive for consistency.

⟶ Create flowchart of current gift processing or gift processing checklist and review to determine where process slows and ways to streamline.

⟶ High volume – batch same type of gifts together when entering (i.e., cash gifts, credit card transactions, ACH, etc.)

⟶ If your CRM has gift batch functionality, use it. Gift batch templates provide consistency and reduce the chance of missing a field entry.

⟶ Document storage

- Paper documents filed
- Gift documentation stored in the cloud
- Check with your accounting department/auditors for required gift documentation.

DAILY/WEEKLY GIFT REPORT

⇢ The report format and details should be directly related to the purpose of gift review. Decide on the information to be reported – how detailed does it need to be? Recommended fields are donor, gift date, amount, gift type, fund allocation, solicitor (see Guiding Principles). Other useful fields for fundraisers are type of donor, soft credits, pledge balance, fund raising activity coding (such as for a campaign or appeal).

⇢ Recommended audience: Development/Fundraising department

⇢ Limit access to gift reporting/set permissions

⇢ Set up to email daily to key team members; weekly may be more realistic depending on staffing

GIFT ACKNOWLEDGEMENT

Donor stewardship and acknowledging gifts go hand in hand. Your food bank should establish an acknowledgement process in accordance with the Guide to Development SOPs. When you create your process, make sure to consider these factors:

⇢ Establish the timing of gift acknowledgement letters

  • Determine what is reasonable given your actual process.

  • Is a deadline of 24-48 hours realistic if letters must be hand-signed by someone who is often out of the office? How to measure this?

  • Consider staffing and the gift volume per day/week when setting this deadline.

⇢ Are letter templates used (recommended)?

  • Are letters generated in batches or individually?

  • Create letter templates for event, appeal, campaign, in-kind and grant donations, or for specific donors, such as a major donor.

  • Personalized letters have their purpose but tend to slow the process.

  • Refresh letter language (NFS recommends a quarterly review of letter templates).

  • The Guide to Development SOP recommends using automated letter generation whenever possible.

⇢ Acknowledgement Criteria

  • Refer to the SOP recommendations for gift thresholds for acknowledgement, proper language to acknowledge the charitable contribution and other information to include.

  • Type of donor – for example, all volunteers and staff donors receive an acknowledgement, regardless of gift amount)

⇢ Track your gift entry and acknowledgement process

  • Use CRM fields or create custom fields for acknowledgement date sent.

  • Many CRMs can provide dashboard readings for time between gift entry date and acknowledgement sent date.

  • You may also be able to create a custom query to track your process time.

  • Allow for variations in process time based upon staffing, gift volume, year-end or special fundraising events.

Donor and Proposal Tracking

⤍ Moves Management Report – A list to monitor the open and past due activities for donor prospects.

⤍ Pipeline Report – Open proposal/solicitation/ask by donor to include relationship manager/solicitor/front-line fundraiser, prospect stage, ask and expected dates and amounts; reporting will vary widely based upon your CRM functionality.

⤍ Pledge Status Report – List of pledges with a remaining balance (depending on the CRM, future installments and completed payments may be reported separately). Refer to Reconciliation Guide.

⤍ Pledge Fulfillment Percentage – Share this report with your accounting team, so that they can budget for a percentage of write-offs.

Software Specific Tips

SOFTWARE SPECIFIC TIPS—*continued*

SALESFORCE

- The Nonprofit Success Pack (NPSP) defines numerous report types and includes many out-of-the-box reports and dashboards
  - Oftentimes out-of-the-box reports do not work well out of the box. They're best seen as starting points to choose from and build upon.
  - LYBUNT/SYBUNT reports may require additional configuration of customizable rollups to support reporting needs
- Soft crediting logic is not pre-configured, configuration is necessary to meet organization requirements and support writing custom reports
- Dashboard subscriptions are an effective means of pushing scheduled data updates to users via email.
  - All recipients must be Salesforce users and have permissions to view the dashboard data
  - There is a limit of seven dashboard subscriptions per Salesforce Enterprise user
- The Salesforce Connector for Google Sheets enables syncing report data to a Google Sheet
  - Scheduled refresh can be configured at four, eight, or twenty-four hour intervals
  - Data may be shared from the Google Sheet with external stakeholders as needed
- Salesforce integrates with a wide range of systems including many data analytics platforms

RAISER'S EDGE

- Use RE Analytical Reports in database to view
  - New Donors Report
  - Consecutive Years
  - LYBUNT/SYBUNT
  - Campaigns, Funds, and Appeals Reports
  - Soft credit criteria should remain consistent across all reports
- Use RE Action Reports → Tickler Report for Moves Management
- Use RE Prospect Research Reports → Open Proposals Report
- RE NXT Fundraising → Reporting
  - Daily/Weekly gift reporting capability using specified criteria
  - Moves Management using Actions List
  - Provides Summary Reporting which can be filtered in a variety of ways.
  - Ability to schedule email for dashboards
  - Customized dashboards from Report Builder
- RE NXT Gift Management does not support entering pledges

DONORPERFECT

⟶ Personal and organization wide dashboards

- Standard configurable dashboards are included with all systems

  - Put favorite user reports front and center

  - See year over year fundraising totals

  - Create goals for solicitations/events for all users to see

- Completely customizable dashboard widgets are available using "Smart Analytics" for an extra fee and with special training.

⟶ Robust reporting capabilities

- 3 ways to create reports

- All Reports utilize Standard and compound filters which allow for specifying exact data required

  - Exports: All field including custom fields are exportable to Excel with Templates

  - Standard Reports: Many Standard reports with customizable Filters and Criteria

  - Easy report builder: For creating easy reports on the fly with filters, subtotals

BLOOMERANG

Built-in reporting tools can provide the following reports: LYBUNT, SYBUNT, loyal donors, top donors, newest donors, monthly donors, high potential donors, call list template, downgrades, household averages, pledge reminders, one-time donors, online donations, employer relationships.

⟶ Each report can be configured for your needs and then can be saved to either be scheduled or accessed when needed.

⟶ Reports cannot be converted to charts.

⟶ Reports are exportable to Excel, PDFs and other formats.

⟶ Reports can be emailed to users.

⟶ Report dashboards show any recent reports that have been generated. Bloomerang dashboards are static.