Gail Urquhart CONSULTING

CLIENT BACKGROUNDER

SELECTING DONOR MANAGEMENT SOFTWARE

With lots of options available in the marketplace, choosing a Donor Management platform can be an intimidating and time-consuming process for any charity or not-for-profit organization. Cost is often the first filter a charity uses to drive their decision. While cost is an important consideration, I always encourage clients to first think about why you need a database solution (or in the case of growth, why you believe you need a more robust database solution) and what you need it to do for you.

Where to begin:

Often, the driving need is to upgrade to a more flexible relationship management database that can support increased growth and manage unlimited data for all constituents in one easily customized database, while at the same time managing costs.

Some typical reasons for moving to a donor management software program or upgrading to a more robust system are noted below. Are some of these reasons yours as well?

(Add to the list if you have others – this will come in handy when you begin researching software options and talking to different vendors about their products)

✓	**What are your reasons for moving to or upgrading a donor management system?**
	You need increased efficiency that will be achieved by reducing manual processes associated with reconciling multiple spreadsheets, files, and your current database if you have one
	You want the ability to do easy mail merges from the database
	You want better management and oversight of your financial transactions (donations)
	You want to have more ability to do personalized contact with your donors and track its effectiveness on fundraising and donor retention results (data segmentation)

✓	What are your reasons for moving to or upgrading a donor management system?
	You want to manage fundraising events within one system and offer online registration to event registrants
	You need better reporting functionality, with the ability to modify reports using filters and selection criteria
	You want to be able to export data to Excel or other software programs using your own filters and data selection criteria
	You want to be able to migrate your current data (whether on a spreadsheet format, Access database system or other software platform to your selected solution
	You need to…
	You want to…

Once you've articulated the main reasons you're thinking of making a change or a new investment in a donor information management program, consider the specific functionality you may require in your system.

Requirements	Description	Rank this functionality for your agency – is it a High, Medium or Low Need for the next 1-3 years?
Basic Features		
• Add new donors		
• Enter multiple addresses	E.g. Work and home addresses for a donor	
• Add donations		
• Designate donations	Indicate donations are for a specific fund (e.g. Endowment) or program	
• Add new designations	Add a fund or program to the database to which donations can be designated	
• Track thank-you letter info	Record whether and when thank you letter was sent	
• Issue tax and non-tax receipts	Based on CRA guidance regarding receipting	

Requirements	Description	Rank this functionality for your agency – is it a High, Medium or Low Need for the next 1-3 years?
• Show gifts as part of a particular campaign	Indicate whether a donation is related to a specific event (e.g. gala) or campaign (e.g. direct mail or capital campaign)	
More Advanced Features That May be Desired		
• Add Actions	See below	
○ Track pledges	Track pledged donations, show when reminders are due, and when pledges have been made	
○ Track communication	Keep track of all significant letters, emails, phone calls, and meetings with donors. Set up reminders for future communications.	
○ Track donor cycle	Track what stage of the Donor Cycle a prospect or donor is in for major gift fundraising: Identification, Qualification, Cultivation, Solicitation or Stewardship	
○ Track by **constituent**	Constituent tracks the "type" of donor: Individual, Corporate, Foundation, or Government, Volunteer or other categories	
○ Update Actions in batch	Allow any of the above actions to be updated for a group of people in one step – e.g. an action could be added that everyone who is indicated to receive an annual report was mailed one on a given date.	
○ Set actions to update automatically	Allows for "if-then" scenarios, such as, If a donation is received online, then send an automated thank-you email and update the database.	
• Grant tracking	Track when grant applications and reporting requirements are due and completed	
• Mailing		
○ Mail merge from database	Create a mailing list for a specific set of donors and/or prospects directly from the database to send letters and create mailing labels	

Requirements	Description	Rank this functionality for your agency – is it a High, Medium or Low Need for the next 1-3 years?
○ Mass emails and tracking	Create and send an email to a specific set of donors and/or prospects directly from the database. Track who has opened the email, clicked on links, etc. automatically with no manual data entry required.	
○ Automated letters	Generate Thank you and Ask letters directly from the database. The donor record is automatically updated with which letter was sent and when.	
○ Ability to add own mail tracking e.g. "deceased", "gala invite", etc.	To ensure clean mailing lists, the database needs to have the ability to indicate who should be mailed what information. Enabling Donor Relations to add these fields as required speeds up the process.	
○ Address and deceased searches included	These searches check mailing lists against Canada Post records for those who have recently moved or passed away, keeping mailing lists clean and saving on postage costs.	
○ Email tax receipts		
○ Track Consent to email - automated updates	The database is updated automatically every time someone uses the online form to request to be added or removed from email lists. This maintains compliance with anti-spam legislation, and reduces time and errors from data entry.	
• See all donor info without re-searching	All donor information and history is visible by searching once as opposed to re-searching for the record on each screen of the database	
• Issue one consolidated receipt for multiple donations	E.g.: Monthly donors are issued one receipt at the end of the year rather than a separate receipt each month	
• Monthly donor – automated processing	With 1-2 clicks, process recurring donations, reducing time and errors in manually processing credit card payments. Credit card information is securely saved, only accessible by staff who need it.	

Requirements	**Description**	**Rank this functionality for your agency – is it a High, Medium or Low Need for the next 1-3 years?**
• Link records	E.g. link a business donor to a personal donor, or link spouses who are both donors. This allows quick access to all the information related to a donor.	
• Mobile app - to access database	Access database remotely from any smart phone or tablet so data entry can occur anywhere	
• Mobile app - to donate	Donate online using an "app"	
• Data import tool	Import information from an Excel database or other platform quickly and easily into the database, eliminating the need for double entering information and reducing errors	
• Event Management	Manage event logistics and tracking through the donor management system	
○ Accept online registrations	Allows online event registration (e.g. purchase gala tickets) that automatically update the database, reducing errors and time required to manually enter and track the information. A fully customized form collects all information required including guest names, dietary restrictions, payments, etc.	
• Receipting		
○ Issue corrected receipts	When processing errors occur (name, amount, etc)	
○ Issue duplicate receipts	For donors who misplace a receipt already sent to them. The replacement receipt should indicate "DUPLICATE" on it.	
○ Split receipting	E.g. gala ticket sales: issue <u>one</u> receipt that shows the non-tax and tax receiptable portions of the ticket purchase	
• Search by person for business record	Ability to search for a business donor by entering the contact person's name rather than the business name	
• Search by partial business name	Ability to search for a business using a portion of the name (e.g. "The Calgary Rotary Clubs Foundation" could be searched by "Rotary Club")	

Requirements	Description	Rank this functionality for your agency – is it a High, Medium or Low Need for the next 1-3 years?
• Use "tab" key to navigate through fields	Quickly enter data on the page by hitting "tab" to jump to the next data field	
• Online giving		
○ Online contribution form	An agency branded form for accepting online donations through the agency website	
○ Process online donations automatically	Online donations automatically fill to the database. Automatic thank yous and tax receipts can also be set up as desired.	
• Have multiple users of the system	Set up multiple people to use the database at the same time.	
• Combine duplicate records	Merge two records erroneously created for one person or company	
• Reporting		
○ Run canned reports for management reporting, data segmentation and/or data analysis	Run and save reports to pull information needed one-time or to pull data using similar criteria regularly	
○ Create custom reports	Design and save custom reports to pull agency unique information needed one-time or to pull data using similar criteria regularly	

Now it's time to look at software options and narrow your choices to a few that may fit the bill for your needs and budget. Here are two resources to get you started:

1. **Capterra** (www.capterra.com/donation-management-software/) - On an annual basis, Capterra researches, reviews, rates and compares software products in over 300 categories from Accounting to Yoga. Customer reviews are available and very informative, in addition to a section on Non-profit Software Research (www.capterra.com/nonprofit-software-research/) containing infographics, guides, e-Books and comparisons to assist you in finding the right solution for your organization. A pricing guide and cost comparison tool (www.capterra.com/fundraising-software/pricing-guide) provides an at-a-glance review of pricing options and links to the various provider's websites.

2. **TechSoup Canada** (www.techsoupcanada.ca/en) - TechSoup Canada's Technology Donation Program is a site that offers donated and discounted technologies to qualified **charities**, **non-profits** and **libraries** for an administrative fee that's typically 90% less than market value. Since 2003, over 30,000 recipients in Canada have saved over $303 million worth of

software and hardware including Microsoft, Adobe, Symantec and other vendor products. A comprehensive description of the Donated Software Program is available on the TechSoup website. In addition, information can be provided by telephone or email at the coordinates below. Of particular interest in the Donor Management area are Sumac and Donor Perfect (as reviewed and researched via Capterra (above).

To view the details on these applications, browse to www.techsoupcanada.ca

- Click on "**Browse Catalog**"
- In the drop-down menu, click on "**By Category**"
- Select "**Information and Database Management**" by clicking the down arrow on the right
- In the "**Subcategory**" box, select "**Constituent/Donor Relationship Management**"

Donated Software Program
1.855.281.5499 (toll free)
customerservice@techsoupcanada.ca

In summary:

- Do some advance work on determining what you think you need and why
- Explore options and narrow down to a few vendors that seem most likely to fit your criteria
- Explore the vendor's website, take a product tour with a sales rep or participate in a product tour webinar
- Contrast and compare on functionality, price, service, import/export ability, tech support and your other key criteria
- Talk to 'real users' of your top pick(s) – reach out on LinkedIn or other social media to find them rather than users the software vendor provides
- Develop a reasonable timeline for moving to your new solution. (You may need to run parallel systems for a period of time until you are fully able to tool over to your new platform)