



**Development
Department
Donor
Operating Manual**

4 PILLARS OF *Donor Process*



PROSPECT



CULTIVATION



SOLICIT



STEWARDSHIP

Prospect

1.1. Recruitment of donors must be tracked in the RaisersEdge database that the department uses for donor relations.

1.2 Development Coordinator and Philanthropy Coordinator will continually seek out new donors through multiple channels.

- Candid (Online platform department purchases yearly)
- Events (Includes fundraisers, donor appreciations, etc.)
- Social Media Campaigns
- Email List Subscribers

1.3 All interactions, including face-to-face, zoom, google Meet, emails, phone calls, and texts, are to be recorded in the Donor's profile in Raisers Edge. This information allows operational value "Outside Up, Inside Down" to be executed.

1.4 Donor profile should maintain well-documented notes, including essential facts about the individual, company, organization, etc.

1.5 Last Friday of every month, all prospect donors' information must be reviewed in RaisersEdge. ANY missing data should be sought out from donors, email, phone numbers, addresses, etc. Data Hygiene is most important during this process.

1.6 ALL prospects should be sent an event calendar twice a month to get the donor to learn more about the organization in person and not through social media, emails, or websites.

Cultivation

1.1. Cultivating donors is an art that takes time. Using the information in RaisersEdge that Coordinators have submitted should be reviewed before contact.

1.2 Focus during the cultivation process is learning about the donor's needs. The department must be able to deliver the wishes of the donor. Not all donors are a fit for our organization.

1.3 All information must be uploaded to RaisersEdge within 48 hours of meetings with Donors, excluding events. Personal Dinners, lunches, happy hours, etc., should occur at Manager's Discretion.

1.4 Donors should receive a phone call at least once a month during the cultivation process. Ensure the donor knows that we are more than black and white letters in emails, letters, etc. The department's focus is on helping donors leave a legacy.

1.5 Donors in the Cultivation stage should remain on the list until the Manager decides the donor is not a fit or not ready to commit to the organization—all donors in the cultivation process (First-time donors) should receive personal invites to events that are a fit for them. The strategy should be used at all times when cultivating donors. Do NOT invite a donor to something that is not of interest to them.

1.6 Managers must review the cultivation list of donors on the last Friday of every Month and create a plan to continue moving donors through the process of solicitation.

- Donor needs more engagement.
- Donor needs in-person opportunity (Breakfast, Lunch, Dinner, Happy Hour, etc.)
- Donor needs more information about Organization or Program
- Donor needs to attend an event.

1.7 Managers ensure donors in the cultivation process receive the information and attention needed to build a strong relationship. RaisersEdge should be updated daily with information and a Plan of Action for each donor.

1.8 See Expense Reporting for Cultivation Expenses.

Solicitation

1.1. Solicitation of donations MUST be entered into the Donor profile in RaisersEdge. ALL financial commitments MUST be documented the same day as the commitment, regardless of the actual money exchange. This reporting ensures accurate follow-up by any staff members with donors.

1.2 Donors should be entered into one of the three tiers the department has designated after the donation is received.

- Platinum (\$50K)
- Gold (\$25K+)
- Silver (\$10K+)
- Bronze (\$5K+)

1.3 Director, Manager, or Coordinator should be updated on the new donor that has been added to their portfolio during the next Department Meeting, not to exceed 5 days. (Department Meetings occur on Mondays. A solicitation that occurs on Tuesday or Wednesday should be sent in an email to the correct employee and followed up in Monday's Meeting)

1.4 Any donation that qualifies the donor for Leaving Legacy Membership should be reported to Director and CDO.

Naming Rights

2.1. Requests for the naming of any building, facility, space, room, permanent structure, or nonphysical asset at the organization in honor or recognition of an individual or entity need to be submitted to the Chief Development Officer. All naming opportunities must then get final approval from the CEO and CDO.

2.2 A naming opportunity exists when a gift is received for the benefit of the Organization through either a one-time gift, the establishment of an endowment, or a binding commitment to provide an annual gift.

2.3 Before any building, facility, space, room, permanent structure, or non-physical asset is named, a formal gift agreement must be signed by the donor and either the CDO or CEO and filed with the CFO.

Naming Rights Not Related to Permanent Structure

1.1. Donors that make donations for Program Sponsorship must be reported to CDO.

- Program Naming Rights
- Event Name Sponsorship
- Scholarship Naming Rights

1.2 CDO has the final decision on events, programs, scholarships, and other naming rights not associated with buildings, halls, facilities, spaces, or rooms. CDO will consult the CEO about the decision and justification.

1.3 Directors should be consulted before the final naming decision is reached. Directors should ensure the decision strategically achieves operational values—leverage donors against each other.

1.4 CDO and Directors should attempt NOT to offer exclusive rights to ANY events. Everything has a price, but exclusivity limits the entire organization. **IF** an organizational change would undoubtedly positively change the organization, the following will happen.

- CEO, CDO, and Directors will develop a proposal to the board for approval.
- Board will consult and review the material presented.
- After reviewing, an in-person meeting will be decided where the CEO and CDO will speak to Board and justify the reason.
- Board will vote (Only those with a vote) on the proposal and return the decision to the CEO within 21 days.

Gifts and Types of Donations Accepted

1.1 All gifts and grant award notifications to the organization must be sent to the CDO and processed through CFO, including gifts-in-kind.

1.2 For December/January, all individual donations must include the original or legible copy of the envelope with a visible postmark for end-of-year gift substantiation with the IRS.

- Donations to a specific individual are not tax deductible.

1.3 Types of funding accepted include, but are not limited to:

- Cash
- Checks
- Bitcoin

1.4 Credit cards

- Visa
- MasterCard
- American Express
- Discover
- PayPal
- Foreign currency
- Gifts in kind
- Grant awards
- Payroll deductions
- Stocks and securities
- Wire transfers

Stewardship

1.1. CDO, Directors, Managers, and Coordinators with a portfolio of donors must update all information in the donor profile once a month. Data Hygiene is a top priority year after year.

1.2 All donors are to be sent a handwritten Thank You Letter following their donation if it exceeds \$1,000.

1.3 Impact report as it relates to the Donor should be sent Quarterly.

- Example: If the donor gave to a specific program, they receive an impact report every quarter for that program.
- Do not send impact reports to donors not giving to a specific program during this process.

1.4 Donors are to be contacted via phone for memorable life events as the person in charge of their portfolio sees fit.

- Birthdays, Anniversary, Wedding, Newborn Children, Grandchildren, Job Promotion, etc.

1.5 Donor Celebration events should happen a minimum of twice a year or as CDO sees fit.

1.6 All donors should be kept in contact consistently throughout the year based on their giving level. Department has a goal of moving Donors up, Leaving Legacy Membership, which is achieved through excellent stewardship.

1.7 Yearly Renewals of Leaving Legacy Membership should begin processing in September. The fall is an excellent time for giving and renewing members will take time to navigate.

1.8 End-of-Year impact report should be sent to ALL donors and Prospects, updating everyone on the past year and the organization's future.

Expense Reporting

1.1 PDF Fillable Form should be submitted for all donations-related expenses to CDO. CDO, once approved, will send to AP for processing. No expenses will be approved without the approval of CDO.

1.2 Accounting Department is responsible for establishing department codes and expense account codes.

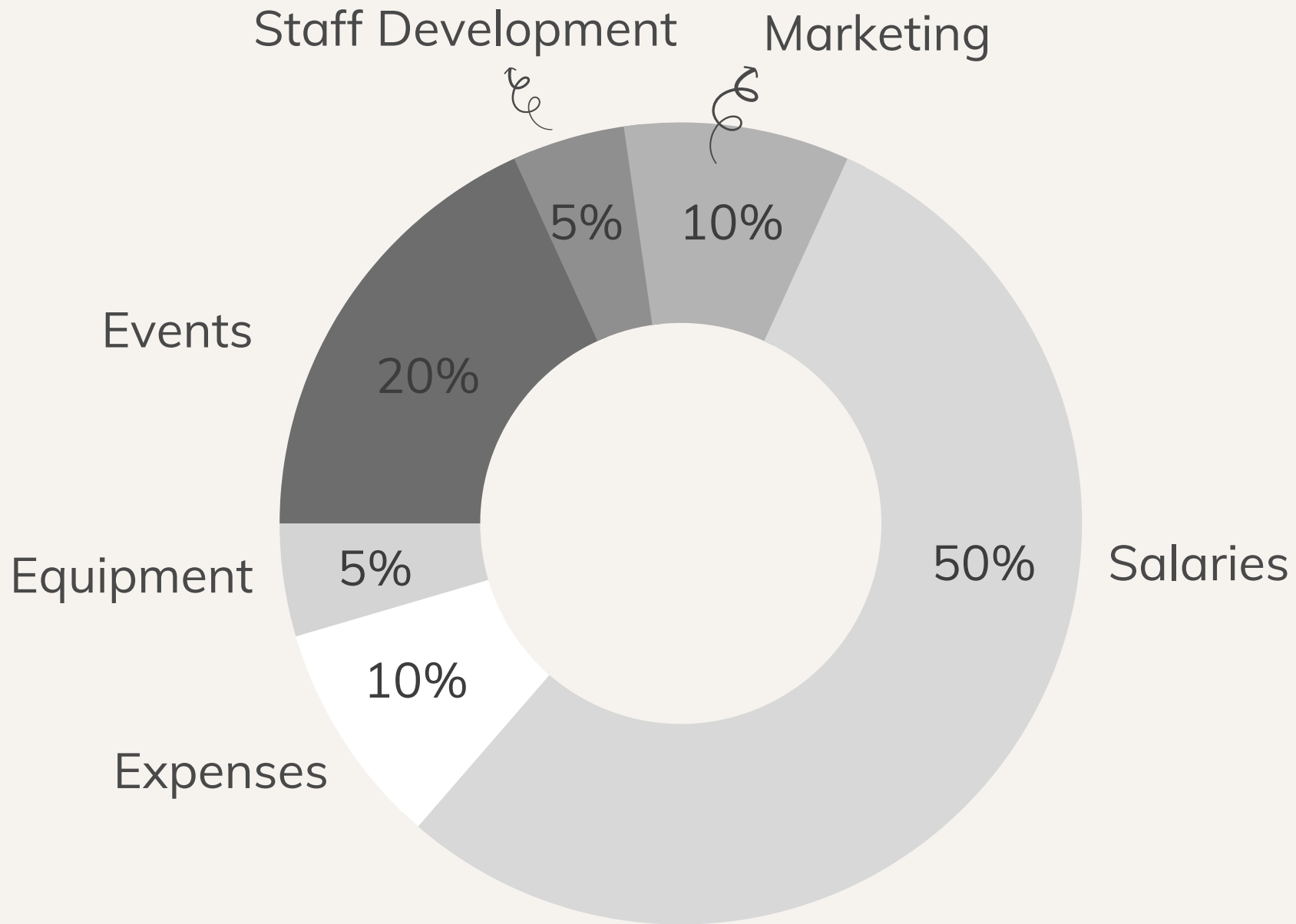
1.3 CDO should remind all staff of PO and expense reporting procedures. CEO is recommended to conduct an audit of expense reporting as seen fit in collaboration with CFO to ensure transparency.

1.4 Expense account for Donor relations should be estimated at 10% of the yearly department budget.

1.5 CDO is in charge of all related expense reports for the Development Department and should maintain accurate record-keeping for Directors, Managers, and Coordinators.

1.6 Any expenses over **\$10,000** require CEO approval. Any expense below **\$9,999** requires only CDO.

Budget for **DEVELOPMENT**



Challenges

Donor Retention

Donor Retention will always remain a challenge for Development Departments. Donors will give one year, and the next will give nothing.

Establishing a balance between staying in contact with the donor and not coming across as pushy or demanding is critical. Keeping excellent records in the RaisersEdge donor database allows the department to analyze the communication between staff and donors. A plan of action should be in place for any donors in the cultivation stage.

Stewardship is most important in donor relations. It is easy for people to forget about donors once the donation has been made. Thank You, and Impact Reports must be sent promptly to keep the donor as a repeat client.

To maintain high donor retention percentage, CDO should constantly review the stewardship program and tailor the program as needed. More donor appreciation, new ideas, and outside-the-box thinking may be necessary to retain donors.

Lack of Variety in Events

It is easy for a development department to establish a system for events and fundraising and not change the structure. Examples are hosting the same event every year, same month, same day, and the same location.

To attract new donors and provide variety to donors, the CDO and Directors should strive every year to change the least performing event or add a new event. The task seems daunting, and the risk will not seem worth it, but new donors and existing donors are the same because new things spark new interest.

Exploring new avenues of revenue and raising funds will require change within the approach. During the Cultivation process of donors, information about interests can be learned. This information can lead to a strategic change in a new event or an opportunity to attract and retain new donors. Society constantly changes, and Development departments must change their strategy to align with donors.

Debriefs should occur after every event recapping the good, bad, and ugly. CDO should push the department to analyze all events from the donor's perspective. Feedback given about the event from donors, staff, and those in attendance should be compiled in a report, and at the end of the year, CDO and Directors should consult on events to keep and events to scrap.