CHAPTER **1**

Organizing Fundraising

The Raiser's Edge has been designed as both a "front office" and "back office" system. What do we mean by that? Think of the back office as tasks such as gift entry and acknowledgement, interfacing with accounting, and running after-the-fact reports of money received. The front office is you, the frontline fundraiser out raising money. The Raiser's Edge was designed to be used by and for you and not just as an administrative system.

Therefore gift coding in The Raiser's Edge is not just about gift data entry fields. Gift coding should represent how you and your organization fundraise. It has two purposes:

1. To help you organize and manage your fundraising.
2. To help you track and report on your progress toward your fundraising objectives.

The codes used with gifts apply to functionality throughout The Raiser's Edge, not just the gifts you receive. For example, these codes also affect the setup of your fundraising staff, fundraising volunteers, prospects, and donors in the system.

This chapter is about how to reflect in The Raiser's Edge the ways your organization raises money. The primary structure to do this uses the following three types of "records" (I explain a "record" shortly):

1. Campaigns
2. Funds
3. Appeals

Matching your fundraising structure with these records seems easier than it usually is in practice. Blackbaud provides definitions for each of these records in The Raiser's Edge, but often I see two situations that I would like to help you avoid:

1. Confusion on the organization's part—among the fundraisers and the database staff alike—about what their campaign, fund, and appeal structure should be.
2. Rigid adherence to the user guide definitions that do not make sense for the particular organization. This adherence results in the need to do development, senior management, and board reports in Excel and Word documents, defeating the investment the organization has made in The Raiser's Edge.

There are three objectives for this chapter:

1. *Help you understand campaigns, funds, and appeals.* These are concepts you encounter repeatedly in looking at data and asking for reports. Fundraisers need to understand the terms and roles these records play in data entry and output.
2. *For organizations already using The Raiser's Edge, help fundraisers evaluate whether your campaign, fund, and appeal structure is set up and being used to best effect for your fundraising needs.* Many organizations struggle with reporting and question whether this structure is set up right. This chapter helps you decide whether the way your database is set up best meets your fundraising needs.
3. *For organizations implementing The Raiser's Edge, help fundraisers decide what the campaign, fund, and appeal structure should be.* These are key concepts and fields in the database and much forethought needs to go into deciding how to use them. Setting up campaigns, funds, and appeals correctly helps determine your success and happiness with The Raiser's Edge.

If you follow fundraising best practice, you enter each fiscal year with a fundraising plan. Let us talk about how to apply that plan to The Raiser's Edge so you can use the software to perform and track your fundraising through the year.

Getting Started with The Raiser's Edge

When you log into The Raiser's Edge, you are not going to see a screen that says "Organizing Your Fundraising" or anything similar. The Raiser's Edge is laid out based on the different "parts" you need over the course of using the database. Think of starting to use The Raiser's Edge like walking into a kitchen. The pots and pans are in the cabinets below the counter, the spices are in the cupboards above, some of the ingredients are in the refrigerator while others are in the pantry. The utensils you need to whip it all together are in the drawers. You have to take out the tools and food from the various locations in the order you need them to make each meal. They are not neatly lined up for you in just the right order.

The Raiser's Edge is like that kitchen. When you log in, you are presented on the main screen, called the "shell," with the various tools and parts that make up the system as shown in Figure 1.1. When you use The Raiser's Edge, you need to select the particular functions and resources available to accomplish a task. These functions are not grouped together or labeled with the particular task at hand because the same tools can be used many different ways for a number of different purposes.

Blackbaud is changing this in the next generation of The Raiser's Edge, but understand this rationale when approaching the system. There *is* a lot there. But just as a kitchen with only a spoon and knife will not allow you to make much of a meal, if The Raiser's Edge only had a few options you would not be able to do much fundraising with it. With the blender, food processor, and double ovens, you can do so much more.

When you log in, you see a list of options down the left side of the screen as shown in Figure 1.1. These options are called "pages." The Raiser's Edge was designed to look similar to a web site. A web site has a home page and many other pages; so does The Raiser's Edge. There is the Home page, Records page, Reports page, and so forth.

FIGURE 1.1   The Raiser's Edge "Shell"

What pages you see depends on your security rights. As we discuss in Chapter 8, most fundraisers do not see all the pages that are available. Some of the pages are for tasks that only the database administrator needs to do.

Your database administrator should have assigned you a login name and password. Contact your database administrator if you have any challenges logging in. Your database administrator can also assist you if you are not able to access or use the functions discussed in this book.

Please protect your login name and password carefully. Create a password impossible to guess. Try to avoid writing it down (your database administrator can always reset your password if you forget it). Your login name and password provides access to sensitive name, address, telephone, wealth, relationship, gift, and other information that needs to be protected carefully. It also identifies you to The Raiser's Edge, giving you ownership of the items you create and the settings you prefer to use.

Accessing Campaign, Fund, and Appeal Records

To see the setup of your fundraising, click on **Records** in the upper left corner of The Raiser's Edge. There are three types of records on the Records page shown in Figure 1.1 that are relevant to organizing fundraising in The Raiser's Edge:

1. Campaigns
2. Funds
3. Appeals

You need to know where these records are located so you can see the list of them and to track their individual performance. For example, to most powerfully measure the performance of an appeal, you want to use the Appeal Summary available within the appeal record (discussed in Chapter 7).

Our intent here is not for you to do data entry. In a well set-up system typically only the database administrator for The Raiser's Edge has access to add and edit campaigns, funds, and appeals. Occasionally only the annual fund manager will have add and edit rights to just appeals.

A "record" in The Raiser's Edge is an entity that is big enough and important enough to have its own file in the database. It is not just an item in a list but instead has many fields of information related to it. "Record" means "database record." Your prospects, donors, and other individuals and organizations have records in the database because they have name fields, address fields, notes, gifts, and much more information associated with them.

Campaigns, funds, and appeals—the way we organize fundraising in The Raiser's Edge—are records because they are more than just names, as shown in the fund record in Figure 1.2. They are more than just options in a list of choices when doing gift entry. They have dates, goals, notes, ways to categorize them, possibly solicitors raising money for them, and relationships to each other (e.g., the direct mail appeal raises money for the unrestricted fund). Funds have the ability to be set up to relate to your accounting software. Appeals let you track how many constituents were
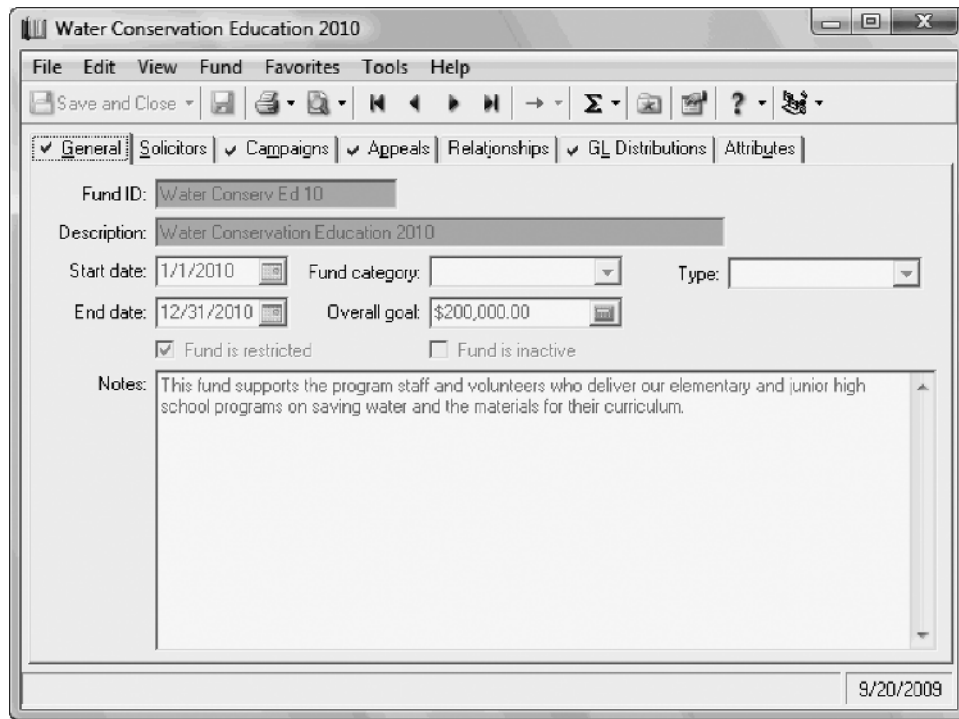

FIGURE 1.2 A Fund Record

solicited, how much the appeal cost, and what steps are necessary to accomplish the appeal.

To open a campaign, fund, or appeal record, type the name of the record in the **Quick Find** field on the relevant Records page. If you do not know the name of the record you are seeking, click the **Open a . . .** option on the screen. When the Open screen appears, if it does not automatically show you all of the campaign, fund, or appeal records in your system then click on the **Find Now** button and it will. Then simply double-click on the campaign, fund, or appeal you would like to see to open it.

Defining Campaign, Fund, and Appeal

The data entry for campaigns, funds, and appeals is easy for your staff as shown in the sample fund record in Figure 1.2. Where organizations struggle, and what is most important for you as a fundraiser to understand, is what the campaigns, funds, and appeals should be.

Why This Is Important

The standard fundraising plan usually addresses four primary points:

1. How much needs to be raised for each program or purpose, including unrestricted money.
2. How that money is going to be raised.
3. From whom it is going to be raised.
4. Who is going to raise it.

Therefore fundraisers want and need to measure four things about the money they raise:

1. What the money is for.
2. How the money is raised.
3. Who gave the money.
4. How much each fundraiser raised.

The best way to measure these by using The Raiser's Edge is to *assign a different field for each of these metrics*. Although one might inform the other—it is likely you have different fundraising methods for your corporate donors than your other donors—fundamentally "*Who* gave?" and "*How* were they asked and *why* they gave?" are two different questions.

As a modern database, The Raiser's Edge takes the approach of putting the answers to each of these questions in their own fields. You should do this also, as you define your campaigns, funds, and appeals.

There are many functions and rules about campaigns, funds, and appeals, but let us focus on the common challenges and solutions to help you determine if your campaigns, funds, and appeals are set up well. It is the work of *determining* what

they should be that is the most important and hardest challenge. Once you have the structure designed or fixed, they are easy to enter or modify in The Raiser's Edge.

User Guide Definitions

The user guide for The Raiser's Edge defines these records as follows:

- *Campaign:* "A campaign is your overall objective to raise money. For example, a museum can have a New Building Campaign with the objective to raise money for a new location. Of campaigns, funds, and appeals, campaigns are the broadest type of record. Campaigns act as an umbrella over funds and appeals."
- *Fund:* "A fund identifies where to track gifts and pledges for financial purposes."
- *Appeal:* "An appeal is a solicitation that brings in your gifts. Solicitations can include auctions, direct mailings, and phonathons."[1]

The classic Blackbaud training example is to pretend for a moment that we are the Red Cross. We are doing a direct mail piece asking our supporters to send in a gift and allowing them to designate the disaster they would like their relief gift directed to. So:

- We have a "Disaster Relief Campaign."
- There would be one fund for each of the following donor designation options:
  - Relief Fund for those in Location X affected by Fires.
  - Relief Fund for those in Location Y affected by Floods.
  - Relief Fund for those in Location Z affected by Hurricanes.
- The appeal would be the Disaster Relief Direct Mailing of June 201X.

There is nothing wrong with these user guide definitions. However, in the real world it can be difficult figuring out how to overlay an organization's specific development plan into this structure.

Another Perspective

Let me give you my perspective on defining campaigns, funds, and appeals. Although this perspective is not as short as those provided in the Blackbaud documentation, I hope they help you understand the intent of them in the software and how they should work for you.

It helps to understand that The Raiser's Edge uses standard fundraising terms with "campaign," "fund," and "appeal." It can be confusing using these words of broad meaning for a specific purpose in the software. For example, some organizations do "direct mail *campaigns*" that should be set up as *appeals* in The Raiser's Edge. In my work with Catholic dioceses, the "Bishop's Annual *Appeal*" is best set up in The Raiser's Edge as a *campaign*.

The user guide definitions often work, and mine will be very similar, but here is the fundamental concept: *campaigns, funds, and appeals are merely categories for organizing your fundraising.* Do not be too concerned about matching the literal

meaning of the words used to name these categories in the software. Focus on their *function* instead.

The primary purpose of these records is twofold:

1. *Reporting* by these categories, such as getting statistics such as total dollars raised, number of donors and gifts, average gift size, and so forth. The Campaign Performance Analysis Report is shown as an example in Figure 1.3.
2. Quickly and easily *filtering* all gift output by any combination of these three categories. They show up as filters on all gift output so you can see just the gifts and giving totals you want. For example, see Figure 1.4, the filters for the Constituent Giving History Report.

Let us explore these two purposes a little more. Understanding what campaigns, funds, and appeals *do* in The Raiser's Edge is critical to understanding what they should *be*.

As the primary way to categorize and track your fundraising, there are numerous campaign, fund, and appeal reporting tools. We discuss these more in Chapter 7, but they include:

- *Summaries*, affectionately known as the "thermometer screens," because they use the classic fundraising performance measurement to graphically represent your progress toward a goal. They also provide a number of useful breakouts of gifts received by calendar year, fiscal year, gift type, and so forth.
- *Performance Analysis Reports* that show total dollars raised, number of donors and gifts, average gift size, goal, and progress against goal. For appeals they also include cost per gift and response percentages. Figure 1.3 is an example of a Campaign Performance Analysis Report.
- *Statistical Reports* show these statistics and others for one time period you define; two time periods with variances (e.g., how are we doing so far this year to date as compared to last year to date?); and three to five time periods shown side-by-side.
- *On-screen "dashboards"* that give you graphs and data in tables that allow for drill-through capability for greater detail.

You can easily use these tools for one campaign, fund, or appeal; for all of this year's fundraising broken out by campaign, fund, and appeal; or for multiple years fundraising by campaign, fund, and appeal.

Furthermore, when doing all gift-related output such as lists, reports, and exports, you can filter by campaign, fund, and appeal. For example:

- When doing invitations for an event, if the events are reflected in appeals you can easily filter for and find all those who have given to the event before.
- When calculating total giving, we usually want separate lists for capital campaign giving and annual campaign giving. The report we run from The Raiser's Edge to get lists for the annual report provides an easy filter for campaign to create these lists. A tab similar to the Filters tab shown in Figure 1.4 shows up in almost all reports.

The Society for the Bay Campaign Performance Analysis
Fiscal Year to Date

Campaign	Number of Donors	Average/Donor	Number of Gifts	Average/Gift	Total Given	Goal	Over (Under)	% Goal
Capital Campaign	78	$17,120.83	214	$ 6,240.30	$1,335,425.00	$2,000,000.00	($664,575.00)	66.77%
Direct Mail	115	$ 252.23	201	$ 144.31	$ 29,007.00	$ 50,000.00	($ 20,993.00)	58.01%
Events	39	$ 5,901.99	102	$ 2,256.64	$ 230,177.00	$ 150,000.00	$ 80,177.50	153.45%
Internet	55	$ 190.14	94	$ 111.25	$ 10,457.50	$ 15,000.00	($ 4,542.50)	69.72%
Major Gifts	86	$ 9,313.90	231	$ 3,467.51	$ 800,995.00	$ 750,000.00	$ 50,995.00	106.80%
Membership	41	$ 609.20	83	$ 300.93	$ 24,977.00	$ 50,000.00	($ 25,023.00)	49.95%
Planned Giving	9	$32,316.67	10	$29,085.00	$ 290,850.00	$ 350,000.00	($ 59,150.00)	83.10%
GRAND TOTALS	**423**	**$ 6,434.73**	**935**	**$2,911.11**	**$2,721,889.00**	**$3,365,000.00**	**($643,111.00)**	**80.89%**
Actual Counts	**170**	**$16,011.11**	**916**	**$2,971.49**				
A Total of 7 Campaign(s) Listed								

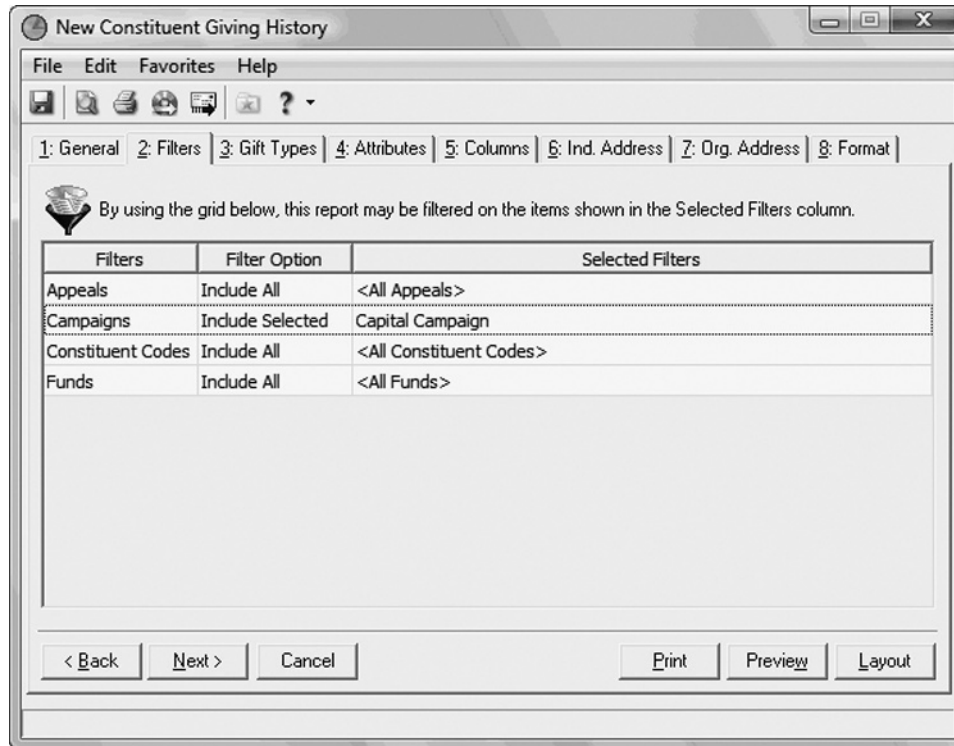FIGURE 1.3 The Campaign Performance Analysis Report

FIGURE 1.4   The Filters Tab for the Constituent Giving History Report

- When you get close to the end of the year, you might want to run the LYBUNT report—those who have given Last Year But Unfortunately Not This year. Filters for campaign, fund, and appeal make it easy to say, "show me everyone who gave a major gift last year but has not this year" so event, direct mail, and other small gifts do not confuse the matter.
- When working with direct mail consultants, they often want to know the prospects' last and largest gifts for RFM (Recency, Frequency, and Monetary value) segmentation. They probably do not want event or unsolicited tribute gifts counted in the "last" and "largest" calculations. In this case filtering by appeals makes it easier for your staff to include only those gifts of interest.

Your campaigns, funds, and appeals should be the categories you want to use to report and filter giving.

The purpose of this discussion is to encourage use of the functionality of The Raiser's Edge in the way that is meaningful to your organization. If the user guide definitions work for your organization, use them. What you should not be doing is setting up The Raiser's Edge to match those definitions and then struggling to report on the money raised in the categories that management and the board actually want to see. Do not feel you have to be forced into a structure that is artificial and unnatural for you because the database seems to require it—it does not.

Based on this context, here are my definitions and descriptions of campaigns, funds, and appeals. Campaign is usually the level that organizations struggle with the most in their Raiser's Edge setup. Let us leave campaigns for last so there is more context when we discuss them.

Funds

The intention and primary use of Funds in The Raiser's Edge is to record what the money is for, the program or purpose the money is to be spent on. We do not raise money to raise money; we raise money so the organization can spend it to accomplish the organization's objectives. For example:

- A hospital foundation might have funds for Patient Services, Cardiology, Pediatrics, and Oncology.
- A school might have funds for Scholarships, Library Books, and Athletics.
- A zoo might have funds for the African Exhibit, the Bear Exhibit, and Educational Programs.

Every organization has a fund for Unrestricted, whether by that name, "Annual Fund" or some other variation, to indicate the money was given to be spent however the organization best sees fit.

Fund is a required field for every gift in your system and is the pivotal category.

Fund is also the category in The Raiser's Edge that is supposed to correspond to your accounting software, whether The Financial Edge from Blackbaud or another accounting software package. If you are doing your initial setup of funds in The Raiser's Edge for a forthcoming implementation, or you are evaluating the accuracy of your funds because of problems with them, read the accompanying note on "How Funds in The Raiser's Edge Relate to Accounting."

Note: How Funds in The Raiser's Edge Relate to Accounting

Fund is the field in The Raiser's Edge that should correspond to the coding in your accounting software. Donors give to support the mission of the organization: we hope, as nonprofit managers, the money is given without restrictions, but often donors will restrict their gifts. We also deliberately ask for money for specific purposes knowing that donors are more likely to give to mission than overhead.

The expectation is that your accounting software will have accounts (or, in The Financial Edge, "projects") to track what the money is for. The accounting department has several reasons to need to know gift restrictions, among them:

- It is one of accounting's roles at a nonprofit organization to ensure that the organization is a proper steward of donations. They help make sure money gets spent for the purpose it was given. Although accounting might track how money is raised and by whom it is given, that is detail for internal analysis and decision making. Honoring donor intent is the more important

fiduciary responsibility of the organization that accounting helps to ensure is accomplished.

- Another of accounting's roles is to manage the expenditure of the organization's money. Accounting needs to know how much money each program has received, so they can approve and deny expense requests by program staff.
- The accounting department also has audit, accounting, and legal responsibilities in their recording and reporting of money. For example, donor intent helps drive their classification of money as unrestricted, temporarily restricted, and permanently restricted.

Fund is intended to be the categorization level in The Raiser's Edge that corresponds to the accounting software's chart of accounts. If you use The Financial Edge and wish to integrate your two Blackbaud products, it is critical that you, your accounting staff, and if necessary, your senior management, work together to determine what your funds in The Raiser's Edge and accounts and projects in The Financial Edge should be.

If you do not use The Financial Edge or your organization has no desire to integrate it with The Raiser's Edge (not a recommended approach), you have more flexibility about how you structure your funds. However, it is best practice that The Raiser's Edge and your accounting software be reconciled each month. Although this can be a difficult task initially, it is an achievable and recommended one (we talk more about this in Chapter 3). The Greater Bay Area Make-A-Wish Foundation has been reconciling The Raiser's Edge and the accounting system Peachtree to the penny every month on more than $6 million of annual income. Other organizations do this as well.

To be able to reconcile with accounting, your copy of The Raiser's Edge should have a field that corresponds with the structure of your accounting software. It is highly unlikely you want to balance a month based on total revenue and if the month does not balance, ask your staff to compare every batch or every single gift between the systems. Fund in The Raiser's Edge is usually the level at which you reconcile the two systems.

However, none of this means your funds have to be defined as what the money is for or its program purpose. Some organizations simply do not need to give up all functionality in The Raiser's Edge for funds to track the fact that almost all gifts are unrestricted or for a single program purpose. What is perhaps more useful instead, and what may be so ingrained in the organization that it is reflected in the accounting chart of accounts as well, is how the money is *raised*. Fund can be defined that way instead.

At Junior Achievement, the vast majority of money was raised as unrestricted. There was no value in defining fund records as "the purpose of the gift" because one fund would contain almost all the money raised. This would make this functionality almost useless for any meaningful reporting or filtering. The way we wanted to track money was by how it was raised, not what it was for. The campaign, fund, and appeal structure was a hierarchy, like an organizational chart, of how money

was raised. The broad groupings were the campaigns and the most detailed levels were the appeals. For example:

- There was a "Board Fundraising" campaign with funds for each of the ways the board was involved in fundraising.
- There was a "Special Events" campaign with each of the events as a fund, such as "Bowl-a-thon" (BAT). The appeals for each fund were the ways money was raised by each event, such as "BAT Event Sponsorships," "BAT Bowler Sponsorships," and "BAT Registration Fees."
- The "Personal Giving" campaign only had one fund but there were several appeals for the efforts used to raise money from people, such as direct mail.

Another common exception to the standard definition is that many organizations will assign each large special event to a fund even if the other funds refer to program purposes. The gala, bowl-a-thon, golf tournament, and other such events each have corresponding fund records. I am usually not an advocate of this approach because it is not a consistent definition of fund—some funds are defined as the purpose of the money while others are defined as the way it is raised. Events are not held to raise money for events, events are held to raise money either for unrestricted or restricted purposes. Ideally the fund for event money would stay true to that intent, and the event would be reflected in the appeal and by linking the gift to the event (for those with the RE:Event optional module). But many organizations do create funds for events, and those events are represented in the accounting system the same way.

Tip: Funds for the VSE Report for Educational Institutions

If your organization participates in the Voluntary Support of Education (VSE) survey from the Council for Aid to Education, there are further considerations you should understand before setting up your funds in The Raiser's Edge. Funds should play a pivotal role in defining the categories to complete this survey. To learn more, reference the Blackbaud documentation and Knowledgebase on this topic. Also consult the Council for Advancement and Support of Education (CASE) *CASE Reporting Standards & Management Guidelines*, 4th edition.

Because the VSE survey plays an important role in fundraising reporting for educational institutions, tips such as this one will appear throughout the book where particularly important. Similar tips do not appear for other sectors in the nonprofit field because no other sectors have the reporting standardization that has developed in the educational sector.

Appeals

Appeals are probably the easiest fundraising record type to understand in The Raiser's Edge. They are the most consistently defined across organizations. Although The Raiser's Edge does not require the **Appeal** field for every gift, most organizations modify their copy of the software and make it a required field.

Quite simply, appeal is used to indicate *how the money was raised, what prompted the donor to make the gift.* This is intentionally highly specific. It is appropriate that your copy of The Raiser's Edge have hundreds or thousands of appeals from years of fundraising. Typical examples include:

- July 201X Direct Mailing
- Winter 201X Newsletter (if it includes a gift reply envelope)
- Fall 201X Alumni Telemarketing
- Gala 201X Invitation

Assigning specific dates to most appeals is best and most common practice. With this field we are tracking the specific ask that resulted in the gifts and measuring the performance of those specific asks, not general types of asks.

Other common appeals that are correct but have no date specificity include:

- *Unsolicited.* This appeal is needed if the gift **Appeal** field is made a required field. It simply indicates that your organization has no idea what prompted the donor to give but should be used sparingly.
- *Personal Ask.* You might call this "Face-to-Face Ask" or something else, but this is used for major gift asks that happen on a one-off basis.
- *Grant Application.* Use this for other one-off asks that are by application or proposal rather than a direct ask.
- *Tribute.* Some organizations want to break tributes out by "Memorial" and "In Honor Of" if they get a number of these gifts. "Tribute" covers gifts you did not directly ask for but were the recipient of either because of family member requests or simply from the donor's own motivation.

Packages

Appeals have further functionality not yet mentioned: Packages. A "package" in The Raiser's Edge is a subset of an appeal. While, at your discretion, campaigns, funds, and appeals can be used in any combination, each package always belongs to one specific appeal. Packages are typically used in three ways:

1. As the name implies, package can be used to indicate different packaging of the appeal. This lets you test, as direct mail professionals like to do, which of the formats of the appeal are most successful. For example, a direct mail appeal might be divided between versions offering a premium and those not providing that option to test which has the best net results. Another example of different versions of an appeal would be telemarketing, in which different scripts are tested for effectiveness. Each script would be assigned a different package code when recording gifts from the calls.
2. Another use of package is for segmentation. There are two common examples of this.
   a. For direct mail programs that do RFM segmentation (Recency, Frequency, and Monetary value), the codes assigned to the prospects can be recorded as packages. Blackbaud has a software program that will handle this directly with The Raiser's Edge. Most organizations, however, have their direct mail consultant or mail house do this coding outside The Raiser's Edge and afterward import the segmentation codes back into the system.

    b. At the end of the year, many organizations do an end-of-year or holiday ask. Typically, this is segmented so that board members and major donors do not get the same letter as smaller donors. Given that it is really the same appeal—the "End-of-Year 201X Direct Mail appeal"—the segments assigned are usually recorded as packages. All copies of The Raiser's Edge have the ability to do this using the Mail page we will talk about in Chapter 4.

3. A third typical use of packages in The Raiser's Edge is to record the source lists when doing acquisition mailings. The names of the mailing recipients are not in The Raiser's Edge when doing acquisitions unless you use this type of mailing to renew long-lapsed donors. When your newly acquired donors give, their gifts can be entered, based on codes from the reply device, with the source list so you can measure the performance of each list purchased or traded.

Packages do not have to be used on every appeal. If you decide to use them on an appeal, however, all packages within that appeal need to follow one of these definitions. For example, one acquisition appeal cannot have packages for both packaging format and source list. However, an acquisition appeal could use packages for source list while another appeal in your system uses packages for packaging format.

Both appeals and packages are typically entered in two places in The Raiser's Edge after they are set up in Records:

1. They are entered on the Appeals tab of constituent records to indicate the constituent was sent the appeal and package, regardless of the constituent's response. This should be done for every solicitation your organization sends and can be done globally. This is called an "assigned appeal."

2. They are entered on the gifts that are received in response to the appeals so you can measure their success. This is called a "gift appeal."

Campaigns

Campaigns are the hardest fundraising record type to define. They are also the most difficult for which to find the proper role at most organizations. Applying the "overall objective" definition is harder than it sounds.

Deciding what to define as a campaign is not hard when there is a capital or endowment campaign in progress. The capital and endowment campaigns become campaigns in The Raiser's Edge with clearly defined goals and date ranges. For example, we can have the "Campaign for the 21st Century" to build a new building, we need $2.5 million to do that, we kicked off the campaign on July 1, 2009, and plan to complete it by August 31, 2012.

The challenge is how to use the campaign record in The Raiser's Edge for fundraising not related to a classic capital or endowment campaign. For efforts to raise money for the organization's annual needs, what should the campaigns be?

The key is that your *campaigns should be the topmost, broadest grouping and categorization of your fundraising efforts* that you want to use for

- Reporting
- Filtering giving output

When you ask for reports for your development department, how do you want to see fundraising broken out? What reports do you give to your organization's senior management? To the development committee of the board? To the board of directors or trustees?

What you do not want to do is to force your Raiser's Edge campaigns to match some user guide definition and then make your staff jump through hoops to create reports for these audiences in Word or Excel. Even if you want a specific presentation formatted in Word or Excel rather than using a standard report from The Raiser's Edge, your staff should be able to run campaign reports and just take the numbers off them for your Word or Excel versions. If your staff tells you they have to run a lot of queries, reports, or exports to give you your regular reports, something is probably amiss.

Here are some common examples of what organizations do for their campaigns:

- *Do not use campaigns.* Some organizations are small and straightforward enough that the funds and the appeals track what is primarily needed and adding another layer of categorization is not needed. These organizations choose not to use the campaign records at all, which is fine because **Campaign** is not a required field on a gift.
- *Use one campaign per year.* Another option is to create one campaign for each fiscal year, perhaps simply named "Annual Campaign 201X." There is nothing wrong with this approach as long as in doing so you are not then asking your staff to group your funds or appeals into other categories to give you the reports you really want.
- *Use campaigns to group appeals.* Some organizations use campaigns to group appeals together. Senior management and the board do not want to see how each and every appeal is doing but they do want to see how money is being raised. The campaigns might be ways to categorize the appeals for this purpose. For example, here are the campaigns used by a boys school in Northern California:
  - Direct Mail
  - Major Gifts
  - Planned Gifts
  - Corporate and Foundation Grants
  - Special Events

    "Membership" could be added to this list for organizations that have membership programs.
- *Use campaigns to group funds.* Other organizations are more focused on what reason the money is being raised, but senior management and the board do not want to see a report of every fund in the system. This would be applicable in large organizations that have a relatively large number of active funds, such as hospital foundations and schools. The campaigns could then be ways to group funds. For example, a hospital foundation might have the following campaigns:
  - Pediatrics
  - Cardiology
  - Oncology

    The funds would be more specific uses of money within each of these campaigns, such as Cardiac Research, Healthy Heart Community Education, and Cardiology Patient Services and Follow-up as funds for a Cardiology campaign.

- *Use campaigns for divisions or departments.* Large organizations that have multiple divisions or departments might find it best to use those units as the campaigns. At the Greater Bay Area Make-A-Wish Foundation we set up our campaigns as the departments of the organization. Our primary campaigns are Development, Corporate, Events, and Programs because these represent the teams of staff that fundraise, for whom budget numbers have been assigned, and whose performance toward goals we want to track.

  At four universities where I have implemented The Raiser's Edge the campaigns have been the schools in the university, such as the:
  - Business School Campaign
  - Law School Campaign
  - College of Arts and Sciences Campaign

There is no right or wrong way to set up your campaigns as long as they reflect the most helpful ways to report on your giving at the broadest level and filter your giving in reports and other output.

Tip: The Raiser's Edge Enterprise

If your organization has The Raiser's Edge Enterprise edition of The Raiser's Edge, you have much more sophisticated setup and reporting functionality available to use than discussed here for campaigns and funds. Consult with your database administrator for more information.

Other Considerations

There are a few other points to keep in mind for fundraisers when analyzing and setting up your campaigns, funds, and appeals.

Interrelationships

Campaigns, funds, and appeals are not a strict hierarchy like an organizational chart. This is not often clear to fundraisers and lends to their confusion about how their campaigns, funds, and appeals should be set up. The structure is *not* a hierarchy with campaigns at the top, select funds in each campaign, and certain appeals for each fund. Campaigns, funds, and appeal can be entered on a gift in any combination.

Using our Red Cross example, one appeal was raising money for three different funds. That is fine. You can decide that all the money from one appeal goes to the same fund—it is how you structure and present the appeal to your prospects.

Sometimes, such as a typical capital campaign, a campaign will include its own set of funds (funding areas within the campaign) and will include its own appeals (solicitation efforts to raise money just for that campaign). But campaigns can also be used as a way to group just appeals together, thereby making a hierarchy that does not include funds. Any campaign or appeal could "feed" any fund. Or, campaigns

could be a way to group funds together and one appeal could "feed" multiple campaigns and funds. It is up to you as to how the three levels interrelate.

Avoid the "Fruit Bowl"

One of the strongest recommendations I can make is to avoid what I call the "fruit bowl." The fruit bowl occurs when *one* field in The Raiser's Edge is used to track and report on categories like the following combinations:

- Board
- Major Gifts
- Direct Mail
- Tribute
- Bequests
- Special Events
- Corporate
- Foundation

I call this a fruit bowl because the options are not "apples to apples"; this is a combination of apples, oranges, bananas, cherries, and more fruit. That is, these options are based on:

- Who gave the money (board, corporate, foundation).
- The size of the gift (what I usually hear is "put all gifts of $1,000 or more in Major Gifts").
- How the money was raised (direct mail, tribute, events).
- The giving vehicle (bequests).

How do you then code a $2,000 gift given by a board member in a special event in honor of his recently deceased mother? Is that Board, Major, Tribute, or Event? Of course, everyone responds with an answer, but it is based on a hierarchy of importance and consideration. These sentences always seem to begin with "Well . . . ," followed by case-by-case analysis. Is it more important that a board member gave it to track it as board giving? Is it more important to give the event credit because it was raised at the event?

The fruit bowl approach is also discouraged as the format to request for a report. The problems with this kind of reporting, which is extremely common, are:

- *It makes data entry difficult.* Who makes the decision and when every time a gift might fall into more than one category?
- *It makes all but the topmost category meaningless.* You might feel you have good reporting, but the categories are meaningless because they are incomplete.

The better way to do this with modern technology like The Raiser's Edge is to give each aspect a different field. Each aspect gets its own "bucket"—field—with similar type data that answers the same question. Each bucket only has one kind of "fruit" so you can do "apples to apples" comparisons.

Campaigns, funds, and appeals should each be defined so they are "exhaustive and exclusive" for gift entry:

- *Exhaustive.* Every gift has a campaign, fund, and appeal that are appropriate for it.
- *Exclusive.* There is only one campaign, fund, and appeal that apply to each gift.

In summary, make sure your campaigns in particular do not reflect this mistake. Define campaign, fund, appeal, and constituent code (discussed in Chapter 2) each for one purpose, to measure one thing. And when requesting reports, only ask each report to report on one thing at a time.

Note: Fixing the Fruit Bowl with Accounting

One of the most common reasons for this "fruit bowl" type of structure in The Raiser's Edge is that it is often found in the financial reports for the organization for fundraising revenue. Fundraisers have had such poor track records of being detail-oriented and trustworthy with numbers, the accountants have long been called on by organizational leadership to do most of the reporting. This includes fundraising reporting, such as how the money was raised and who gave it. However, accounting systems typically were not set up to avoid this fruit bowl problem either. They still are not today because accounting software is not designed to track fundraising metrics. The fruit bowl approach is just tradition and inertia, and now is the time to change.

Fund is the level in The Raiser's Edge that should integrate with accounting. Fund is usually defined as what the money is for and how it should be spent, and that is fine. If that is not what makes sense for your organization, that is okay as well, but define fund for one thing. Your accounting system should be set up to track that one thing, too. We have The Raiser's Edge, better technology, better tools, better understanding. We no longer need our colleagues in accounting to report to us, management, or the board about the fundraising metrics.

If you work with your accounting colleagues in a professional and cordial way (often much harder to do for both parties than it should be), they will typically welcome the opportunity to simplify what they track. They will work with you when they occasionally need fundraising data organized differently than they usually track it, such as giving by donor type (e.g., individual, corporate, foundation). My colleagues from the accounting profession have repeatedly assured me that there are no legal or financial requirements otherwise.

This will, also, likely require the involvement of your organization's senior management and the board to help them understand this proposed change in reporting: accounting will provide *financial* reports, which typically indicate the purpose of funds raised, and development will provide the *fundraising* reports, including reports on who has given and how that money has been raised. "Fundraising reports" is plural. There should be two separate reports that

answer these questions. Both grand totals will match, but "the *who*" and "the *how*" questions should each have their own reports. The trust in the fundraising reports will be significantly higher if the development and accounting leadership can tell the organization management and board that they are reconciling the departments' systems each month.

Year Designations

Appeals should be specific in most cases, tied to the month and year of the activity. But a common question is, "Should there be date designations in the campaigns and funds?" Should we just have the "Annual Campaign" and "Unrestricted Fund" or should it be the "201X Annual Campaign" and "Unrestricted Fund 201X"? The answer to that depends on two important considerations:

1. *Do you wish to keep a goal in The Raiser's Edge for each fiscal year for the campaign and fund?* If so, you need one for each year because campaigns and funds can only have one goal; they do not allow multiple goals defined for different time periods. For example, if you want to run a report that lists the Annual Campaign for the last five years, each year showing its goal and the performance against goal, you need a campaign for each year. If you just want performance in terms of dollars raised, number of donors, average gift size, and the like, with no reference to goal, you do not need one per year. You only need one per year to keep each year's goal and to measure performance specifically against the goal.

2. *Do you raise and receive money for particular fiscal years outside those years?* When I was a fundraiser for Junior Achievement, a program that offers in-school programs about business and economics, our fiscal year was July through June to match the school year. In April, May, and June it was difficult to raise money for the fiscal year we were concluding because the school year was ending or over. But that did not mean that I just sat around playing Solitaire until July 1 arrived. I kept raising money, but I raised it *for* the next fiscal year's programs.

    When measuring fiscal year fundraising activity and performance, whether for the organization as a whole or for me as a fundraiser, it was not the date of the gift that mattered but the fiscal year designation. This is handled in The Raiser's Edge by putting the fiscal designation in the campaign, fund, or both. At Junior Achievement we filtered to fiscal year not by gift date but by campaign when running reports. If you raise or receive money for a fiscal year before or after that fiscal year (such as event gifts and pledge payments that need to continue to be linked to the previous fiscal year), you should consider this approach. If your internal reporting guidelines are clear that it is absolutely by date received, this consideration is not necessary for you.

Campaigns are easy to add to The Raiser's Edge and the need to do this each year should typically not be a deterrent to this approach. Funds are somewhat harder to add because there are usually more of them and the setup is more complicated if they are linked to the accounting system.

A common approach is to put the fiscal designation in the campaigns and not use a fiscal designation in the funds. By using the campaign and fund together, you know the fiscal year of a gift without having to have the fiscal designation on the fund, too.

This approach does not resolve wanting to store a goal for each year for each fund, however. Funds are only slightly more difficult to set up than campaigns, and the accounting information can be copied from one fund to another. Do not worry too much about the difficulty of creating new funds each year if that is your preferred approach to keep goal history.

Summary

Campaigns, funds, and appeals are core concepts that show up everywhere in The Raiser's Edge. They impact:

- Gift coding
- Assigning staff and volunteer fundraisers to their roles
- Assigning fundraisers to their prospects
- Linking fundraisers' activities to prospects and donors
- Recording solicitations prospects have received
- Giving statistics by each of these levels
- Filtering all other giving by donor, group of donors, and time frames by these levels

They have a dramatic impact on how your database is set up and what you get out of it.

A development strategic plan for a fiscal year discusses the funding needs, from whom you are going to raise that money, how you are going to raise it, and who is going to raise it.

Funds in The Raiser's Edge are where you set up the funding needs and amounts.

Appeals in The Raiser's Edge are where you set up how you are going to raise the money.

Campaigns give you a broader way to classify these areas when you do not want all of your reporting at such detailed levels.

From whom you are going to raise the money are your people and organizations, prospects and donors, called "constituents" in The Raiser's Edge. Constituents are categorized by "Constituency Code." Who is going to raise the money are your "solicitors." These are both tracked by using the Constituent record type and are the subject of our next chapter.

Finish reading this book to get the full context of how campaigns, funds, and appeals work for you. Then evaluate whether your campaigns, funds, and appeals are meeting your needs. If not, take out your fundraising plan; decide and list in writing outside The Raiser's Edge what your campaigns, funds, and appeals will be; coordinate with your accounting colleagues, senior management, and the board;

and work with your database administrator to get them entered and set up in The Raiser's Edge. The Raiser's Edge will be ready to help you raise, track, and report money the way that works best for you.

■ ■ ■

Now let us turn our attention to the prospects and donors.

Note

1. Blackbaud, *Campaigns, Funds & Appeals Data Entry Guide*, version 061908, p. 5.