Fundraising 101: Choosing Fundraising Software

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So, you’ve made the decision to host a fundraiser. You’ve got your marketing plan in place, and are ready to launch the campaign that you hope will bring in generous donations for an important cause. However, once things get rolling, how will you keep track of those dollars, or the donors who provide them? How will you know who to reach out to when sending a “Thank You” note, or when following up in the future? How will you manage the volunteers who assist with your fundraising campaign?

If you don’t have an answer to those questions, perhaps your organization should consider implementing fundraising software to ensure that the entire process runs smoothly, from launch to follow-up. You’ll certainly want to consider doing so if:

- You are struggling to track program or donor information.
- You are mailing to your entire contact list as opposed to targeted segments.
- You find it difficult to manage volunteer information or activities.
- You find yourself missing opportunities due to the inability to quickly find the right information.
- You find it difficult to determine your campaign’s return on investment.

Having fundraising software in place will allow you keep a database of current and prospective donor information. It will allow your development staff to stay more organized and informed by providing them with the tools they need to create and measure targeted campaigns.

**Targeted campaigns = Successful Response Rates = More Income**

A good system will help you reduce costs by targeting communications to reduce duplicate contacts and eliminate extra postage, preserving budget resources by quickly identifying unsuccessful campaigns, and by simplifying the management of special events and controlling vendor costs.

In addition, a good system will help you save time by reducing the amount of time previously required to plan and administer programs, simplifying administrative tasks, speeding up data entry, report generation, campaign tracking and analysis, and by decreasing the time currently required for donor research.

However, when choosing a fundraising software, not just any software will do. You’ll want to find one that specifically fits your budget, fundraising program, and organization. The following steps will help you understand your needs, research your options, and determine the best software for your organization:

**Step 1: Assess your organization’s technological inventory.**

Before purchasing any kind of software, it is important that you understand all the associated costs and how they will fit into your budget. A budget for a new software license should include things such as the license itself, additional user licenses, and the cost for data conversion and consulting, staff training, annual technical support and maintenance, and any additional hardware required.

**Step 2: Develop a priority list for your software’s features.**

As you assess software options, you’ll want to think about what features are priority to your organization. You’ll want to consider thing such as:

- What activities do you engage in hourly or daily?
- What activities consume too much staff time?
- What programs do you rely on the most?
- What data is critical to your programs and your reporting?

For example, if corporate gifts are more critical to your budget than charity events, detailed event management features will fall lower on your priority list. It is helpful to make a list of features that you would typically find in a fundraising software and rank them as “Must Have”, “Helpful, But Not Necessary”, “Not Critical”, or “No Need”. By clarifying your priorities up front, it will help you stay clear about your needs.
Step 3: Evaluate potential software and vendors, and ask for a demonstration.

After you’ve narrowed down your choices to a few select software providers, you’ll want to request a demonstration to see exactly how the product will function once it is put into use. You’ll want to ask precisely what is being shown in the demo—are you viewing the basic core product, or does it include additional features that will cost you more in the end? Ensure that you will have the same functionality that you see.

Step 4: Ask for references.

The best way to assess whether a product will work for an organization like yours is to ask a current, similar user about their experiences with the product. When reaching out for a reference, be sure to ask the following:

- How long have they used the program?
- Did they examine other software choices? If so, what were they?
- Were there any surprises when it came down to cost?
- Was training provided? If so, was it adequate and affordable?
- What kind of technical support are they receiving?
- Would they purchase it again?

Step 5: Talk to the software consultant about any last concerns, and use those answers to make a decision.

Prior to making your decision, you’ll want to make sure you get any last minute questions answered and any last minute concerns addressed. Have one last chat with the software consultant and be sure to ask questions such as:

- What are the training options/costs?
- Are there any guarantees?
- What methods are used for support (i.e. online support, e-mail, or other means)?
- What are the start-up costs?

- What kind of experience does the support team have with dealing with nonprofit organizations?

Remember, at the end of the day, only you know how important what your current needs are and how important your fundraising campaign is to your organization. Take the time to research, compare and contrast your options, and you’ll be sure to have a fundraising software that will provide you with benefits not just for one campaign, but for the foreseeable future.

For a downloadable PowerPoint guide to purchasing fundraising software, visit www.cpas4you.com or, contact our office to speak to one of our experienced management consultants.

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Andy Powell has more than 25 years of auditing, operational and financial experience in both large and small organizations including nonprofits, government contractors, and small businesses. His broad range of expertise includes the auditing of both privately and federally funded organizations in accordance with GAAS, Yellow Book, OMB Circular A-133 and various other Federal and state requirements. He is also well-versed in issues that affect the government contracting community such as DCAA compliance and pre-award audits, segregating direct vs. indirect costs, and maintaining government-compliant timekeeping systems.

Andy’s client background includes such nonprofit organizations such as the Duke Ellington School for the Arts, Center for International Environmental Law, and the Institute for Global Environmental Strategies; government contractors such as Immersion Consulting, JASINT Consulting and Technology, and the Institute for Building Technology; and small businesses such as Capitol
Drywall, Millennium Marketing Solutions, Sandy Excavating, Inc., and Chesapeake Custom Homes.

He is a sought-after speaker on a number of organizational matters at professional conferences and seminars, and is well versed in the policies, procedures, budgeting process and business practices of various organizations. He has also been an advisor to government contractors and often speaks on topics such as preparing for DCAA audits and managing internal control systems.

When Andy isn’t in the office, he’s a consummate husband-in-training, proud dad, and weekend DIYer. He enjoys gardening and spending time with his family, listening to the rock band Journey, watching football and lacrosse, and catching “Back to the Future”.

**Kimberly Miles** has more than 10 years’ experience and began her marketing career in 2005 as a Marketing Assistant for Gelman, Rosenberg and Freedman, CPAs. Since then, she has held progressively responsible marketing and business development positions for a variety of industries including government contractors, nonprofit, and professional services.

At Halt, Buzas and Powell, Kimberly develops and helps executes the marketing strategy and programs for the firm and its individual practice areas. She also plans and executes firm events, and facilitates the involvement and support of local community organizations. Her areas of expertise include marketing and communications, event planning and coordination, business development, proposal development, project coordination, social media, and recruiting.

When not at work, Kimberly is a loving mother and enjoys travelling, spending time with family and friends, reading, blogging, listening to music, and trying new restaurants.