

COMMON GROUND™ BEST PRACTICES GUIDE

A complimentary resource exclusively for Convio Common Ground clients

Financial Coding

Written by Heller Consulting

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About the Author

This guide was written by Heller Consulting, a Convio Solution Provider authorized to provide services around the Common Ground system. It is part of an ongoing effort by Heller Consulting and Convio to get information about nonprofit technology and fundraising and marketing best practices into the nonprofit sector's hands. Heller Consulting brings efficient business practices and effective use of technology to nonprofit fundraisers, supporting greater success with less effort. Since 1996, the company has served more than 700 nonprofits of every type and size. For more information, please visit www.teamheller.com.

I. COMMON GROUND FINANCIAL CODE BEST PRACTICES

Financial codes are the backbone of your fundraising database and, by extension, of your fundraising department. A streamlined set of codes provides the structure for efficient gift entry; they're the key to measuring success and tracking progress to goal. Spending time thinking about your fundraising goals and patterns will help you to create the best financial code structure for your needs. A well thought-out structure will allow you to take advantage of the native output tools, minimizing the need for time-consuming reporting workarounds and manual procedures.

A. Orientation to Common Ground Financial Codes

This section will provide an overview of key financial codes in Common Ground, including best practice case scenarios. The goal of this section is to provide a comprehensive understanding of the Financial Code fields, and prepare you to answer the self assessment that follows in the next section.

Campaign

What is it?

A Campaign is an important type of record in Common Ground that is intended to store information about a specific solicitation or group of solicitations. The Campaign record holds information such as the name of the solicitation, the dates it was active, the status, and performance statistics. In general fundraising terms, a Campaign can be thought of as an "appeal" or as a "campaign," depending on whether it is being used as a specific code, or more broadly as a collection of appeals.

Why is it important?

Campaigns are the primary codes for tracking the sources of contributed revenue. Reporting on Campaigns provides perspective on how specific solicitations are performing. It is important to note that Campaigns primarily indicate how revenue was generated. Campaign is a required field on every donation.

Example

Say your organization sends out mail appeals three times per year to active/contactable constituents. Each of these mailings should have its own Campaign code in Common Ground in order to track responses to and performance of each mailing.

Campaign Type

What is it?

The Campaign Type is at the highest level of how your organization thinks about and organizes Campaigns. Campaign Type is best thought of as an overall Campaign category in an environment where Common Ground is being used for more than fundraising needs. This happens quite often, since Campaigns and Campaign Membership can be used to organize and record a wide variety of approaches and communications with constituents.

Why is it important?

Campaign Types support an easy separation of your Campaigns into major groupings for reporting purposes. If this type of reporting is important to your organization, we recommend making Campaign Type a required field on all Campaigns.

Example

Campaign Type is a high-level field in which sample values might be Fundraising, Advocacy, Communications, or Education. For example, you may use a Campaign to organize an Annual Report mailing, or record who received a monthly e-newsletter update. The Campaign Type on these Campaigns might be Communications, which allows you to filter them out of reports on other types of Campaigns.

Strategic Program

What is it?

The Strategic Program is conceptually one level down in more detail than the Campaign Type. This field organizes your Campaigns according to your initiatives in each Campaign Type area.

Why is it important?

Because the number of Campaigns created by even a small organization can quickly grow to a large number, classifying Campaigns by their Strategic Program is a helpful way to organize them into more manageable groups. If this type of reporting is important to your organization, we recommend making Strategic Program a required field on all Campaigns.

Example

If your organization uses the Campaign Type of Fundraising, some of your Strategic Programs could be Direct Marketing, Major Gifts, Events, or Planned Giving. If the Campaign Type were Communications, the Strategic Programs might be Marketing, Outreach, Periodicals, or Publications.

Channel

What is it?

Channel refers to the method by which the appeal is made or the information is disseminated.

Why is it important?

Tracking the Channel of a Campaign allows comparative reporting on Campaigns that use the same Channel, or comparing Channels to each other. This type of reporting can help shed light on the approaches that work best for your organization in various areas or on various topics. If this type of reporting is important to your organization, consider making Channel a required field.

Example

Typically the values for this field might be something like Direct Mail, Email, Phone, or Integrated.

Is An Appeal checkbox

What is it?

The “Is An Appeal” checkbox is an easy way to indicate that a Campaign is associated with another, larger Campaign. In Salesforce lingo, this checkbox indicates that the Campaign is a “Child” Campaign of a “Parent” Campaign, and makes it easier to set up and view the Campaign Hierarchy. Use of this checkbox is explained in more detail in the “Segmentation and Direct Marketing” Best Practices Guide.

Why is it important?

One approach to setting up Common Ground is to create one overarching Campaign for a year or a particular initiative, and then associate a number of more specific Campaigns with it to track the separate communications or solicitations that make up the larger Campaign. If this sounds like an approach your organization might want to take, then using the Is An Appeal checkbox will be a big part of your setup.

Example

Let’s say your organization is planning for a multi-year capital campaign. You might set up a Campaign called “2010-2012 Campaign for the Future” which will serve as the “parent” to all the more specific Campaigns (whether for fundraising or other purposes). All the Campaigns that are a more specific appeal/approach under this Campaign should have the Is An Appeal checkbox checked.

Campaign Hierarchy

What is it?

Campaign Hierarchy is a section of the Campaign screen that is a graphic representation of your Parent-Child Campaign relationships. Note that only two hierarchy levels are displayed at a time, although you may establish up to five levels of Parent-Child relationships. This section of the Campaign screen also shows Campaign statistics. If you set up more than two levels of Campaigns in the hierarchy, all levels will be included in the roll-up statistics even though only two levels are visible. To drill down to a different level, click on the Campaign link to open that Campaign record.

Why is it important?

Establishing a Campaign Hierarchy is crucial to effective reporting when multi-level Campaign setups are in effect. This section of the Campaign screen allows you to visualize the relationships between Parent and Child Campaigns, to ensure they've been set up correctly, and to track their performance at a glance.

Example

An example of a Campaign Hierarchy can be drawn from our hypothetical multi-segment direct mail appeal. Imagine that you are looking at the Campaign record for the Parent Campaign, "2009 Year-End Appeal." In the Campaign Hierarchy section of the screen, you would see the three Child Campaigns, and some statistics about Campaign performance.

Designation

What is it?

A Designation is another type of record in Common Ground, separate from the Campaign, and it is meant to reflect how the donor intends his or her gift to be used. In common fundraising parlance, this is often referred to as the "Fund." A Designation is required on every donation.

Why is it important?

The Designation code is the link to your Finance department. A well thought-out structure that aligns with Accounting's structure will help you reconcile the two sets of numbers. Additionally, there are GL Credit and Debit fields meant to mirror Accounting's codes, which will again help during reconciliation.

Common Ground requires that a default Designation be chosen, such as "Unrestricted," which expedites gift entry and ensures no donation is left without any Designation. The user may change the value if the donor has specified a restriction to the gift. Donations may be attributed to one Designation, or split over multiple Designations, and the user may control the split amounts.

Example

An organization may have one Unrestricted Designation and others for Program, Education, Advocacy and other activities of the organization to which donors can give donations.

Classification Type

What is it?

A Classification Type is intended to be used to indicate the nature of a contact's relationship(s) to your organization. Think of Classification Types as the ways you would describe or categorize the contacts in your database. Often, these match up pretty well with your funding sources. If you have an Annual Report, look at the chart or graph of the types of donors who support your organization. These pie slices on your graph (or line items in your chart) would likely be a good start on Classification Types.

Why is it important?

Classification Types allow you to report effectively on revenue sources, or in other words, the types of donors who give you gifts. These Classification Types exist on the Contact record, and are extended to the Donation record. A Contact may have two or more Classification Types, but the first one on the list is considered "primary" and should be the most important categorization. The primary Classification Type automatically defaults onto the donation record. However, this can be changed to another Classification if needed.

Example

At many organizations, the basic Classifications begin with Individual, Corporation, Foundation and Organization. Other popular Classifications include Government, Employee and Volunteer. Please note that for Organization Accounts, these Classification Types would be applied to the Donor Proxy contact.

B. Self-Assessment of Fundraising Strategies

Your organization's ability to maximize its use of Common Ground's reporting capabilities relies on the structure of the financial codes. In this section, we will step through a self-assessment of common fundraising strategies with a resulting worksheet that outlines the optimal financial code structure for your organization.

While this self-assessment covers the fundraising strategies we have encountered most over the last thirteen years, it is not comprehensive. If your organization employs a fundraising strategy that is not covered in this discussion, we recommend posting your question to the Common Ground Community to find out how other users have set up their system.

Each section of this self-assessment will ask questions about your organization's fundraising strategies. If you wish, note your answers on the worksheet provided on page 20. If your organization does not employ a particular strategy, skip it and go to the next one. The answers to the questions will lead you to the conclusions about the best financial code setup for your organization.

Fundraising Strategies

Direct Marketing / Telefundraising

We consider phone-athons or a telemarketing program to be a variation on a traditional mailed mass appeal.

1. How do you use appeal codes? What is the naming convention for direct marketing codes?

Conclusion: It is helpful to give direct marketing appeals a consistent naming structure so they can be easily understood and compared over time. Usually, the code contains the year of the appeal and a reference to the name or type of the appeal. For example, the 2009 year-end appeal could be labeled "2009YE."

2. Do your mailings have segments? What is the typical number of segments?

Conclusion: In Common Ground, it works well to set up an Appeal for the mailing and attach each segment to the Appeal (see the Segmentation and Direct Marketing guide for more information). To continue with the previous example, say that your year-end appeal is going to be sent to the board, current major donors, other current donors, lapsed donors and non-donors. You want to track how well each segment performs. Each segment would have its own Segment code (2009YEB, 2009YEMD, 2009YECD, 2009YELD, 2009YEND) and would roll up to an Appeal of "2009YE."

3. Do you send acquisition mailings?

Conclusion: Similar to an in-house direct mail piece, each segment of an acquisition mailing would have its own Segment code, which would roll up to a Campaign for the appeal. For example, say you are planning two acquisition mailings for 2010. They could be labeled "2010AC1" and "2010AC2."

4. How are mailing lists produced?

Conclusion: The way mailing lists are produced impacts your gift entry and reporting ability. It is best to track who received the mailing by adding all mailing

recipients as Campaign members. This will help you apply the correct Segment/Campaign during gift entry, and accurately track the performance of each segment.

5. Do you mail to contacts or households?

Conclusion: When producing the mailing lists, remember that Campaigns can only be applied to Contact records. It is better to mail to the contact who is the head of household and choose the addressee from the Account record. Keep in mind that when creating your mailing list report, fields can be included from the Account record (such as Account Addressee). Just because the report is based on Contacts, it does not mean that only Contact fields can be included on the mailing list.

6. How is the segment code applied to each contact?

Conclusion: In the current version of Common Ground (2.5) the best place to store the segment in which each contact was included is Campaign Membership.

Events

Events can include large seated galas as well as more intimate fundraisers, house parties and golf tournaments. The Common Ground events object is not designed to manage conferences or classes. If you need to use Common Ground to track a more specialized event type, we recommend that you begin by posting your topic on the Common Ground Community.

1. What types of events do you hold? Do you have a “signature” event?

Conclusion: If you have several small events throughout the year, each event can have its own Campaign, which would roll up into an “Events” Strategic Program. An important “signature” event may require its own, more detailed Campaign codes and its own Strategic Program. If using the Common Ground Events object, the Event record itself should be linked to your event’s Campaign.

2. Do you benefit from third-party events (in which another group or organization holds an event on your organization’s behalf)?

Conclusion: If third-party events are rare for your organization, one Campaign may suffice, and the particulars could be added in the Gift Description. This Campaign could roll up into the Events Strategic Program. If third-party events are prevalent, you may want to give each one its own campaign, which would roll up into a “third-Party Event” Parent Campaign.

3. Do you track the revenue-generating elements of events separately? For example, do you need to be able to report on how much revenue was generated from tickets, sponsors, raffle tickets, etc.?

Conclusion: It is important to note that the Common Ground Events object can track levels of event participation, such as tables, tickets, and sponsorships. However, these records are not the same as Gift Records. (If some guests will be complimentary, or if a sponsor may be recognized for a higher level than they paid for, the Event totals will not be accurate for financial reporting.) If using the Common Ground Events object to manage your event, it is still advantageous to have Campaign codes for each element of the event which roll up to a Parent Campaign for the overall event. The gift can be started for you from the contact's invitation record.

4. Do you ever recognize participants at a higher level than their gift would normally entitle them?

Conclusion: It is not uncommon for donors to be recognized in event materials at a higher level than they actually paid. This is an important reason why Common Ground allows the Event record to be different from the Gift Record.

5. Can participants register online? How does that information get into Common Ground?

Conclusion: If you're using Convio Online Marketing, then you should read about other considerations in Convio's Connector documentation. If using another system, event registrations and gifts will probably be re-keyed into Common Ground.

6. Do you need to track the value of benefits? Does the value of the benefits need to be printed in acknowledgement letters?

Conclusion: Many events need to deal with event benefits. Common Ground makes this easy by allowing benefits to be specified for each Event Level. When creating the gift from the invitation record, the benefit amount is automatically calculated. There is no need to create a separate Campaign or Designation to track the value of event benefits, or to enter event registrations as split gifts.

7. Do people make donations to the event but don't purchase a ticket?

Conclusion: It is very common for an invited guest to send a donation if they will not

be able to attend. It is useful to have a Campaign for donations to the event that are not registrations. You can create this gift by clicking on the Record Payment button on the guest's invitation record.

Sustainers / Recurring Gifts

For a Recurring Gift, a donor promises to donate a specific gift amount on a regular basis, such as monthly or quarterly. These gifts are most often attributed to an identical Campaign or Designation as the first Recurring Donation.

1. Does your organization have a sustainer/"monthly giver" program? Is it a significant source of revenue, or do you have just a few?

Conclusion: If you have only a few recurring gifts, it may be sufficient to have a "Monthly Giving" Campaign set up under the "Annual Giving" or "Other Individual Giving" Strategic Program (see below for Other Individual Gifts.) If sustainer/monthly giving is a more significant revenue source for you, you may want "Sustainers" or "Monthly Giving" as a Strategic Program, with the Campaigns as the source of the recurring gift commitment (online, direct mail, telemarketing, etc.)

2. What is the source of the transactions? (e.g., Development charges, Finance charges, coming from Convio Online Marketing)

Conclusion: If Convio Online Marketing is the source of your recurring donations and payments, the cross-references will assist in correct coding of the payments. Otherwise, the source of the credit card charge has more impact on gift processing workflow (see our document "Common Ground Financial Workflow Best Practices") than on the coding of the gift itself.

Online Gifts

1. Do you get gifts from your website?

Conclusion: If you only have a few online gifts, it may be sufficient to have an "Online Gift" Campaign set up under the "Annual Giving" or "Other Individual Giving" Strategic Program (see below for Other Individual Gifts.) If online giving is a more significant revenue source for you, you may want "Online Giving" as a Strategic Program, with a Campaign for each e-appeal (use Parent Campaigns to group together collections of email appeals if needed).

2. Do you use Convio Online Marketing or another product to handle your online giving?

Conclusion: If using Convio Online Marketing, the coding of the gifts will be handled through the cross-reference functionality. For example, if an email appeal will have three slightly different versions for testing purposes, each one can be cross-referenced to a different Campaign. If using another product, there is no integration with Common Ground, and the files or single-gift reports would need to be re-keyed or imported into Common Ground.

3. How much specificity do you expect to be able to track about online gifts?

Conclusion: It is important to note, especially for organizations that use Convio Online Marketing, that some detailed information is not part of the cross-referencing to Common Ground. For example, click-through rates will not be part of the Common Ground data. Information on click-through details should still be extracted from Convio Online Marketing.

Other Individual Gifts

Since Campaign is a required field in Common Ground, you may need to create a “catchall” category if your organization did not routinely code all gifts in your previous fundraising system. Or, perhaps your organization calls it an “Annual Campaign” to encompass everything that is not a major gift, grant, direct mail response or event-related gift. This is the purpose of what we are calling “Other Individual Gifts.”

1. Do you receive tribute gifts (i.e., honor and memorials)? How important is tribute giving to your overall fundraising program?

Conclusion: For many health-related organizations, tribute giving can constitute 25% or more of annual revenue. For other organizations, a memorial gift is an occasional occurrence. If tribute giving is a significant part of your fundraising strategy, in order to break it out more clearly in reports, consider creating a Strategic Program for “Honor/Memorial” and have a Campaign for each type of tribute gift (usually two; though some donors will word them slightly differently, this does not mean there are more than two types.) If tribute giving is not significant for your organization, a Campaign of “Honor/Memorial” that rolls up into an Annual Campaign or Other Individual Gift Strategic Program may be more appropriate.

2. How do you record unsolicited gifts?

Conclusion: Unsolicited gifts are gifts that arrive (usually in the mail) with no reply

device or any indication of what prompted the donor to give. Every organization needs a Campaign that means “unsolicited.” “Unsolicited” is the very last-ditch Campaign to apply to a gift that should be used only when no other motivation can be ascribed to the donor. If at the end of the year the amount of money recorded as “Unsolicited” is more than a trivial amount, we recommend taking a closer look at gift entry decision-making.

3. What other types of donations from individuals do you receive (e.g., remits, old direct mail, employee giving, workplace giving, auto donations, third-party fundraising)?

Conclusion: For many organizations, there is a wide variety of sources of ongoing revenue that don’t really have a focused approach or strategy; this is revenue that just “shows up.” This can include vehicle donations, United Way, Combined Federal Campaign, other company-specific workplace giving, miscellaneous remit envelopes, an employee giving campaign, old direct mail (sometimes called “white mail” if it arrives in the donor’s own envelope), and the like. As discussed above, tributes may fall into this category for some organizations.

Ideally, each source of revenue should have its own Campaign, which would roll up into a Strategic Program of “Other Individual Gifts” (or similar). Recall, though, the general advice that if any of these areas is particularly important to your organization, it will probably serve you better to break it out as its own Strategic Program. For example, the employee giving campaign may be politically important at your organization and should be reported on at the same level as Direct Mail and Events, even though it is not a significant revenue generator. In this case a Strategic Program of Employee Giving would be helpful, and there are a variety of ways the Campaigns could be structured (payroll deduction vs. one-time gift, or by department, or the year of the campaign are all popular).

A special note about workplace giving

Workplace giving (such as United Way, Combined Federal Campaign, or one of the many online-based organizations) provides special challenges. Often, these aggregators claim a percentage of the donation as an administrative fee, and almost always include payments from many donors in one check. Most organizations want to give credit to the individual donors, but do not want to double-enter the gift, penalize the donor for the percentage removed by the processing organization, or spend hours entering every payroll deduction. The best way to process these gifts in Common Ground starts with the creation of a new Transaction Type called Other¹. Then, record the check on the Organization record of the entity that sent the check. The organization can provide a report showing the total amount pledged by each donor. The full amount of the pledge/gift can be entered on the individual’s record

¹ Do not enter the individual commitments as Pledges. The donors did not make a pledge to your organization, he or she pledged to the aggregating organization. This is also why acknowledgements to these donors should not have any language regarding tax-deductibility of their gifts.

with the Transaction Type of Other. This gives the donor full credit for their entire gift in one transaction, does not double-count the check, and eliminates the need to try to match every check with each donor. If you implement this solution, be sure to exclude the Transaction Type of Other from your reports.

Major Individual Gifts

Major Gifts should be thought of as a concerted strategy for gaining significant gifts, not simply receiving large gifts in the mail or special tracking of gifts over a certain dollar amount (the threshold for defining a major gift varies greatly among organizations). There is little point in using the Major Gifts record type for a large unsolicited gift. Common Ground is designed to track these approaches from beginning to end. However, the process for cultivation and moves management will be covered in other documentation.

1. What is your strategy around major gift cultivation (i.e. steps in the cultivation process)?

Conclusion: The steps in the cultivation process are tracked in the Stage field. Common Ground comes with a standard set of cultivation steps, but these can be customized to meet your needs.

2. How do you define a major gift? By amount, approach, solicitor?

Conclusion: As mentioned at the beginning of this section, we recommend that the Major Gifts record type be used when a significant gift is being cultivated. We don't recommend using it for large Single Donations. But the question remains, does your organization need a Major Gifts Strategic Program?

If the Major Gifts record type could be used for multiple fundraising strategies (such as a capital campaign or endowment campaign in addition to other cultivation of major gifts), then a Major Gifts Strategic Program will be useful in order to report at the same level as those efforts. The Campaigns may be minimal (Personally Solicited is a popular one).

3. Do you have any giving societies or giving circles?

Conclusion: Many organizations recognize donors at year-end for cumulative giving totals. This does not impact gift coding so much as having a good understanding of what is going to "count" toward these totals. It is a good idea to know if any Campaigns or record types will not count toward calculating totals for inclusion into a giving society.

The best way to produce these totals is through a report on cumulative giving to qualifying Campaigns. It is usually not necessary to put a flag on the gift to make sure that it is included.

Corporate / Foundation Grants

1. How do you define a grant?

Conclusion: The most common definition of a grant is a gift from a corporation, foundation or government agency that is to be used for a specific purpose and was awarded on the basis of a written proposal or application. Grants often require at least one follow-up report to the funder to describe how the funds were used and the progress of the project. Consider whether your organization has a different definition of a grant.

Similarly to Major Gifts described previously, does your organization need a Strategic Program for grants? We recommend at minimum a simple Campaign like “Grant Proposal” that would roll up to a Strategic Program of “Corp./Fdn. Grants.” Another alternative would be to have separate Campaigns for Corporate, Foundation and Government grants if more detail is needed.

2. Do gifts from donor-advised funds count as grants?

Conclusion: Gifts from donor-advised funds are sometimes referred to as “grants” in the accompanying documentation. But, most of the time there was no proposal to the donor, and the gift may be unrestricted. Will your organization treat these gifts as grants, or as individual gifts?

3. How is the grant process tracked (i.e. steps in the process)?

Conclusion: The steps in the grant proposal process are tracked in the Stage field. Common Ground comes with a standard set of Stages, but these can be customized to meet your needs.

4. Do you ever receive multi-year grants or grants received in the current year that are supposed to be used in a future year? How is this tracked?

Conclusion: Some grants are designed to fund a project over several years, or a grant may be received this fiscal year for a project that is going to get underway in the next fiscal year. This may lead to an issue with goal reporting on grants. For example, say your organization receives a \$100,000 grant that is supposed to be

used equally over the next three years. All the funds have been received up-front. Would this count as \$100,000 toward this year's goal, or would you report on this as \$33,333 toward each year's goal for three years? If the latter, we recommend creating Campaign codes with years in them to be able to report on funds received this year that are going to "count" for a future year (2009 Grants, 2010 Grants, 2011 Grants, etc.)

NOTE: Once there is a need for dates in the Campaign code for one fundraising strategy, it is a good idea to extend the practice to all Campaigns in order to make easy use of reports.

Board Giving

1. What counts as board giving? Do you have to jump through hoops or bend over backward to accommodate your board members?

Conclusion: Does your organization have any unusual or uncommon ways of calculating board giving? For example, it would be unusual for mileage to/from board meetings to count as board giving (yes, it has happened).

Generally, board giving does not need its own Campaign. You should be able to report on board giving based on the flag on the contact record that identifies the person as a Board Member (this could be the Classification Code, volunteer assignment or possibly a custom field). Using a Campaign for board giving creates a "data entry dilemma," and obscures the reason the board member made the gift, which is the main purpose of the financial codes.

2. Do your board members have a "give or get" goal?

Conclusion: If your board members have a fundraising goal, it is important to use the Solicitor Contact Role for all gifts for which the board member should receive credit. To make solicitor reporting easier, mark the board member as his or her own solicitor on their own gifts as well.

Planned Giving

1. What is your strategy around planned gift cultivation (i.e. steps in the cultivation process)?

Conclusion: The steps in the planned gift process are tracked in the Stage field. Common Ground comes with a standard set of Stages, but these can be customized

to meet your needs. For example, you may want to set up a Stage to reflect that a planned gift is in probate, or that the funds have been partially distributed.

2. How do you distinguish between revocable and irrevocable planned gifts?

Conclusion: It is helpful for reporting to have a flag that indicates the revocability of the planned gift. In Common Ground, this is best tracked with a custom field.

3. How do you identify realized planned gifts?

Conclusion: It is helpful for reporting to have a flag that indicates whether the planned gift has been realized. In Common Ground, this is best tracked as the Stage of the gift.

4. What types of planned giving vehicles do you have (e.g., bequests, trusts, PIF, life insurance, annuities)?

Conclusion: The planned gift vehicle is best tracked as the Campaign. All the vehicles can roll up into a Strategic Program called “Planned Giving.”

It is not uncommon for a donor to let your organization know that a gift has been included in their estate plans, but you may not have any further information. In this situation, the best thing to do is add a \$0 Planned Gift with a middling Stage. The amount can be updated in the future, but the Planned Gift is important to include on the donor’s record.

5. Do you have any planned giving societies?

Conclusion: Tracking a planned giving society doesn’t impact financial coding much, although ideally the membership in this society would be identified by the presence of a Planned Gift. You may want to set up a custom field on the contact record to record situations in which a donor has declined to join the society to avoid repeated invitations to join.

Capital Campaign

1. What are the phases of the Capital Campaign?

Conclusion: Capital Campaigns are typically organized in phases or categories that play out over the course of several years. Your campaign is likely to be organized by the size of the gifts being solicited, the types of donors being cultivated, and by whether the campaign is “silent” or “public.”

The Primary Campaign on each Capital Campaign donation should be as specific as possible (a Personal Solicitation, an employee giving drive, or a direct mail piece, for example). These Campaigns should roll up into Parent Campaigns that match the campaign phases. Lastly, a Strategic Program can be used to pull together all elements of the campaign.

2. Is the Campaign a comprehensive campaign?

Conclusion: A comprehensive campaign is a variation on a capital campaign that includes raising unrestricted funds as well as capital or endowed funds. Typically, a comprehensive campaign greatly expands the Annual Campaign in addition to major fundraising drives for restricted funds. The major impact on Common Ground is most likely to be in reporting. It is unlikely that you will need one massive Campaign Hierarchy for the purposes of reporting on the comprehensive campaign. Since the campaign is “comprehensive,” you will probably be able to do your reporting by date range and include everything.

3. How will you be using solicitation volunteers in the Campaign? Will you be using committees of volunteers who have fundraising goals (team or individual)?

Conclusion: Capital campaigns typically rely heavily on volunteer fundraisers. You may want to expand your list of Contact Roles beyond the default of “Solicitor” to accommodate the various committees organized for the campaign (Small Business Committee, Employee Committee, etc.). However, keep in mind that Contact Roles are semi-permanent and can be difficult to hide/remove in the future. In general, we do not recommend a large expansion of Contact Roles.

4. Will the Campaign include any mass appeals?

Conclusion: Mass appeals for a Capital Campaign should be treated similarly to other direct mail pieces. At minimum, the appeal should have a Campaign that follows the naming conventions of other direct mail appeals. This Campaign would roll up into a Parent Campaign for the phase of the campaign. If the mailing includes

segments, each segment would have its own Segment record attached to the Appeal.

Endowment

1. Do you accept permanently restricted gifts?

Conclusion: Permanently restricted gifts should have a different Designation from unrestricted or temporarily restricted gifts. If a donor wants to set up a new endowed fund, it is important to work closely with the Finance department. Typically there is a minimum amount required before a new endowed fund will be approved. Another possibility is that the fund could be “named” in Common Ground, but be applied in the GL to a general endowment fund. Either way, it is important to communicate with Finance before setting up any new Designations or accepting permanently restricted funds.

2. Is the interest on the endowed gift recorded in Common Ground?

Conclusion: You need to determine whether the interest on endowed funds is also considered a gift. Technically, it is not up to the donor to decide what to do with the interest. Most organizations do not record this revenue in the donor database. But, if your organization does, you may want to add it with a Transaction Type of Other (a custom Transaction type that was discussed in the context of workplace giving [here](#)).

Fundraising Strategy	Notes	Campaign / Parent Campaign	Campaign Type
Direct Mail / Telemarketing			
Sustainers / Recurring Gifts			
Online			
Major Individual Gifts			
Corporate / Foundation Grants			
Other Individual Gifts			
Board Giving			
Planned Giving			
Events			
Capital Campaign			
Endowment			

C. Considerations for Historical Data

It's common for an organization to want to change its financial code structure at some point during the lifespan of its donor database. The most likely reasons for changing the financial code structure include changing fundraising strategies, changing reporting needs, or to correct a flawed implementation.

There are some important considerations to take into account before diving in to recode your gifts.

1. Has enough data been entered on past gifts to support the new structure? For example, you may want to significantly expand the Campaigns associated with a particular Strategic Program (perhaps to track direct marketing efforts more closely). Analyze your data and make sure there is enough information to be able to map the gift to a new Campaign. If there isn't, then it may be better to implement the new structure moving forward, but not change existing gifts.
2. Have your gifts been entered consistently enough that you can confidently recode them? If there have been multiple data entry operators who blazed their own trail through your database, it may be difficult to rely on a certain code always meaning the same thing. Analyze the scenarios in which gift codes were used and make sure you understand the intention before recoding a gift.
3. If you are considering restructuring the Designations, first determine if you have enough information to do so accurately. Beware of making changes to audited data, or to data for which no one is sure what the Designation means. You may inadvertently compromise your data integrity. Also keep in mind that if a gift has been marked Posted, it must be reversed before the Designation can be changed.

At Heller Consulting, our standard practice is to clean up the current fiscal year and the immediate prior fiscal year in order to bring gifts in line with the new structure, provide a foundation for moving forward, and allow some comparative reporting. Most of the time, this limit is not because of the volume of the data, but rather because of the confidence the organization has in the meaning of the data. In special circumstances where there has been a lot of continuity in staffing or in code usage, we may go back further.

II. CONSIDERATIONS FOR GIFT ENTRY

Effective gift entry is the foundation of every Development department. In order to create an efficient department, gift entry use standards must be discussed, documented, and understood by the entire department. The section below provides an overview of the structure of Gift records, as well as key gift entry fields, and gift entry best practices. For additional information on gift entry best practices, see the Resource Center → Guides → Batch Gift Entry or Single Gift Entry.

A. Gift Types, Record Types and Transaction Types

Why are Pledges, Recurring Gifts and Donations Separate?

When looking at a Contact record, or at the tabs along the top of the Common Ground screens, you will notice that “Donations,” “Pledges” and “Recurring Gifts” are tracked separately. Technically speaking, in Common Ground lingo these are known as different *objects*, but we won’t go into too much detail here about what that means. It’s enough to know that pledges and recurring gifts are tracked in their own areas, and everything else is considered a donation.

A Pledge is a record of a promise to pay a total amount over a period. The pledge record also stores the payment schedule. Payments toward the pledge are recorded as Pledge Installments (see following Donation Record Types section).

A Recurring Gift is somewhat like a pledge in that it is a record of a promise to pay a certain amount on a scheduled basis. But, Recurring Gifts have no end date and no balance remaining. Instead, they serve as a template for all payments given as a result of this commitment. A payment toward a Recurring Gift is called a Recurring Gift Payment (see following Donation Record Types section).

A Donation is every other type of gift that is available in Common Ground. Donations may *reference* or *link to* a Pledge, Recurring Gift, or Tribute. In a section below, we will discuss how Donations are broken down into Record Types.

Tributes

Tributes are separate *objects* that allow you to create a separate honor or memorial record, associate a Tribute Type and Title, and link it to the Champion. From the gift record, you may link to this established Tribute. If your organization uses Tributes, make sure the linked donation uses the Tribute Transaction Type.

Tribute records are different from the set of fields on the gift record called Honor/Memorial Designation. Generally speaking, for one-off honor/memorial gifts it is better to use the fields on the donation record. When you know you are going to get

multiple honor/memorial gifts for the same person or occasion, then you should set up a separate Tribute record. Common Ground can easily report on honor/memorial gifts no matter which method is used.

Donation Record Types

Common Ground comes with six standard Donation record types. There are different record types because the fields and data linkages vary for the different types of donations. This is similar to the way that Households and Organizations are different constituent record types. To efficiently manage your database, it's important to define how your organization will use these Record Types. One of the great features about Common Ground is that organizations can customize the page layouts, dropdowns and workflow/validation rules for the different Record Types.

Record Types may overlap your fundraising strategies. For example, you may have a fundraising strategy of Major Gifts carried out by an active gift officer. Although there is a record type of Major Gift, if you would like to report efficiently on your Major Gift fundraising, you'll need to have a Strategic Program of Major Gifts and use the Record Type. Again, the Record Type simply allows you to specify a set of data entry fields related to the Major Gift process.

Single Donation

A Single Donation encompasses most of your gift entry needs, such as standard one-time cash, check and credit card gifts.

Major Gift

The Major Gift record type refers to the moves management process involved in soliciting a future gift. The Major Gift records an intended ask amount, as well as a working relationship with the prospect. Major Gifts need not be entered for all large donations, but mainly the donations that were part of a cultivation process. Additionally, you should discuss how many personal solicitations occur throughout the year, and which (if any) don't need to be recorded in the database. For example, if you send a Sponsorship mailing to event prospects, you should decide whether or not this warrants a Major Gift record.

Grant

Grants function in a similar way as Major Gifts. A Grant record should be entered when a grant proposal or personal solicitation is made toward an Organization. A Grant record does not need to be created for every donation received from an Organization.

Planned Gift

Planned Gifts function in a similar way to Major Gifts and Grants, allowing you to track an expected Planned Gift — such as a current or future estate gift — as part of a multi-step moves management process.

Recurring Gift Payment

A Recurring Gift Payment is a donation made in fulfillment of a promised Recurring Gift.

Pledge Installment

A Pledge Installment is a donation made in fulfillment of a promised Pledge.

Transaction Types

A Transaction Type is a field on the donation record that helps further categorize the donation. This field often defaults to a value, based on the specific donation record type. A lot of the Transaction Types have to do with Convio Online Marketing and will be most useful to organizations that use both Convio Online Marketing and Common Ground. The Transaction Type can make additional fields appear on the Donation record. The drop-down contains an option for “None,” which you may want to remove from the list.

Donation

The Donation Transaction Type is the most frequent default value, and will auto-populate for most standard donations.

Stock Gift

When adding a new gift of stock, be sure to select the Stock Gift Transaction Type.

In-Kind Gift

When adding a new in-kind gift, be sure to select the In-Kind Gift Transaction Type.

Tribute Gift

The Tribute Gift Transaction Type should be applied to any donation that is either linked to a Tribute record or uses the Honor/Memorial fields on the donation record. Consistent application of this Transaction Type will make it easier to create a consolidated report of tribute giving.

Convio Online Marketing-Related Transaction Types

The rest of the Transaction Types are automatically populated when using the Convio Online Marketing-Common Ground Connector, but can also be used during regular gift entry, if needed. Please refer to the Connector documentation for more information on these Transaction Types:

- E-commerce purchase
- Event registration
- TeamRaiser™ gift
- TeamRaiser registration
- Ticket purchase
- Tribute registration additional gift

B. Baseline Gift Required Fields

To ensure the quality of your data (and ease reporting), you should make sure users always complete the same baseline fields. This can be achieved through proper documentation and training, but also through making fields required, setting up batch templates, and enforcing validation rules.

Standard Key Fields

The following fields should be completed for single gift entry, and should also be followed for most types of gifts:

- Amount (required field)
- Close Date (required field, defaults to today)
- Primary Campaign Source (required field)
- Payment Type
- Acknowledged Status (required field, defaults to Not Acknowledged)
- Receipted (required field, defaults to Not Receipted)

There are other required fields that will automatically fill in (Donation Name, Account Name, Type).

The Designation field will automatically be populated with the default value selected in Configuration → Designation Choices. This can be overridden, if necessary.

If your organization produces acknowledgement letters from Common Ground, there should be a default Donation Document, set up in Configuration → Donation Documents. This field can also be overridden by the user, if necessary.

Additional Key Fields by Gift Type

Pledges

- Payment Schedule

Recurring Gifts

- Recurring Gift Schedule

In-Kind Gifts

- Gift Assets

Honor/Memorial gifts

- Tribute Look-up Field
- Honor/Memorial Designation Fields

- Refer to the section on Tributes, under Section II A for the difference between these two methods
- Complete as many fields as possible

Matching Gifts

- Matching Organization Look-up
- Projected Match Amount
- Matching Status
- This is a Matching Gift checkbox

Major Gifts, Grants, Planned Gifts

- Stage (required field)
- Close Date — Most likely a future date (required field)
- Fulfillment Pledge Look-up — When the major gift or grant is received as a pledge.
- Change Stage to Received as Pledge. The Amount will update to \$0 to avoid double-counting the pledge (as long as the gift started out in a different Stage).
- If Stage is Received, complete the gift information fields.

Stock gifts

- Gift Asset Name
- Company Name
- Number of Shares
- Stock Symbol
- Share Price at Time of Gift

C. Recommendations for Using Additional Gift Fields

In addition to the recommended standard gift entry fields, several fields can be a valuable part of your gift entry process.

- Gift Description — This field allows user-defined information about the donation to be entered. This is helpful when wanting to record a description of the In-Kind donation, or more detailed information about the gift. Be sure not to put key information here that is the basis of reports (such as Campaign or Designation codes).
- Mark as Anonymous — If the gift should be treated as Anonymous, check this box — even if the Anonymous box is checked on the Account or Contact record.
- Recognition — Type any special wording for acknowledging this specific gift. If you integrate with Convio Online Marketing, this field may be automatically populated.
- Activities — You may track calls, emails and letters sent regarding this specific donation. This is most useful for Major Gifts and Grant records.

- Notes & Attachments — You may enter general Notes here, and attach documents if desired (such as a scanned copy of a hand-written thank you note).

D. How to Use Soft Credits

Soft credits are used to “credit” a donor when a gift should appear in a donor’s gift history, but the donor is not the constituent to whom hard credit was given. Soft credits allow totals for recognition to reflect credit for the gift, without double-counting the gift. Examples of situations in which soft credits are often used include:

- Between spouses
- Between a small business and the business owner
- Donor Advised Funds/Family Foundations
- United Way and other workplace giving

In these situations the gift is recorded on the record of one constituent (the constituent who sent the check or is the donor of record), and soft-credited to another. There are several areas on Common Ground that allow you to manage soft credits:

Household Soft Credit

When establishing a household record, you may check the “Household Soft Credit” box to ensure that the contacts linked to that household will automatically receive a soft credit for all gifts given. (The soft-credits may be edited, if desired, during gift entry).

Relationship Soft Credit — Spouses

This box will auto-populate if you’ve checked the “Household Soft Credit” box on the Account record. Otherwise, when creating a relationship between two spouses, you also have the ability to check the box next to “Contact receives soft credit” to ensure that spouses will receive credit for each others’ donations.

Relationship Soft Credit — Employees

Occasionally, you may receive a donation from a small business owner. For example, Jim Smith owns Jim Smith Catering. In this special case, you know the money is coming from Jim’s bank account, and he needs to receive credit for these gifts. When creating a relationship between the Account and the Contact, you may check the box next to “Contact receives soft credit.”

NOTE: Soft credits should not be given by default between employees and employers. For example, Jane Adams should not receive soft credit for gifts given by Chevron Corporation. (See “Contact Roles,” below, for more information).

Gift Contact Role — Employee Matching Gifts

For Matching Gifts, in order for an employee to receive credit for this gift, you need a Contact role for the donation, with a soft credit for the employee. You may specify this at the gift level, as opposed to the Account or Contact level.

E. How to Use Other Contact Roles

The standard contact roles we've discussed already are "Donor" and "Soft Credit." You may use contact roles in additional ways to help your tracking and reporting needs, or hide some options that don't apply to your needs. Common Ground comes with standard contact roles as follows:

Solicitor — The individual who personally solicited the donation from the donor.

Decision Maker — An individual at an organization who approves donations and grants.

Honored/Memorialized — A gift made in honor or memory of someone, when established through the Tribute Object, may have a Champion Contact Role established.

Executive Sponsor — A high-level executive who encourages his or her organization to approve a donation.

Influencer — A person who had an influential role in bringing in a donation.

Alumni — Use for schools and alumni-based organizations to assign the appropriate credit.

Board — Use for board members to assign the appropriate credit.

Event Participants and Add'l Race Participant — Refer to Convio Online Marketing TeamRaiser functionality.

Other — If you're using Convio Online Marketing and TeamRaiser, the Connector can automatically use Contact Roles for walkers if the values are cross-referenced.

III. APPENDIX: Sample Gift Entry Cheat Sheet

Development Program	Campaign	Designation	Additional Guidelines
Annual Gala	2009 Ticket, 2009 Sponsorship, 2009 Donation, 2009 Raffle, 2009 Auction	Gala Fund	
Board Giving	No special treatment; record to correct Campaign as usual	Unrestricted unless otherwise instructed	Create Income Transmittal if \$500+
Direct Mail	Specific Direct Mail Campaign	Unrestricted	No exceptions
Direct Mail w/o Coupon	White Mail	Unrestricted	No exceptions
Donor Advised Funds (DAFs), Community Foundations, Family Foundations, Trusts	Could be Unsolicited or Personally Solicited	Unrestricted unless otherwise instructed	DAFs, Community Foundations, and Family Foundations should have their own record and soft credit applied to the donor who recommended the gift. Trust gifts can be applied directly to the donor's record. Create an Income Transmittal for gifts of \$500+
Employee Giving	Staff	Unrestricted	Includes all staff pledges and gifts
Foundation	Grant	Unrestricted unless otherwise instructed	Corporate and Private Foundations only. Family Foundation gifts are considered Individual Gifts. Create Income Transmittal if \$500+
Gifts In Kind	Goods, Services	Unrestricted unless otherwise instructed	Use Transaction Type of In-Kind. Use Assets to record details of gift
Matching Gifts (Corporate)	Matching Gift	Unrestricted	No exceptions
Matching Gifts (Individual)	No special treatment; record to correct Campaign as usual	Unrestricted unless otherwise instructed	No exceptions
Planned Gifts	Trust, TrustP, BQ, etc.	Restricted	Income Transmittal required
REMITTS-Acknowledgments	Remit	Unrestricted	No exceptions
Stock/Securities	No special treatment; record to correct Campaign as usual	Unrestricted unless otherwise instructed	Use Transaction Type of Stock
United Way	Uway, CFC	Unrestricted	
White Mail	Could be Unsolicited or Personally Solicited	Unrestricted unless otherwise instructed	Create Income Transmittal if \$500+