

COMMON GROUND™ BEST PRACTICES GUIDE

A complimentary resource exclusively for Convio Common Ground clients

Gift Entry Business Processes

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. GIFT ENTRY BUSINESS PROCESS BEST PRACTICES

The setup and usage of financial codes, described in “Common Ground Financial Coding Best Practices”, is only one side of making the best use of Common Ground. It is equally important to have well-designed business processes that will efficiently and accurately capture gift information. This section will discuss Heller Consulting’s recommendations for gift entry best practices.

A. How Your Organization Receives Contributed Revenue

The first step in designing good gift processing business practices is to identify all the ways in which your organization receives contributed revenue (we are not concerned here with other revenue your organization may receive, such as fees for services).

Does your organization receive contributed revenue:

- In the mail?
- From a lockbox?
- On-site?
- From your online database?
- From telemarketing (or another 3rd-party) vendor?
- By fax?
- By wire transfer?
- From your broker?
- By EFT or ACH?

Make a list of all your modes of receiving contributed revenue. Add to this list the forms donations take and how often you receive them (cash, check, credit card number, spreadsheet or other data file, notification of electronic transfer). The format in which you receive the donation will suggest the most efficient way to process it, keeping in mind the “golden rule” that **re-keying data should be avoided**. For example, ideally a data file would be prepared for import into Common Ground, while checks received at your office are probably going to be keyed into the system, and a credit card number for a recurring gift should have a payment plan scheduled for automatic processing.

In the course of this exercise, you may learn of other types of contributions your organization receives, such as certain in-kind gifts that perhaps the Development department had been unaware of. This is a good opportunity to consider if any of those contributions should be recorded in Common Ground as well. You may also learn of some types of contributed revenue that are received first by the Finance department. This is a good opportunity to make sure you have a process in place for Development to be notified of contributed revenue that Finance receives first.

After this exercise is complete, it is a good idea to create a flowchart or a process document that outlines how financial information flows through your office. Microsoft Word 2007® contains updated “smart art” tools for easy flowcharting, or you can use a program like Visio® to create a flowchart. This type of document is invaluable both for training purposes, and for easy reference by senior management, auditors or anyone who might have a question about how financial information is processed. We have included a couple of samples that we have used in the Appendix.

B. Batching and Single Gift Entry

There are two methods of gift entry for Common Ground: batching or single gift entry (gift imports are outside the scope of this handbook). Batching gifts has a number of advantages: it is more auditable, more efficient and more accurate than single gift entry. At Heller Consulting, we recommend the use of batching whenever possible. The batch function is located in the Utilities section of Common Ground.

In Common Ground, batching is best for Single Donations. There are some types of gifts that cannot be batched and must be entered via single gift entry. These are:

- Pledges
- Pledge Installments
- Planned Gifts
- Major Gifts
- Grants
- Recurring Gifts
- Recurring Gift Payments

Stock Gifts and In-Kind Gifts can be batched, but the Assets cannot be added in batch, so single-gift entry is recommended for these types of gifts.

Gift Types and Processing

Based on the capability of Common Ground to process certain types of gifts in certain ways, some conclusions can be drawn about the best ways to sort your donations each day. Generally, we recommend sorting all the Single Donations together so they can be batched, and setting aside the other types of gifts for individual gift entry. Since Single Donations are the most common type of gift, we recommend batching those first to accomplish the lion’s share of the gift processing as quickly as possible. Then, the other gifts, of which there are likely to be fewer and are the types that are more likely to need more careful attention, can be entered.

Batch Templates

The next consideration for gift entry is the setup of batch templates. A template is a great tool for standardizing gift entry. No matter who enters the batch, the use of a template ensures that all the necessary fields will be included. Plus, basic defaults can be added to streamline the process even more (e.g., Payment Type, Donation Type, and Designation). There is no special place in Common Ground where templates are

stored. A batch template is simply a batch that never has data entered into it and is never committed, but other batches are cloned from it. It is helpful to include the word “template” in the name of a batch that is going to be used as a template. Another alternative is to use a committed batch as a template and clone a new batch from it.

How many batch templates does your organization need? Most of the time, just one. With the right fields, one batch template plus judicious use of defaults will accommodate all of your Single Donations. It is also helpful for financial reconciliation to process and commit one batch per day (or per week, depending on volume) to easily compare totals. The fields we recommend in your basic batch template include:

Basic Batch Template Fields
Account/Contact Name
Close Date
Donation Type
GL Post Date
Amount
Receipt Amount
Campaign
Designation
Payment Type
Check Date
Check Number
Credit Card Type
Credit Card Number
Expires On
Confirmation Code
Acknowledged
Acknowledged Date
Acknowledgement Document

Notice that in our basic batch template we combine credit card and check gifts. At some organizations, the Finance department requires credit card gifts to be batched separately for easier reconciliation with those bank statements. Also, if your organization receives a lot of honor/memorial gifts, you may want to include the Honor/Memorial fields in your batch template. These are not the Tribute fields, which cannot be accessed in batch.

Another possible reason for using a different batch template would be if certain kinds of gifts are always coded differently. For example, event gifts may require certain defaults that are important to keep consistent. You may decide to set up a different template to handle event gifts to make sure users employ all the correct defaults.

However, take care not to create so many templates that users don't bother to check the defaults. If users assume that someone else has set up the template correctly, they will not check the setup and errors can occur. Try to maintain a balance between having enough templates for legitimate business needs, but not so many that entry operators stop paying attention to what they are doing.

Anonymous Donors

Most organizations experience occasions where a donor wishes to remain anonymous. This request could be for just one gift, or it could be an overall request for all gifts and gift recognition. However, it is important to distinguish this situation from a situation in which a donor's identity really is unknown (for example, if an envelope contains cash but no other information.)

In the first example, in which the donor is known but wishes to remain anonymous, it is best to record the gift on the donor's record as usual and then use Common Ground features to handle the request for anonymity. A donation can be flagged as anonymous under Recognition Preferences, and the Recognition Name for this gift can be "Anonymous." If a donor always wants to be anonymous, check the Anonymous box on the Contact record. Please note that checking the Anonymous box on the Account or Contact record will not affect any past or future gifts. As a workaround, a Validation Rule can enforce checking of the Anonymous checkbox on the gift if the Contact is marked as Anonymous.

When creating recognition lists, you need to include these fields in the report and manually replace the donors' name with Anonymous.

When a donor's identity really is unknown, we recommend using a generic Household Contact with the name "Unknown Donor" to handle all such gifts. It is not necessary to create a new anonymous Contact each time a gift is received from an unknown donor. Gift entry staff should be trained on the difference between a donor who wishes to remain anonymous and a truly unknown donor, and when to use the anonymous Contact. Make sure to mark the Unknown Donor record as Anonymous on the Contact and Account, and on all gifts.

Connector-Generated Gifts

When your organization uses Convio Online Marketing (COM), the Connector will add transactions to Common Ground as part of the sync process. More details about this process are available in Convio's Connector documentation.

Daily Reports

When daily gift entry is complete, most organizations require some sort of report that confirms what has been entered. Often this report is kept with the gift documentation (see Storing Donation Records below) and may be copied to the Finance department for their use. If your organization does not require a report like this, it is a good idea to implement this step as a final check that all received donations made it into Common Ground and match the deposit ticket or donation log. The Unposted Donation report can be set for a specific date to provide a detailed report of received donations for a particular day (or week, if volume is low).

Storing Donation Records

Your organization's donation filing system should allow easy search and retrieval of donation backup documentation. The most straightforward method of donation storage is to file your documentation chronologically, in batch order of the day, with each batch bundled together and prefaced by a report or log that summarizes the contents. Gifts entered singly can slot in at the beginning or end of each day. For example, On September 24 you may have entered one batch of checks, one batch of credit card gifts, and three Major Gifts. In your files for September 24 there would be:

- An overall report of the day's activity
- Documentation of the three Major Gifts
- The batch of check documentation, prefaced by a batch report
- The batch of credit card documentation, prefaced by a batch report

If the whole packet is not too large, bundle it together with a rubber band or binder clip so that everything from September 24 is kept together.

Alternatively, documents can be scanned and added to Donation, Contact, or Account records as attachments. These attachments are searchable in Advanced Search. If your organization decides to take advantage of this functionality, it is important to set up a naming convention for the different types of documents that will be scanned. And, be aware that this will increase your organization's need for storage, which can lead to increased costs.

C. Ensuring Correct Coding of Gifts

Taking steps to ensure the correct coding of gifts the first time they are entered is well worth your organization's time. For a number of reasons, a proactive approach to correct gift coding will save you time (and possibly the reputation of your database) in the long run.

First and foremost, it is important to minimize confusion as to how certain gifts will appear in reports. A significant new grant or a complex major gift should definitely appear correctly on board reports the first time, especially if the board will also be reviewing reports from the Finance department. A process to clarify and communicate about coding of important gifts will reduce the need to make adjustments.

Secondly, having a process in place to clarify gift coding shows support for the gift entry staff. As your organization grows and more fundraising strategies are employed, it becomes unreasonable to expect the gift entry staff to know how to code everything without some guidance. Reinforce the practice that if a new type of gift or an odd gift arrives, gift entry staff should ask for direction and not "make their best guess." One tool that provides guidance on almost all gifts is a gift entry "cheat sheet" (sample in the Appendix.) A one-page guide to the most common types of gifts is an easy reference to post in a workspace.

Lastly, as alluded to in the first point, on large, complex or unusual gifts it pays to communicate with your Finance department. Perhaps you just received your first verbal pledge, or a piece of sold stock overpaid a pledge, or a major donor wants to establish your organization's first named fund. Whatever the case may be, it is valuable to have a way to communicate how Common Ground is going to record the gift.

Adding a step to your process to confirm coding of such gifts does not need to be onerous. In a small office where everyone is in sight of each other, a Post-It note or a printed email may suffice as documentation for how a gift is going to be entered. In a larger office, a more formal transmittal form such as the example in the Appendix may better serve the purpose. We have even seen a customized rubber stamp used directly on the donation documentation. The important things to remember are that the coding clarification should be stored with the donation backup, and the process should *not* involve leaving live checks unsecured on each other's desks.

II. ENFORCING FINANCIAL DATA INTEGRITY

No matter how capable your gift entry staff is, it is always crucial to review the current structure for any needed cleanup. Also, you should annually assess how this current structure will work with your future fundraising goals and tracking needs, and make adjustments as needed. Enforcing data integrity can be achieved through clear documentation of roles and responsibilities, as well as by using the native tools in Common Ground to automate data validation.

A. Roles and Responsibilities

At some organizations, particularly small ones, it is not uncommon for every database user to have “Administrator” access. In small offices, each staff member typically wears many hats and has a variety of responsibilities. The level of trust and teamwork between colleagues is high, and quick turnaround on work is prized (and necessary!). Restrictive system security settings are perceived as “getting in the way.”

As nonprofit operations experts, though, we have seen how badly databases fare when left to a security free-for-all. Here are some of the most common problems that can result (not just in financial data), some of which are very difficult to repair:

- Rampant duplicates
- Mailing / solicitation code duplication in several areas or tables
- Overgrown Classification table and junky Custom Fields
- Inconsistency in use of Campaign / Parent Campaign, Designation, or Major Gift / Grant Record Type
- Incorrect financial totals that do not match the General Ledger

One of the best ways to protect your organization’s data integrity is to establish roles and responsibilities based on job functions. Some areas of the system will be maintained by highly trained operators, and others will be allowed view-only rights (e.g., Events and Volunteers). In other areas of the system, users are encouraged to add data (e.g., Relationships and Activities).

“Core data” should be entered and maintained by your organization’s database experts. We typically define core data as:

- Names and addressees/salutations
- Addresses
- Phone numbers and emails
- Classifications
- Gifts

Other users should have view-only rights to this data. Generally, edit and reversal rights to gifts should be tightly controlled to the same person(s) who enter gifts. And preferably only the database administrator has the rights to delete a gift, should that be necessary.

Establishing clear roles and responsibilities will improve the quality of your data and impress (or relieve) your organization's auditors. See the Appendix for an example of a security grid that describes system access according to job function.

B. Common Ground Tools

Common Ground has many tools for maintaining financial data integrity. These tools are customizable and, if optimally constructed, will actually improve a user's experience with Common Ground. The tools listed below all need to be accessed by a System Administrator.

Required / Not Required Fields

There are many fields that default to Required due to the structure of Salesforce or Common Ground. Often, these requirements may not be turned off. However, they will help maintain data consistency.

In addition, you may easily make other fields required to encourage consistency for reporting and mailing information. However, if a field is required, a user must enter a value or they will be unable to save the record. This may be too strict for many situations. You may also make certain fields required based on the record type.

Validation Rules

Validation rules can be less strict than making a field required. You may make a field conditionally required, based on other entered fields. For instance, if a user enters a Donation record, the Amount field must have a value. In order to create a validation rule, you write a Boolean formula and a corresponding error message. When the user attempts to save the record, they will see the error, and have the opportunity to correct it.

Dependencies

Dependencies are often used with large sets of picklists. If a user picks a certain value, a list of related values for the same object will appear. This means users will not need to scroll through endless picklists, and ensures users will pick an accurate value.

Hidden Fields

Common Ground is a robust system, and there may be many fields your organization will not use. For example if you don't use Convio Online Marketing, there are several fields you won't need to complete. Fields may be easily hidden from the system, but also based on user profiles.

Custom Fields

Custom fields provide a great deal of flexibility to tailor your system to meet the unique needs of your organization. When used properly, custom fields can greatly expand the effectiveness of your database. They're an excellent way to store information that can be standardized across records or on which you will want to report. Custom fields are most effective when no existing field or set of fields will produce the desired result.

Workflow Rules

You can configure a rule in the system that will create an action when your rule conditions are met. The action can be a field update, the creation of a task, an alert, or an outgoing message, and the action can trigger based on a time parameter that you set, or when a condition in your rule is met. Workflow rules don't work retroactively – only when a record is created or updated and meets your rule conditions.

Profile Permissions

Profiles are a basic component of data security. Common Ground ships with standard user profiles, and you may clone these profiles and edit them further to meet your data needs. For profiles, think about the types of access your users will need, and what users will need similar access. Then, you can add users to the appropriate Profiles. In addition, you can create different page layouts for the various profiles, allow them to see certain fields (or not) and restrict access to different tabs and areas of the database.

III. APPENDIX

- Sample Financial Information Flowchart
- Sample Financial Information Process Documentation
- Sample Gift Entry Cheat Sheet
- Sample Gift Income Transmittal
- Sample Security Settings Documentation

Sample Financial Information Flowchart



Sample Financial Information Process Documentation

STEP	PROCEDURE	WHO PERFORMS
1.	The mail is opened and donations are sorted out.	Front Desk
2.	Donations are forwarded to Development.	Front Desk
3.	A tape is run on the daily total. The total is noted on the batch cover sheet.	Development Assistant
4.	Copies of checks are made. Check copies are kept with gift documentation.	Development Assistant
5.	An extra two copies are made of major/VIP/special gifts. One is forwarded to senior staff with an income transmittal. (See documentation on income transmittal for more detail.) The other is filed in the major donor files.	Development Assistant
6.	Original checks are forwarded to Accounting with the adding machine tape.	Development Assistant
7.	Check copies, documentation and batch sheet are forwarded to DBA.	Development Assistant
8.	Gifts are sorted into batches. (See documentation on batch sorting for more detail.) Each batch is numbered and described on the batch sheet. The batches are totaled and confirmed that the total of the batches matches the daily total.	DBA
9.	Income transmittals are returned to DBA with coding decisions clarified.	Senior Staff
10.	Income transmittals are returned to the correct batch. A batch cannot proceed to the next step until income transmittals are returned.	DBA
11.	Batches are assigned to gift processing staff.	DBA
12.	Batches are created, data is entered and validated.	Gift Processing
13.	Data entry is checked and batches are committed. Batch control reports are printed. Completion of batches is noted on the batch cover sheet.	DBA
14.	Daily revenue reports are run. Totals on revenue reports are checked against the total on the batch sheet. When verified, one copy is filed with batches and one copy is forwarded to Accounting.	DBA
15.	Gift acknowledgments are created in Word. An electronic copy is saved in the designated folder on the network. Acknowledgments are printed.	Development Assistant
16.	Major/VIP/special gift acknowledgments are separated out for signature/notes by senior staff. A copy of special acknowledgments is inserted into the major donor files.	Development Assistant
17.	Acknowledgments are stuffed and mailed.	Front Desk

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
REMITs-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	

Sample Gift Income Transmittal

Donor information

Full name: _____

Contact ID: _____ Classification for this gift: _____

Gift information

Gift amount: \$ _____ Date received: ____ / ____ / ____

Received by: _____

Gift type:

Single Recurring* Pledge* Pledge payment* Gift-in-kind* Major Gift* Other*

Payment method:

Personal check Business check Credit card Payroll giving* Stocks* Other*

Check number: _____ Check date: ____ / ____ / ____

Credit card type: _____ Credit card number and expiry: _____ / ____

Designation:

Designation		Campaign	
Unrestricted	<input type="checkbox"/>	Annual Appeal	<input type="checkbox"/>
Capital projects	<input type="checkbox"/>	Personal solicitation	<input type="checkbox"/>
Special projects	<input type="checkbox"/>	Special event	<input type="checkbox"/>
_____	<input type="checkbox"/>	_____	<input type="checkbox"/>

Acknowledgments: Standard letter Personal letter** Phone call** Other*

**From whom: _____

Special notes: Donor requests anonymity for this gift Donor requests anonymity for all gifts

*Details of gift type, payment method or acknowledgments:

For gift entry personnel only:

Date completed: _____ Date forwarded to accounting: _____ Date copied to Development Director: _____

Security Settings Documentation

Department	Staff	Position	Function
Development	Al	Database Administrator	Database Administration, Data Entry, Reports
Development	Bob	Direct Mail Manager	Database Administration, Data Entry, Reports
Development	Christine	Data Entry	Acknowledgements, Gift Entry, Constituent Entry, Updates
Development	Dale	Data Entry	Acknowledgements, Gift Entry, Constituent Entry, Updates
Development	Evelyn	Data Entry/Acknowledgements	Acknowledgements, Gift Entry, Constituent Entry, Updates
Development/Special Events	Francine	Development Assistant	Acknowledgements, Gift Entry, Constituent Entry, Updates
Development/Special Events	Gayle	PR & Special Events	Acknowledgements, Gift Entry, Constituent Entry, Updates
Development	Henry	Major Gift Officer	Lookup, Additions, and Reports
Finance/Development	Irina	Development Director	Lookup, Additions, and Reports
COO	Joe	COO	Lookup, Additions, and Reports

Profile Name	User	Function		Comments
Data Entry	Christine Dale Evelyn	Enter and update core information. Daily Reporting, Prepare Acknowledgement Letters. Relationships (Contacts, Spouses, Employment).	View, Add, Edit	No Deletion. Reports. Cannot add Activities, Notes, Events (creating an event). Cannot go into Setup or Configuration. Christine & Dale generate Memorial and Mass acknowledgement. Evelyn generates all other acknowledgement letters. Cannot merge constituents.
Database Administration	Al Bob	All Privileges	View, Add, Edit, Delete	No restrictions
Major Gifts	Henry Irina	Reports, Activities, Relationships (includes contacts), Notes, Custom Fields	View, Add, Edit	No deletions. Cannot add new accounts, gifts, events.
PR	Francine Gayle	Enter and update core information. All Reports, prepare acknowledgement files (Events). Relationships.	View, Add, Edit	No deletions
Golf and Tennis	Joe	View and run Special Event Reports	View Only	