

# APPENDIX

## *Metrics Matter*

### **Donor Performance Index**

The Donor Performance Index, standardized and utilized by BBS & Associates, segments donors into five different life stages that a donor can shift into at any point in time. It can be used to track your whole file, including your mid-level donors. Please refer to the end of this appendix for a sample.

This report follows donors, year by year, and provides insight to the overall growth and health of a client's file. It serves as a guide to explain what each life stage is and how a donor progresses, year over year, through each stage.

#### **New Donors — Section #1**

In this stage we find new donors, people whose first gift has been recorded in a specific calendar year. This section includes these data points:

- Number of new donors acquired
- Number of gifts
- Value of gifts
- Average number of gifts per donor
- Average gift size
- Annual giving per donor

The key indicators of this section signifying a healthy donor file are the number of names acquired each year and the average number of gifts per donor. The average gift size will vary per ministry depending on the channel and programs through which new donors are acquired. A healthy donor file will continue to have a steady stream of new donors added year over year, with the desire to see this number increase annually. This stream of new donors coming onto your donor file will offset the attritional loss of donors who fall off the file.

#### **Second Year New Donors — Section #2**

This section of the Donor Performance Index highlights those donors whose first gift was in the previous year; in other words, the number of new donors you added last year will be your beginning number this year.

As donors move into this crucial category, true conversion of donors can take place. Donors give gifts to a ministry with a variety of motivations but connecting a donor to your ministry to foster the second gift will take some nurturing.

The key indicators found in this section of the index will center on your renewal percentage, the average number of gifts per donor, average gift size, and annual giving per donor. Of course, the main focus should center on the renewal percentage. If this percentage is trending positively, the other indicators will typically trend positively as well.

#### **Multi-Year Donors — Section #3**

In this section, you find donors who have given a gift in at least the past two or more years. This section makes up the heart and soul of your file — these are donors who have made a strong

connection with your ministry. Their names come from two places on the Donor Performance Index: converted new donors and reactivated lapsed donors who have renewed in year 2.

The key indicators found here center on your renewal percentage, the average number of gifts per donor, average gift size, and annual giving per donor. The main focus, of course, should center on the renewal percentage. If this percentage is trending positively, the other indicators will typically trend that way as well.

### **Lapsed Donors — Section #4**

The lapsed donor section looks at donors who have given to your ministry previously but for some reason did not give a gift in the last year. These donors have dropped off your file from being “active.” The attritional loss here is why we strive to keep a steady stream of incoming donors to help offset it. However, just because a donor has “fallen off” does not mean they are lost for good. There are still numerous opportunities to gain them back. Many of them have no realization they are “lapsed” and still consider themselves active.

The key indicators found in this section of the index will center on your renewal percentage, average number of gifts per donor, average gift size, and annual giving per donor. The main focus should center on the renewal percentage. If this percentage is trending positively, the other indicators should as well.

Reactivated donors — though more challenging to get as opposed to new donors — have a higher value than a newly acquired donor. These people have already shown some affinity for your ministry, and when they come back to donate again will donate at a larger amount and with a greater frequency than a new donor.

### **Second Year Reactivated Donors — Section #5**

This section focuses on donors who were previously lapsed but gave a donation in the prior year. They are similar to second year new donors, but with your lapsed donor population.

The key indicators found in this section of the index will center on your renewal percentage, the average number of gifts per donor, average gift size, and annual giving per donor. The main focus is the renewal percentage. If this percentage is trending positively, the other indicators will typically trend positively as well.

A healthy renewal percentage in this section will be higher than what is found in your second year from new renewal percentage, because we have already established some connections with the donor in the past.

### **Total — Section #6**

This section focuses on overall totals — number of donors, amount of gifts, and annual giving per donor. Sections #1-5 combine for this total.

This portion of the appendix was created to serve as a guideline to understand how a Donor Performance Index can be read to see both positive and negative trends found in your ministry’s donor file. This is by no means an all-inclusive document. There are many other indications that can be discovered and analyzed through the overall study of your Donor Performance Index, but our hope is that this gives your ministry a starting point to understanding how your donors are moving from year to year.

If BBS & Associates can help develop a custom Donor Performance Index report for your ministry, please contact us at [www.servantheart.com](http://www.servantheart.com).

## Upgrading General Donors to Mid-level Donors

This may qualify as a secondary focus — if you have limited time and resources, converting first-year donors and renewing lapsed donors are both more important than this — but if you’re able, upgrading general donors (under \$1,000 Largest Single Gift) to mid-level donors (\$1,000+ Largest Single Gift) will pay great dividends for your ministry.

Donors with LSG under \$1,000	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Totals: All Donor Types</b>					
# Giving This Year	13,340	14,774	16,240	19,011	22,107
# Gifts	64,189	71,527	79,362	93,876	111,579
Value of Gifts	\$2,665,591	\$2,967,902	\$3,745,693	\$4,519,875	\$5,621,122
Average Number of Gift/Donor	4.81	4.84	4.89	4.94	5.05
Average Gift Size	\$41.53	\$41.49	\$47.20	\$48.15	\$50.38
Annual Giving Per Donor	\$199.82	\$200.89	\$230.65	\$237.75	\$254.27

Donors with LSG \$1,000 - \$9,999	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Totals: All Donor Types</b>					
# Giving This Year	424	456	518	583	664
# Gifts	2,070	2,332	2,643	3,003	3,501
Value of Gifts	\$684,696	\$880,014	\$1,045,650	\$1,243,445	\$1,479,098
Average Number of Gift/Donor	4.88	5.11	5.10	5.15	5.27
Average Gift Size	\$330.77	\$377.36	\$395.63	\$414.05	\$422.51
Annual Giving Per Donor	\$1,614.85	\$1,929.86	\$2,018.63	\$2,131.16	\$2,227.32

## Year-to-Year Tracking

Here is a report we use to track the progress of mid-level and major donor segments from year to year. This data shows how each segment is performing currently — the number of donors, number of gifts, total given, average gift, and average gift per donor. The report also indicates how this current performance compares to the performance at this time last year.

This type of report can be adjusted based on how you define your major and mid-level donor categories. For example: You can designate the major donor group as \$10,000+ LSG and expand the mid-level group to \$1,000-\$9,999, depending on the size of your ministry.

	YEAR 1	YEAR 2	% Difference
<b>Major Donor \$10,000 or greater LSG</b>			
# Donors	58	63	8.62%
# Gifts	85	97	14.12%
Total Amount	\$271,850	\$317,678	16.86%
Avg Gift	\$3,198.24	\$3,275.03	2.40%
Avg Gift Per Donor	1.47	1.54	5.06%
<b>Mid-Level Donor \$2,500 - \$9,999 LSG</b>			
# Donors	31	32	3.23%
# Gifts	32	39	21.88%
Total Amount	\$40,785	\$51,359	25.93%
Avg Gift	\$1,274.53	\$1,316.90	3.32%
Avg Gift Per Donor	1.03	1.22	18.07%
<b>Mid-Level Prospects \$1,000 - \$2,499 LSG</b>			
# Donors	290	297	2.41%
# Gifts	345	354	2.61%
Total Amount	\$452,323	\$499,141	10.35%
Avg Gift	\$1,311.08	\$1,410.00	7.55%
Avg Gift Per Donor	1.19	1.19	0.19%
<b>General Donors</b>			
# Donors	6,341	7,232	14.05%
# Gifts	6,922	7,956	14.94%
Total Amount	\$161,569	\$191,856	18.75%
Avg Gift	\$23.34	\$24.11	3.31%
Avg Gift Per Donor	1.09	1.10	0.78%
<b>Totals</b>			
# Donors	6,720	7,624	13.45%
# Gifts	7,384	8,446	14.38%
Total Amount	\$926,527	\$1,060,034	14.41%
Avg Gift	\$125.48	\$125.51	0.02%
Avg Gift Per Donor	1.10	1.11	0.82%

# Sample Content Calendar

Here's an example template of a ministry content calendar.

Month Editorial Calendar						
<b>Week 1</b>						
Holidays & Events						
Social Media						
Email						
Direct Mail						
International Travel						
PR/Publicity						
Strategic Partnerships						
Blog						
<b>Week 2</b>						
Holidays & Events						
Social Media						
Email						
Direct Mail						
International Travel						
PR/Publicity						
Strategic Partnerships						
Blog						
<b>Week 3</b>						
Holidays & Events						
Social Media						
Email						
Direct Mail						
International Travel						
PR/Publicity						
Strategic Partnerships						
Blog						
<b>Week 4</b>						
Holidays & Events						
Social Media						
Email						
Direct Mail						
International Travel						
PR/Publicity						
Strategic Partnerships						
Blog						

# Sample Donor Performance Index

Donors with LSG of \$1,000 - \$9,999					
<b>(1) New Donors (First Gift This Year)</b>	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Acquired This Year	84	85	88	95	105
# Gifts	128	136	141	162	199
Value of Gifts	\$118,784	\$133,293	\$153,258	\$177,650	\$218,405
Average Number Gift/Donor	1.52	1.60	1.60	1.70	1.90
Average Gift Size	\$928.00	\$980.10	\$1,086.94	\$1,100.00	\$1,100.00
Annual Giving Per Donor	\$1,414.10	\$1,568.15	\$1,741.57	\$1,870.00	\$2,090.00
<b>(2) Second Year New Donors (New Donors Last Year)</b>					
# at Beginning of Year	83	84	85	88	95
Number Renewing	29	32	36	38	42
% Renewing	34.94%	38.10%	42.35%	43.00%	44.00%
# Gifts	126	223	241	254	293
Value of Gifts	\$52,642	\$93,509	\$107,475	\$133,102	\$158,004
Average Number Gift/Donor	4.34	6.97	6.69	6.70	7.00
Average Gift Size	\$417.79	\$419.32	\$445.95	\$525.00	\$540.00
Annual Giving Per Donor	\$1,815.24	\$2,922.16	\$2,985.42	\$3,517.50	\$3,780.00
<b>(3) Multi-Year Donors (Gave Last 2+ Years)</b>					
# at Beginning of Year	270	273	287	320	366
Number Renewing	216	222	239	269	312
% Renewing	80.00%	81.32%	83.28%	84.10%	85.23%
# Gifts	1,582	1,678	1,859	2,099	2,447
Value of Gifts	\$367,530	\$458,726	\$515,534	\$598,254	\$718,093
Average Number Gift/Donor	7.32	7.56	7.78	7.80	7.85
Average Gift Size	\$232.32	\$273.38	\$277.32	\$285.00	\$293.49
Annual Giving Per Donor	\$1,701.53	\$2,066.33	\$2,157.05	\$2,223.00	\$2,303.90
<b>(4) Lapsed Donors (No Gift Last Year, Given Previously)</b>					
# at Beginning of Year	719	876	997	1,023	1,053
Number Renewing	67	84	110	123	139
% Renewing	9.32%	9.59%	11.03%	12.00%	13.20%
# Gifts	160	201	268	307	347
Value of Gifts	\$112,000	\$149,000	\$205,000	\$245,213	\$278,451
Average Number Gift/Donor	2.39	2.39	2.44	2.50	2.50
Average Gift Size	\$700.00	\$741.29	\$764.93	\$799.00	\$801.67
Annual Giving Per Donor	\$1,671.64	\$1,773.81	\$1,863.64	\$1,997.50	\$2,004.18
<b>(5) Second Year Reactivated Donors (Lapsed Donors, Reactivated Last Year)</b>					
# at Beginning of Year	59	67	84	110	123
Number Renewing	28	33	45	59	67
% Renewing	47.46%	49.25%	53.57%	53.40%	54.70%
# Gifts	74	94	134	182	216
Value of Gifts	\$33,740	\$45,486	\$64,383	\$89,226	\$106,146
Average Number Gift/Donor	2.64	2.85	2.98	3.10	3.21
Average Gift Size	\$455.95	\$483.89	\$480.47	\$490.00	\$492.44
Annual Giving Per Donor	\$1,205.00	\$1,378.36	\$1,430.73	\$1,519.00	\$1,580.73
<b>(6) Totals: All Donor Types</b>					
# Giving This Year	424	456	518	583	664
# Gifts	2,070	2,332	2,643	3,003	3,501
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