



VERITUS  
GROUP

Building Authentic Donor Relationships

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The Hidden Problem That's  
Costing Non-Profits Thousands  
(or Maybe Millions!) of Dollars



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# Jeff Schreifels

- Principal & Owner
  - Expert in developing, planning and executing strategic fundraising and marketing programs
  - Over 30 years of experience building major gifts and mid-level fundraising programs
  - Jeff and his son Jake have seen almost every MLB stadium together
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# Objectives

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- Discuss some of the significant problems that have caused the non-profit sector to lose their way.
- Understand the areas you need to focus on within your data and how you can begin assessing your donor file to identify potential issues that are impacting your organisation.
- Learn about the tools that you can use to catch “red flags” within your donor file.



## VERITUS GROUP

We are passionately relationship-focused and grounded in a data-driven approach to mid, major, and planned giving.

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# Our Strategy and Approach

The Veritus Way is based on years of work with non-profits of varying size and purpose. It's been developed with insight from:

- Analysis of millions of donor records
- Hundreds of consulting clients
- Thousands of Veritus Group Academy participants
- Work with thousands of fundraisers and non-profit leaders



# Who We've Partnered With

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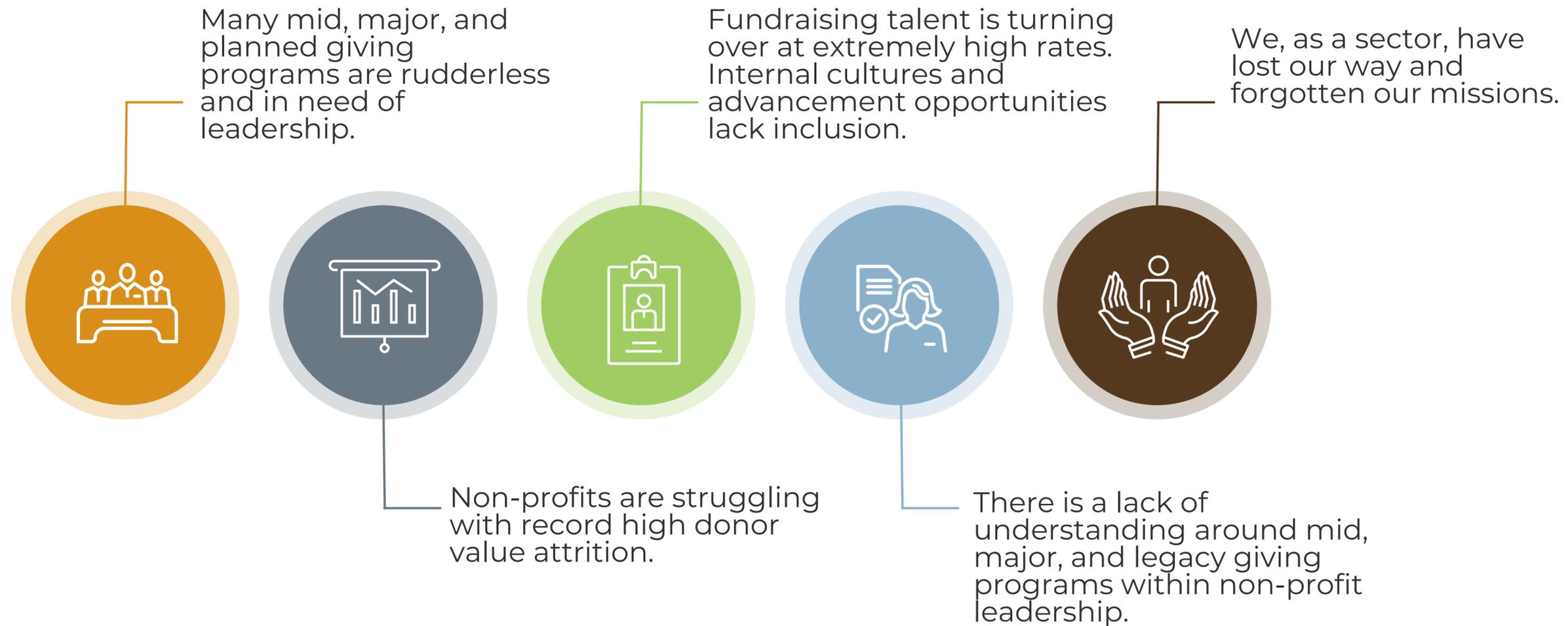


**We've Lost Our Way**



# What Are The Problems?

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# Understanding Attrition

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**What is...**

Donor Attrition?

Donor Value Attrition?



# Donor Retention

## Industry-wide: A Serious Retention Problem

Commercial  
Business Customer  
Retention

**94%**



Attrition  
**6%**

Non-Profit Donor  
Retention

**41%**



Attrition  
**59%**

### Donor Retention Past 5 Years





# New Money Covers Losses

		Year 1	Year 2	Variance	Percentage Change
<b>View 1</b>	Income from all donors giving \$1,000+ cume	\$2,560,000	\$3,100,000	\$540,000	21.09%
<b>View 2</b>	Income from the donors who gave \$1,000+ cume in Year 1	\$2,560,000	\$1,305,600	<b>\$(1,254,400)</b>	<b>-49.00%</b>
	Income from donors giving \$1000+ cume for the first time		\$1,794,400	\$1,794,400	100%
		\$2,560,000	\$3,100,000	\$540,000	21.09%

**A serious problem covered up by "new money" ...**



V E R I T U S

One Class of Donors				Year 1	Year 2	Year 3
1	Name	ID		\$125,000		
2	Name	ID		\$102,200	\$75,000	
3	Name	ID		\$100,400		\$12,000
4	Name	ID		\$60,550		
5	Name	ID		\$50,100	\$50,100	\$50,100
6	Name	ID		\$50,030		
7	Name	ID		\$35,500		
8	Name	ID		\$31,500	\$40,000	\$45,000
1	Name	ID		\$30,900		
10	Name	ID		\$30,000	\$50,000	\$50,000
11	Name	ID		\$29,350	\$8,600	\$10,000
12	Name	ID		\$28,000	\$19,000	
▼	▼	▼		▼	▼	▼
144	Name	ID		\$5,000		
145	Name	ID		\$5,000		
146	Name	ID		\$1,000	\$5,000	\$5,000
147	Name	ID		\$1,000		\$100
148	Name	ID		\$1,000		
149	Name	ID		\$1,000		
150	Name	ID		\$1,000	\$1,000	\$1,000
<b>One Class Totals</b>				<b>\$1,901,420</b>	<b>\$776,120</b>	<b>\$584,315</b>
					<b>-59.18%</b>	<b>-24.71%</b>
					<b>Period Total</b>	<b>-69.27%</b>



# Example: Total Revenue & Attrition

Donor Totals	Year 1	Year 2	Year 3	Total Giving Lifetime
	\$20,022,105	\$19,679,475	\$23,367,033	\$196,675,927
Year to Year Value Change		-1.71%	18.74%	
Period Value Change			16.71%	

Overall, giving has increased almost 17% over three years.



## V E R I T U S

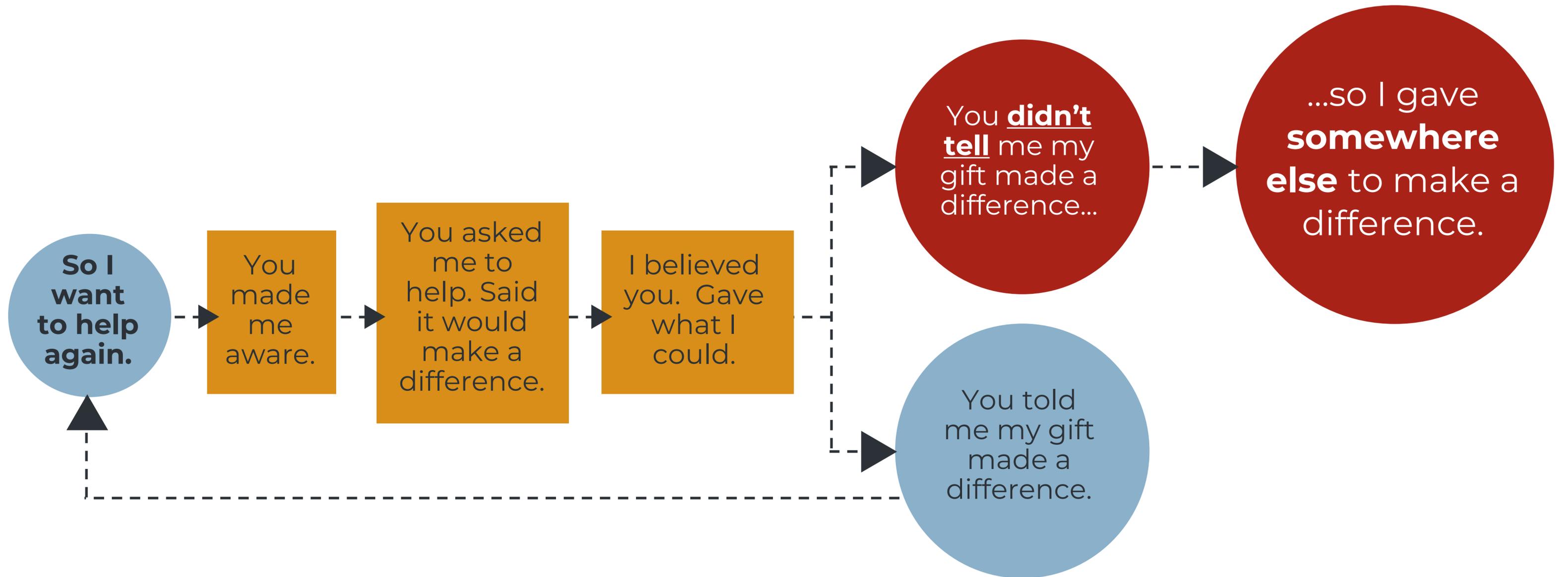
Individuals — Summary by Year				
	Year 1 Total Giving	Year 2 Total Giving	Year 3 Total Giving	
<b>Individual Class Year 1</b>	\$10,569,460	\$7,310,556	\$7,521,528	<b>Yr 1 – Yr 2 = \$3,258,904</b>
Year to Year Value Loss		<b>-31%</b>	3%	
<b>Individual Class Year 2</b>		\$3,186,680	\$1,781,772	<b>Yr 1 – Yr 2 = \$1,404,908</b>
Year to Year Value Loss			<b>-44%</b>	
organisations — Summary by Year				
	Year 1 Total Giving	Year 2 Total Giving	Year 3 Total Giving	
<b>organisation Class Year 1</b>	\$8,918,410	\$5,702,355	\$6,250,004	<b>Yr 1 – Yr 2 = \$3,216,056</b>
Year to Year Value Loss		<b>-36%</b>	10%	
<b>organisation Class Year 2</b>		\$3,177,629	\$1,946,367	<b>Yr 1 – Yr 2 = \$1,231,263</b>
Year to Year Value Loss			<b>-39%</b>	

Total Loss from Year 1 to Year 3: **\$9,111,130**





# Very simply put...**This is how we lose our donors.**





# What to Keep Your Eye On

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If you're serious about keeping your donors, which we hope you are, then you need to keep an eye on these areas:

The number of donors who give the same gift amount annually

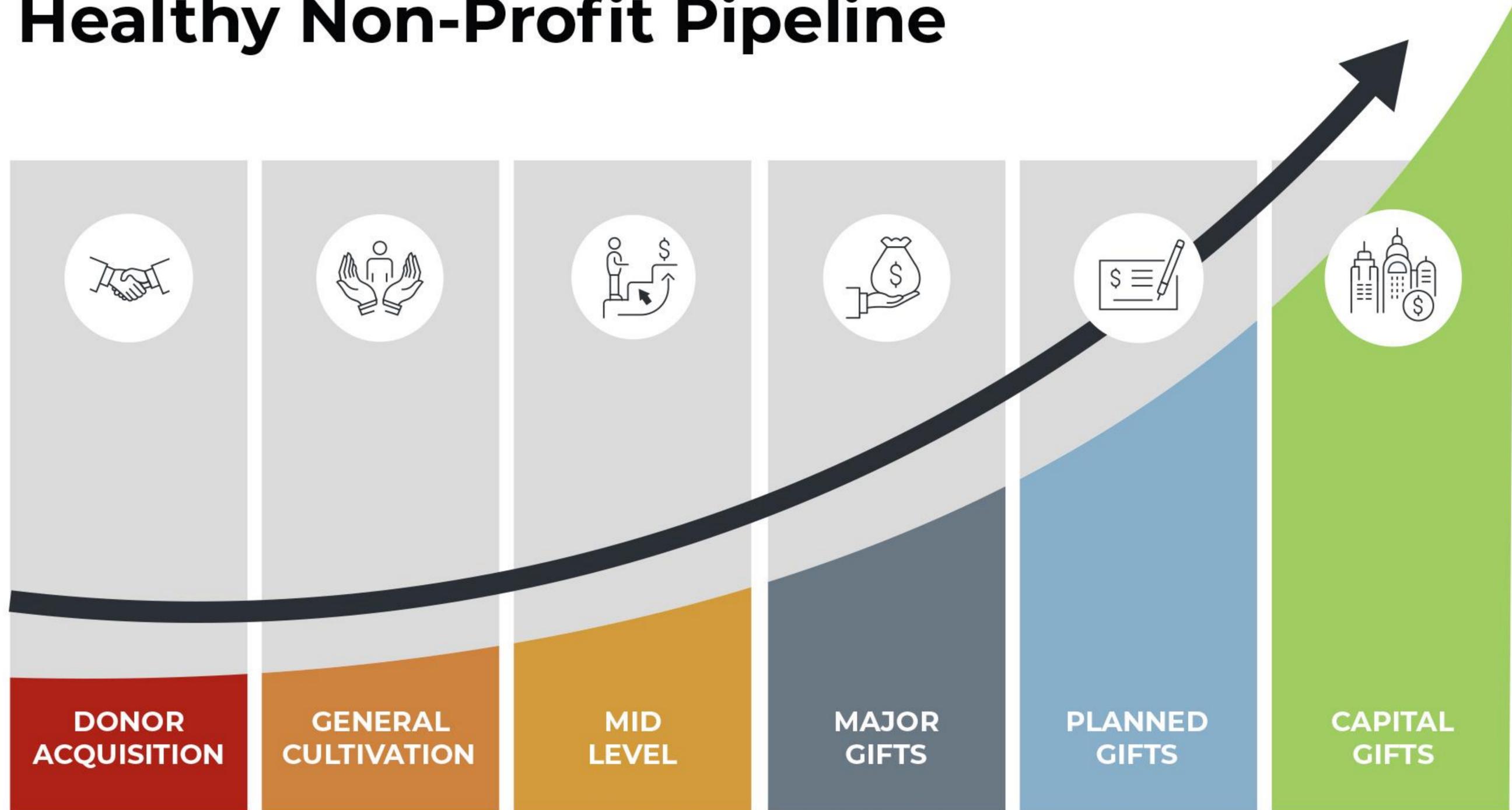
Tracking issues with "new money"

Too much focus on securing new money from new donors

Systems that don't support reporting on impact

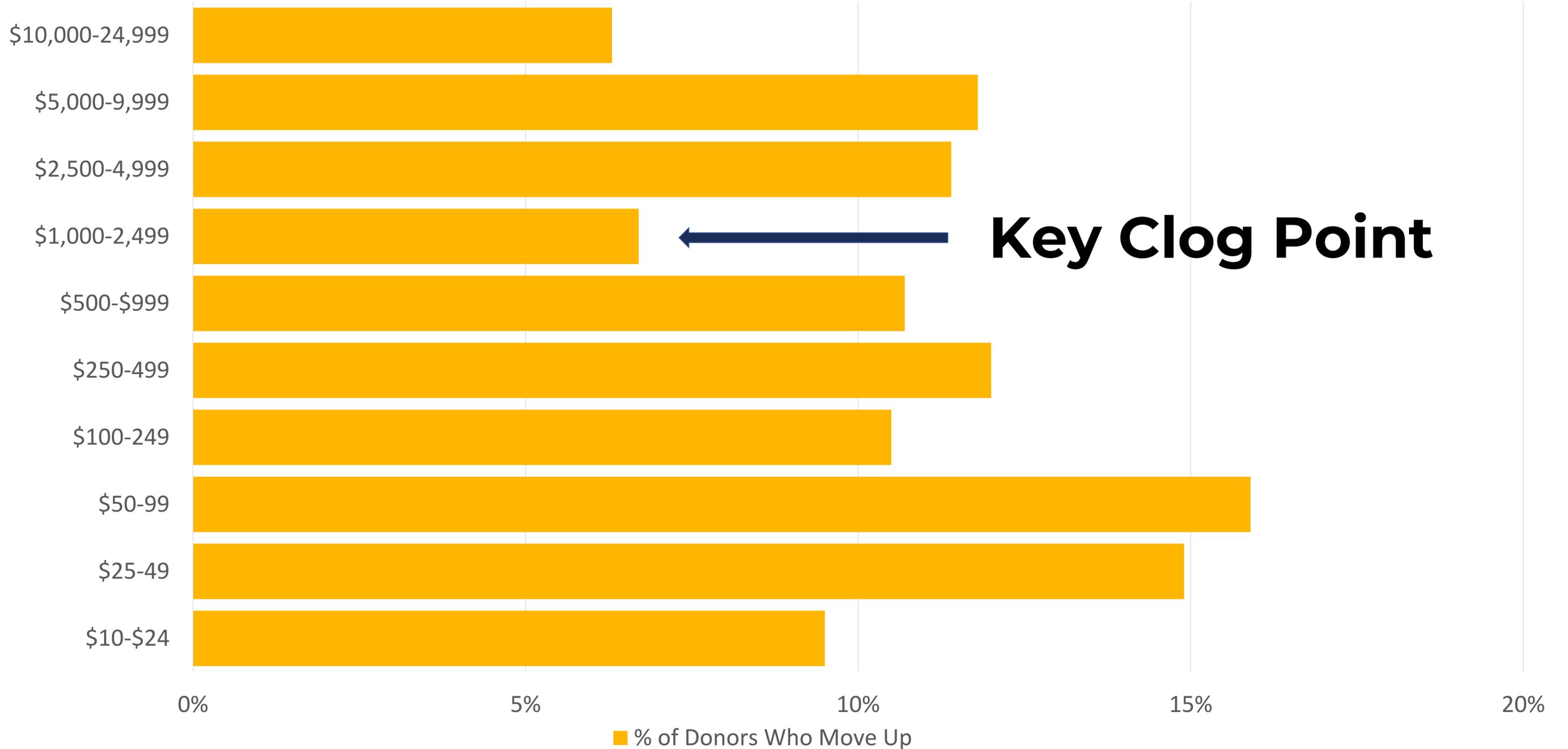


# Healthy Non-Profit Pipeline





# Mid-Level Donor Clogs





# What Non-Profits Need to Do

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To address the issues we see in donor and donor value attrition, non-profit organisations must:

Regularly and promptly report back on impact

Be committed to learning the donor's passions and interests

Build trust between the organisation and the donor

Connect the donor directly to your mission

A warm-toned photograph of a business meeting. In the foreground, a person's hand in a dark suit jacket is typing on a silver laptop. Another person in a white blazer stands behind, holding a red pen. The background is softly blurred, showing a window with greenery. The overall mood is professional and collaborative.

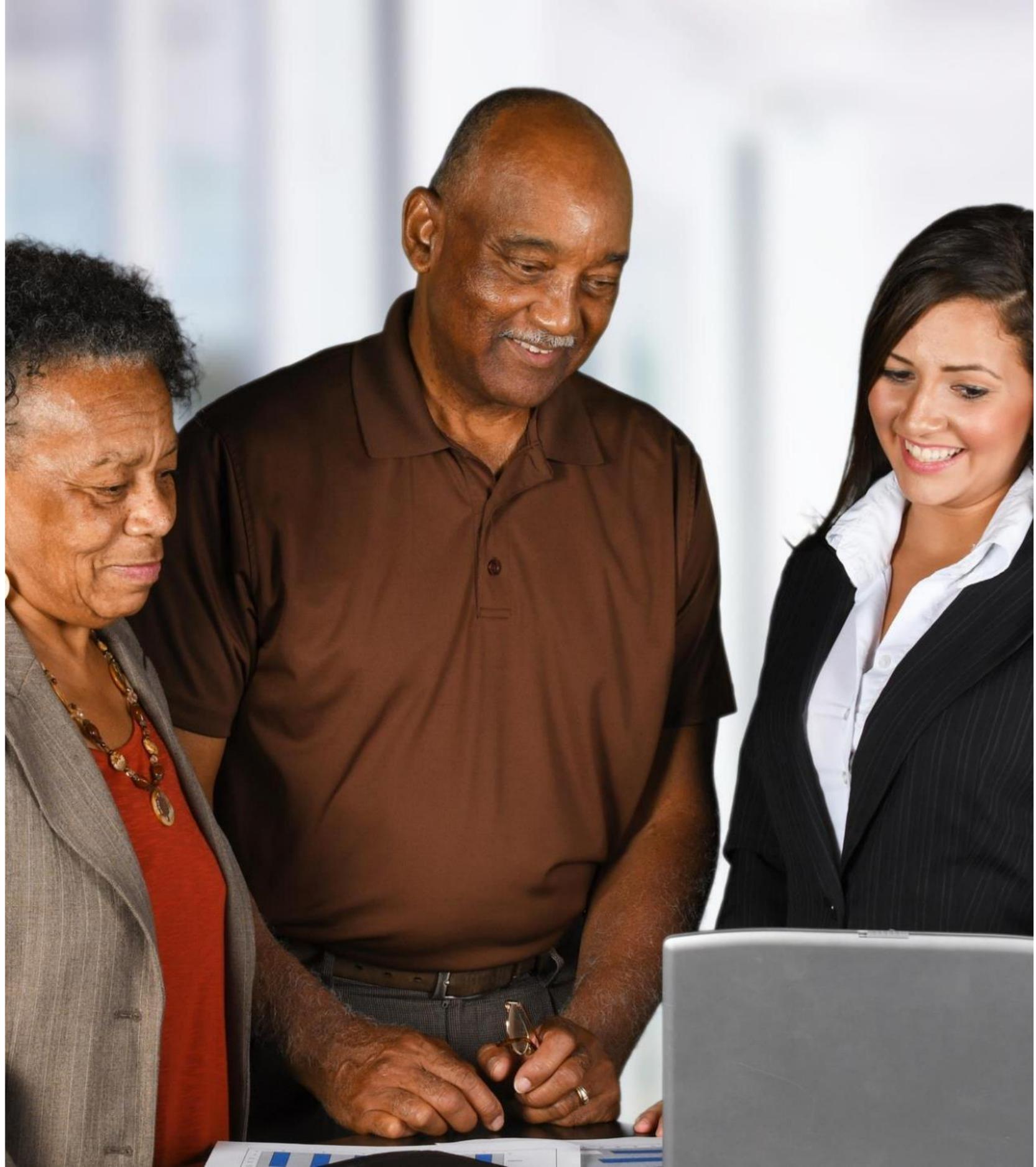
# What We See In The Data



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The goal is to create a fundraising system and strategy that helps the donor give to their capacity

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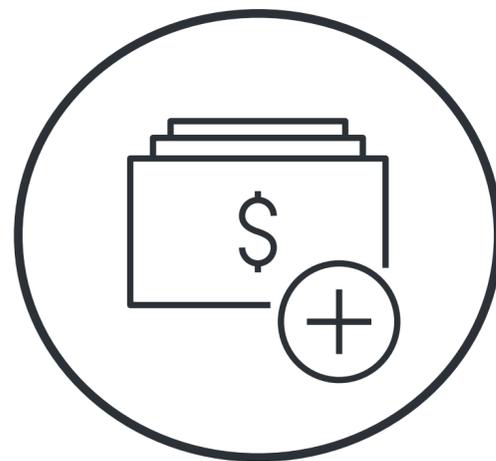


# What to Ask Yourself

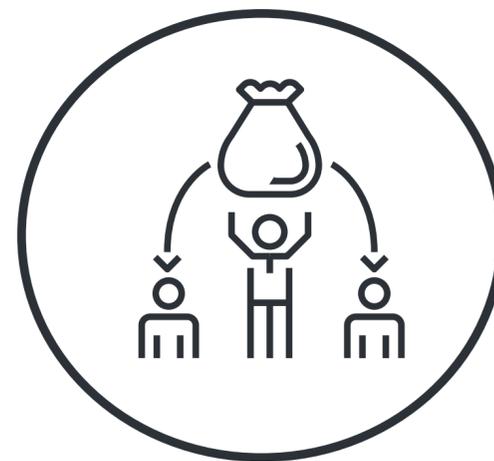
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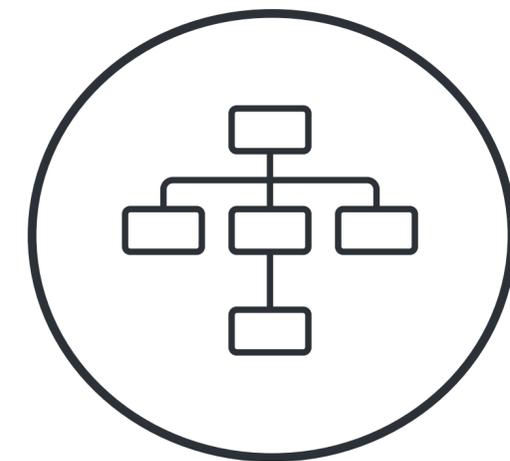
Are you looking at YOY growth of your existing donors?



Are you accounting for the impact of “new money” on your overall net revenue?



What is your rate of promotion to major gifts?



Are you evaluating your donor attrition AND donor value attrition?



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# How to Assess Your Donor Pipeline

1. Go to your database and select any donor who gave \$1 or more in any of the last four full calendar years and/or year-to-date.
  2. For each donor, export the following to a spreadsheet:
    - a. Donor counts
    - b. Cumulative giving totals
    - c. Average gift amounts
  3. Put the information in the giving ranges on the chart below
- 



## Donor Pipeline by Year

Cume \$ Amount	2020		
	Donor Count	Total Giving	Avg Gift
0-24.99	158,826	\$ 2,485,781	\$ 16
25 - 49.99	134,739	\$ 4,293,569	\$ 32
50 - 74.99	82,097	\$ 4,525,711	\$ 55
75 - 99.99	31,112	\$ 2,540,825	\$ 82
100 - 249.99	88,713	\$ 12,394,055	\$ 140
250 - 499.99	22,270	\$ 7,297,466	\$ 328
500 - 999.99	8,610	\$ 5,509,103	\$ 640
1000 - 4999	4,173	\$ 6,763,828	\$ 1,621
5000 - 9999	175	\$ 1,070,128	\$ 6,115
10000 - 24999	82	\$ 1,081,020	\$ 13,183
25000 - 49999	12	\$ 357,256	\$ 29,771
50000 - 99999	7	\$ 659,695	\$ 94,242
1036299 - 249999	0	\$ -	\$ -
250000 - 499999	0	\$ -	\$ -
500000 - 999999	0	\$ -	\$ -
1 Million +	0	\$ -	\$ -

Totals	2020		
	Donor Count	Total Giving	Avg Gift
	530,816	\$ 48,978,435	\$ 92



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Healthy mid, major, and legacy giving programs happen when all the functions of donor acquisition and cultivation are fully functioning and effective.

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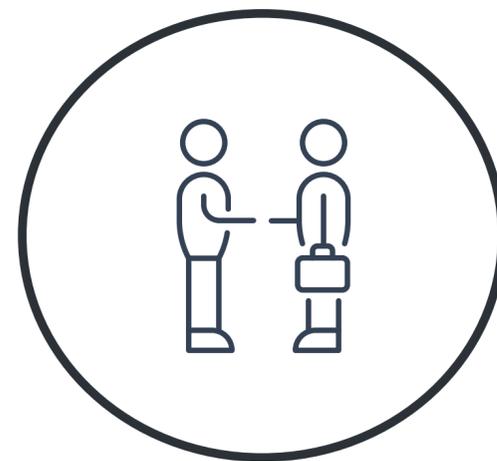


# What a Healthy organisation Looks Like

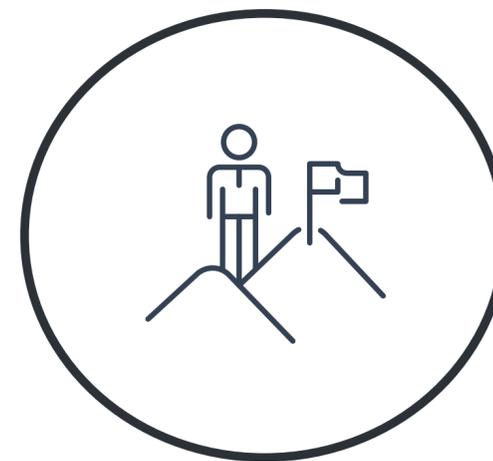
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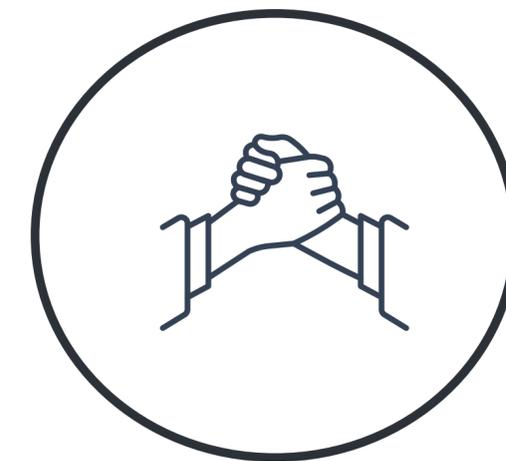
Everyone at the organisation sees the donor as a partner



Gift officers seek out and learn the donor's passions and interests authentically



The system has been created to allow the donor to reach their potential



The organisation and gift officers promptly report back on the impact of a donor's gift



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# Data Assessment

- What stands out?
  - How do we go about reviewing this data?
  - Why is this so important?
- 



# Why Free?





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# Get Your Free Assessment

- You can do this yourself, or you can let Veritus do it for you
  - We provide a free assessment to all organisations that qualify
  - We only require a simple data pull – no identifying donor information should be included
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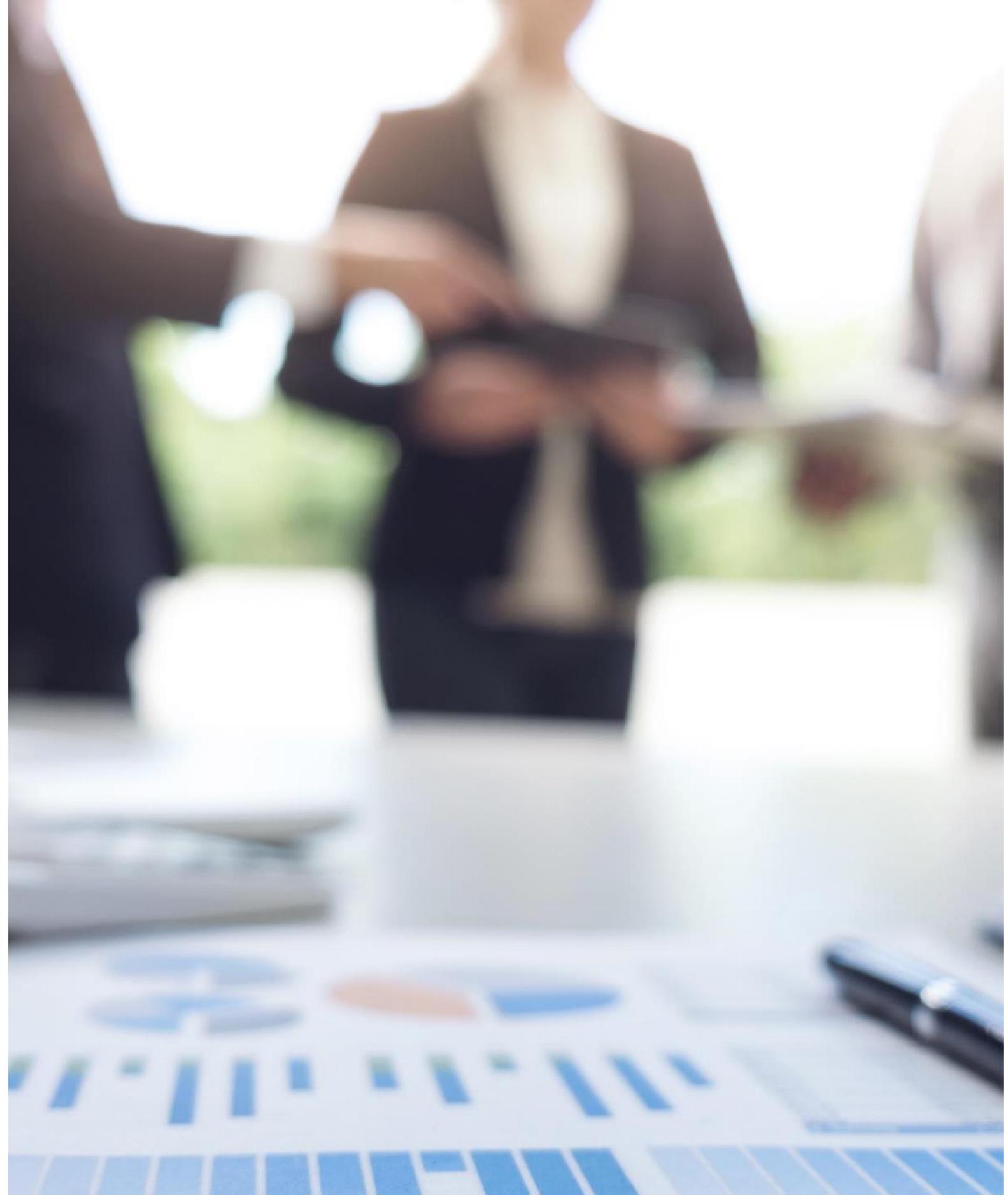




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# What Do You Receive?

- Analysis of your donor value attrition over the last 5 years
- Breakdowns of donor value attrition for individuals and organisations
- 5-year revenue projections for Mid-Level and Major Gifts
- A “clogs” report to identify where donors are not moving through the pipeline
- Recommendations on the number of MGOs and MLOs your data supports



# Get a Free Donor File Assessment!

Apply now to see if you're eligible for a free assessment—just scan the QR code to get started!



# Thank you!

**AMY CHAPMAN**

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Let's Connect on LinkedIn!

A woman with long dark hair, wearing a light-colored striped button-down shirt, is standing and talking to a man. The man is seen from the back, wearing a dark brown or maroon shirt. They are in an office environment with desks, papers, and a laptop visible. The lighting is warm and soft. The word "Questions" is overlaid in large white font across the center of the image.

# Questions

# Get a Free Donor File Assessment!

Apply now to see if you're eligible for a free assessment—just scan the QR code to get started!



# Thank you!

**AMY CHAPMAN**

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