Database 101

An organization's database is one of its key success factors for raising money, as well as for accountability, donor recognition and planning. For example, a good prospect for a major gift is a donor who has been giving $500 per year for the past 10 years. An appropriate major gifts ask would be 10 times the annual gift or $5,000 over three to five years, depending upon the project and the person's circumstances. An excellent prospect for a bequest is a single or widowed woman in her 60s who has been giving $100 annually for many years. These prospects may never be identified without an accurate and functional database.

Benefits of a Database

Functionality – All non-profits have lists, sometimes many lists. Some may be handwritten and some may be on software such as Excel or Access. If you could bring all that information into one integrated system, it would reduce duplication and increase efficiency. It would also help you track cumulative support from people who give regular donations and/or buy tickets to events.

Accountability – From an organizational perspective, the added value of an integrated database system is in the matching of financial records and bank deposits, providing monthly reports to the board, and generating clear trails for the annual audit.

Sustainability – When trained people move on, all the history of your activities and relationship remains with your organization. A new person can carry on without having to reinvent the wheel. There is a built-in continuity for non-profit organizations using integrated fundraising databases operationally, to manage day-to-day activities, to store data and to track and report information on contacts, volunteers, donations, relationships, notes and receipts.

Planning – Having accurate and timely information available provides vital information for planning purposes.

Steps Toward an Integrated Database System

Three basic rules to data management:
1. Think backwards. What is it you want in the end? What do you want in your reports?
2. Keep it simple.
3. Garbage in – Garbage out. The system is only as good as the data input.

Map out what your database or other systems are doing for you now.
- What lists do you have now, how many and in what format?
- How you use these lists?
- When do you use what lists?
- What do you need to do with each one, each time and why?
- How do you track changes on each list and when?
- Why would you want the lists to "talk to each other?" What's the common factor?
- What do you need your system to do in addition to its current capabilities?
- What would you want the system to do now and in the future?

Set realistic expectations
- What other options would an integrated database offer you that you can realistically use?
- What options can you implement now and what options may you need in the future?

Don't take on more than you can handle
- Set out the implementation in stages that will fit your resources and timeline.
- Most important is getting any database up and running at a level at which you are comfortable until the data is up-to-date and then drive the implementation forward.

Conversion of Data

- Conversion is when a company converts all the data you have in different sources into one integrated database. Most software, such as Access and Excel, can be converted successfully.
- Clean up your current database(s) or other resources, such as Excel sheets, prior to conversion. A significant amount of time will be spent on clean up and database confirmation.
- You may opt for entering all your data manually, instead of paying for a conversion, if you don't have a lot of data yet.

Training and Implementation

- Most software providers offer training either as part of the package or at an extra fee. It is critical to make this investment of money and time to get the most from the database. Allow time for the learning curve and make sure more than one person is trained in case you lose that employee or volunteer.

Policies, Procedures and Manuals

- Database systems come with a manual; however, you will need to develop your own policies and procedures necessary to maintain the integrity of the system and the consistency of input and use. For example, set up a template for how an address should be entered. It may be helpful to follow the guidelines from Canada Post.
- Any new system must work in conjunction with other office policy and procedures including: confidentiality, restricted access to information, privacy policy, account procedures, type of data gathered, etc.
- Develop your own policies and procedures manual and keep it up to date so that any new person can walk through the processes on his or her own.

Choosing Database Software

There are many database software suppliers competing for clients in the charitable sector, including some Canadian companies. The cost varies from free of charge for a very basic web-based database that can be upgraded to fee-for-service as your organization grows, to more than $20,000 U.S. for a high-end product. A list of software companies is provided in the Bibliography and Resources document in the Appendix A.

Each organization needs to decide what information it wants to gather and record in its database. This will depend on how you will be using the information. It is best to plan for the future and set up the fields to gather more information than you need now. Refer to the Appendix H-1 for sample data sheets.