

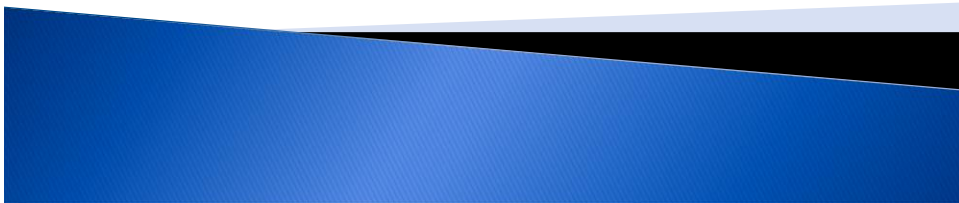


## Prospect Research for Small Nonprofits

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### Prospect Research for Small Non-profits

*Tips, tricks and tools*

1. Who is a great donor?
2. Markers of philanthropy and wealth – free do it yourself tips.
3. Prospect research: short list of free, low cost, and some premium tools
4. 6 months free Integrated Search access – overview, training and
5. Questions and answers





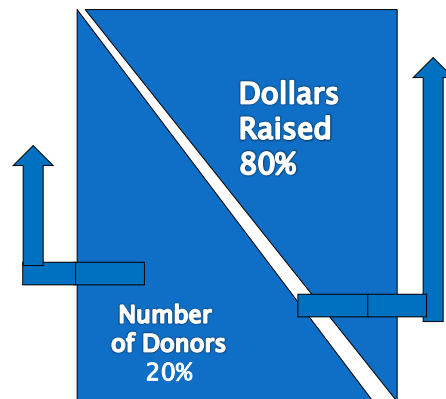
## Who are your best donors?

- Capacity – Have the ability to give at the level you ask.
- Inclination – Understand the importance of philanthropy and a relationship with your organization.



## Ways to engage donors

- Annual campaigns
- Major gifts
- Capital campaigns
- Planned giving



Who gives what?

### Who are the Top 20% – The Best Marker:

- Analysis of previous giving to your organization is the single best predictor of future philanthropy.
  - Pros – The data is free if you have collected it over the years.
  - Pros – The predictive capabilities are not usually impacted by the average recording errors or inconsistencies.
  - Pros – The calculations are not generally difficult to do. “Recency”, frequency, and money (RFM), single largest gift or total gift
  - Cons – Limited to the success or failures of previous marketing efforts.
  - Cons – Difficult to project opportunity outside of previous performances.
- **Free – Do it yourself** – Count constituents, divide by 10. This is the number of people per decile. Then sort a list of all constituents by the number of gifts given. Count down the number of people per decile. The top decile are assigned a value of 90, second decile are assigned a value of 80, etc.
- Repeat for last gift date and total given.
- Add the assigned values for each giving variable and get an RFM ranking.

### Who are the Top 20%? – 2<sup>nd</sup> Best Marker:

- Your prospect's giving to other nonprofits is the second best marker of future philanthropy.
- Ideally, the prospect has made a gift of the same size or larger elsewhere in the last five years. Some people feel that gifts made to similar interests are the best prospects. Others feel that the giving to other interests is better because there is less competition.
  - Pros – Much of the data is free and easy to understand. Nonprofit annual reports and recognition documents are readily available.
  - Pros – Many of the largest universities use the internet to recognize donors.
  - Cons – Some internet based annual reports are taken down after time.
  - Cons – The data available publicly is just a fraction of all gifts made. Publishing giving information is not a regulatory requirement.
  - Cons – It can be difficult to find older giving reports.
  - Cons – Printed donor recognition documents are not usually readily available when you need them. You have to find an old copy.
  - Cons – Some reports show a name, but do not show gift amounts.
  - Sometimes it is difficult to determine if a listed name is your constituent.
- Free – Do It Yourself** – Make a list of whom you compete with in your market area for philanthropic dollars. Check their websites looking for annual reports and donor list. Paper copies are okay, too. No list is too old. Combine them into one large PDF document. (FEDEX offices have scanners.) Search the document as needed, update quarterly.

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7

### Who are the Top 20%? – 2<sup>nd</sup> Best Marker:

	% of Rec	% of \$\$\$	Predictive Strength
Benchmark - 2 million donors in study	100.0%	100.0%	1.00
Where \$100k is largest gift elsewhere	0.7%	24.1%	32.67
Where \$50k-\$100k is largest	0.5%	13.5%	25.02
Where \$25k-\$50k is largest	0.6%	6.5%	11.79
Where \$10k-\$25k is largest	0.7%	7.0%	10.73
Where \$5k-\$10k is largest	1.1%	5.4%	4.98

Based on a 2012 study of 2 million records with \$5 billion of known lifetime giving to 400 nonprofits.

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8

### Who are the Top 20% – 3<sup>rd</sup> Best Marker:

- Your prospect's participation as a foundation trustee is more valuable than finding any wealth marker.
- Foundations are corporations that are setup to give money away and they have a board of directors who make the decision who gets what.
  - Pros – The IRS requires all foundation to file an IRS 990PF form annually that contains the amount of money the organization gave away and the names of board members.
  - Pros – Many foundations have their own websites that include a list of their trustees and an explanation of the grant application processes.
  - Pros – Guidestar offers a free service that permits the end user to search based on geography and other key variables. The Foundation Center, Big Online and Guidestar all have subscription services where you can see more information.
  - Cons – IRS 990PF reports often lag two or more years.
  - Cons – Many foundations have restricted funding priorities or elaborate grant writing requirements.
  - Cons – The foundation structure is more complicated and more expensive to set up than donor advised funds. Donor advised funds are growing more quickly, but have very little regulatory transparency.
- **Free – Do It Yourself** – Register for the free guidestar.org account. Search 990's and 990 PFs. Search individual foundation websites for grant recipients.

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9

### Who are the Top 20% – 4<sup>th</sup> Best Marker:

- Your prospect's lifetime giving to Federal political campaigns is an excellent predictor of future philanthropy.
- The FEC regulates political giving to Federal campaigns. It requires that the campaign report the name of the donor, the occupation of the donor, the name and address of the donor and the date of the gift.
  - Pros – A single life time gift of FEC gift of \$250 puts your constituent into the top 6% of the US population. A single gift of \$1,000 puts your constituent into the top one tenth of one percent.
  - Pros – Virtually every FEC donor that has lifetime political giving of \$10,000 is wealthy and has the capacity to make a major gift.
  - Pros – Virtually every FEC donor that has lifetime political giving of \$15,000 has made a 4,5,6, or 7 figure charitable gift.
  - Pros – Political giving is readily available from multiple free internet sources.
  - Cons – Not all charitable donors are political donors.
  - Cons – Political giving is smaller because it is regulated and can easily be overlooked as a valuable marker of wealth and philanthropy.
  - Cons – The reason large political donors are large charitable donors is not known so fundraisers are skeptical.
- **Free – Do It Yourself** [www.opensecrets.org](http://www.opensecrets.org) is one of the most popular. [www.fec.gov/finance/disclosure/norindsea.shtml](http://www.fec.gov/finance/disclosure/norindsea.shtml) is the government site.

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10

### 15 of the Top 20% = 74.3% of Lifetime Giving:

Back Testing Database	% of Rec	% of \$\$\$	Predictive Strength
All FEC and Charitable Giving above \$2,500	3.8%	54.6%	14.48
All FEC and Charitable Giving above \$1,000	11.0%	70.7%	6.43
All FEC and Charitable Giving above \$500	14.4%	74.3%	5.17

Based on a DonorSearch 2012 study of 2 million records with known giving history of \$5 billion.

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11

### Broadest Publically Available Wealth Marker:

Real Estate	% of recs	% of \$	Predictive Strength
\$2+ million	1.4%	25.0%	17.55
\$1-2 million	3.2%	13.2%	4.17
\$750k-\$1 million	2.5%	5.7%	2.25
\$500k-\$750k	5.4%	6.8%	1.25
\$250k-\$500k	12.8%	8.6%	0.67
\$125k-\$250k	10.9%	4.8%	0.44
<\$125k	8.4%	3.5%	0.42
Benchmark Database	% of Rec	% of \$\$\$	Predictive
Real Estate \$0 or null	55.2%	32.3%	0.59
All Real Estate Holdings	44.8%	67.7%	1.51

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12

## Business Wealth Markers and Philanthropy:

	% of Rec	% of \$\$\$	Predictive
Back testing Database			
SEC Yes and Maybe	2.0%	15.5%	7.76
Market Guide Yes and Maybe	3.0%	19.5%	6.56
D&B Yes and Maybe-\$5 million+	0.6%	5.1%	9.04
D&B Yes and Maybe \$1-\$5 million	0.7%	2.5%	3.53
D&B Yes and Maybe	6.5%	21.5%	3.32

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13



Now we know who gives. How do we find them?

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14



#### Search Engines

Google, Yahoo, Bing

#### Directories

#### Public databases

BRBPublic Records (brb.com)  
EDGAR (freedgar.com)

#### Private (free) databases

Hoovers (hoovers.com/free/)  
Zillow (zillow.com)  
Open Secrets (opensecrets.org)  
Follow The Money (followthemoney.org)  
GuideStar (guidestar.org)  
DonorSeries.com/integratedsearch

#### Social media

LinkedIn  
Facebook  
Twitter  
Pipl

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15

## Prospect Research for Small Non-profits

### *Tips, tricks and tools*

If you are a small nonprofit – \$2 million in annual revenue or less in any of the last 3 years and you are a registered attendee or part of a registered organization to the Bullock Consulting –DonorSearch CFRE certified training.

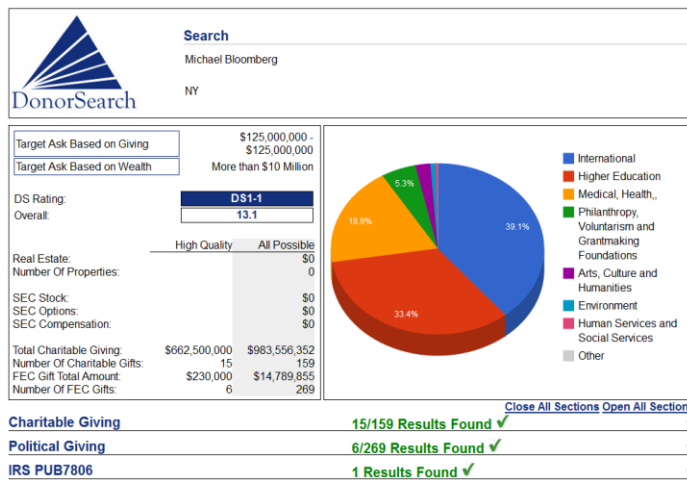
- ***6 MONTHS OF FREE ACCESS***
- Integrated Search is new service designed for small nonprofits.
- This is a \$120/month or \$1,000/year service that you can use at no charge for 6 months.
- Key in a name and address and the tool accesses 25+ of the most predictive markers of philanthropy including several free sources.
- Generates detailed profiles on demand in roughly 30 seconds or less for most individuals.
- Call or email David Satler or Bill Tedesco at [info@donorsearch.net](mailto:info@donorsearch.net) to register and receive your free username and password.
- **Or use this for the next 7 days anonymously**

- [donorsearch.net](http://donorsearch.net)
- username bullock      password cfre

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16





### Integrated Search:

- Philanthropy
- Wealth
- Nonprofit involvement
- SEC insider
- Much more

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17

### Integrated Search Categories

- Charitable Giving
- Political Giving
- IRS PUB7806
- IRS 990PF
- Lexis Nexis Real Estate
- Zillow Real Estate
- DnB Business Executives
- GuideStar Grant Giving Nonprofit
- GuideStar Grant Seeking Nonprofit
- SEC Insider Holdings
- Market Guide Business Executives
- Marquis Who's Who
- CorpTech
- Larkspur Pension Plan
- Who Know's Who

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18

## Charitable Giving

255/3350 Results Found ✓

Recipient Organization		Donor Name	Year/Source	High	Low	Quality
City, State Zip	Type	Category	Occupation	Donor City, State Zip	Donor City, State Zip	Score
<b>Libraries of the U.S.</b>		<b>Bill and Melinda Gates</b>	1997 DonorSeries	\$200,000,000	\$200,000,000	17.9
Seattle WA 0	Capital / Campaign Gift					
<b>Harborview Medical Center</b>		<b>Bill and Melinda Gates Foundation</b>	2008 Annual Reports	\$100,000,001	\$100,000,000	17.8
Seattle WA 98195	Cumulative	Healthcare				
<b>Seattle Biomedical Research Institute</b>		<b>Bill &amp; Melinda Gates Foundation</b>	2006 Annual Reports	\$19,400,000	\$19,400,000	17.8
Seattle WA 98109	Capital / Campaign Gift	International				
<b>Seattle Art Museum</b>		<b>Bill &amp; Melinda Gates Foundation Trust</b>	2003 Annual Reports	\$12,000,000	\$12,000,000	17.8
Seattle WA 98101	Capital / Campaign Gift	Arts, Culture and Humanities				
<b>THE SEATTLE FOUNDATION</b>		<b>Bill &amp; Melinda Gates Foundation</b>	2007 Annual Reports	\$10,958,679	\$10,958,679	17.8
Seattle WA 98101	Capital / Campaign Gift	Society Benefit				

As previously discussed, past philanthropy is the best indicator of future philanthropy

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19

## Political Giving

15/23 Results Found ✓

Recipient Organization		Donor Name	Year/Source	High	Low	Quality
City, State Zip	Type	Category	Occupation	Donor City, State Zip	Donor City, State Zip	Score
<b>VOLUNTEER PAC</b>		<b>Gates, Bill</b>	2005 FEC	\$2,000	\$2,000	18.0
Nashville TN 37215	Political		Microsoft Corporation/Chairman	Redmond WA 98052		
<b>WASHINGTON STATE REPUBLICAN PARTY FEDERAL ACCOUNT</b>		<b>GATES, BILL</b>	1998 FEC	\$2,000	\$2,000	18.0
SEATTLE WA 98188	Political	REP	MICROSOFT	REDMOND WA 98052		
<b>FRIENDS OF GEORGE ALLEN</b>		<b>GATES, BILL</b>	2005 FEC	\$2,000	\$2,000	18.0
ARLINGTON VA 22206	Political	REP	MICROSOFT/CHAIRMAN	REDMOND WA 98052		
<b>VOLUNTEER PAC</b>		<b>Gates, Bill</b>	2004 FEC	\$2,000	\$2,000	18.0
Nashville TN 37215	Political		Microsoft Corporation/Chairman	Redmond WA 98052		
<b>ACTBLUE</b>		<b>GATES, BILL</b>	2010 FEC	\$1,000	\$1,000	18.0
CAMBRIDGE MA 2238	Political	DEM	BILL GATES FOUNDATION/CO-CHAIR	SEATTLE WA 98105		

Political giving strongly correlates to charitable giving.

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20

**Lexis Nexis Real Estate**

**1 Results Found** ✓

Assessee Name:	BENNET, DOUGLAS J	Total Assessed Value:	\$888,700.00
Second Assessee Name:		Assessment Year:	2011
In Care Of:		Assessor Market Value:	\$0.00
Property Address:	28 SELDEN RD	Land:	\$0.00
Unit Number:		Assessor Market Value Improvement:	\$0.00
City/State/Zip:	LYME CT 06371-3026	Total Assessor Market Value:	\$0.00
Home MSA:	5523	Value Year:	NEW LONDON
Subdivision:	28 SELDEN RD	County Name:	05/23/1995
Mailing Address:		Recording Date:	Single Family Residential
Mailing Unit Number:		Property Use Code:	\$0.00
Mailing City/State/Zip:	LYME CT 06371-3026	Sales Price:	
Mailing MSA:	5523	Sales Price Code:	092011
Assessed Value Land:	\$496,300.00	Tape Cut Date:	E
Assessed Value Improvement:	\$392,400.00	MQR:	

Integrated Search includes two real estate data sources:

- Lexis Nexis
- Zillow



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**Who Know's Who**

**224 Results Found** ✓

First	Last	Data Source	Orgaization	Board or Employee	Title
William	Clinton	DnB	Center For Middle East Peace/ec	Jim Gerstein	Administrator
William	Clinton	DnB	Center For Middle East Peace/ec	Toni Verstandig	Secretary
William	Clinton	DnB	Center For Middle East Peace/ec	Toni G Verstandig	Executive Vice-president
William	Clinton	DnB	Center For Middle East Peace &	Martin Indyk	Vp Marketing
William	Clinton	GuideStarPrivate	Clinton Family Foundation	Chelsea V Clinton	Director
William	Clinton	GuideStarPrivate	Clinton Family Foundation	Hillary Rodham Clinton	Secretary/treas
William	Clinton	GuideStarPrivate	Clinton Family Foundation	Chelsea V. Clinton	Director
William	Clinton	DnB	Clinton Health Access Initiati	Mark S Alcaide	Chief Financial Officer
William	Clinton	DnB	Clinton Health Access Initiati	Julie B Feder	Chief Financial Officer
William	Clinton	DnB	Clinton Health Access Initiati	Ira C Magaziner	Vice-chairman Of The Board
William	Clinton	GuideStarPublic	Council For Excellence In Government	Stephen Goldsmith	Trustee
William	Clinton	GuideStarPublic	Council For Excellence In Government	President Gerald R. Ford	Honorary Co-chair
William	Clinton	GuideStarPublic	Council For Excellence In Government	Leslie C. Francis	Trustee

Who Knows Who: the best way to build personal relationships with donors.



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That was a lot of information.  
Any questions?



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