

2024

A Guide to Building Trust with NPSP

salesforce

Ensuring Transparency in Donation Management



Research shows that
**75% of donors consider
transparency in fund
management a key factor**
in their decision to donate.

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Introduction



Welcome to our comprehensive guide on **Maintaining Transparency in Donation Management.**

Maintaining transparency in donation management is crucial for building trust with donors and stakeholders. **Research shows that 75% of donors consider transparency in fund management a key factor in their decision to donate.**

Moreover, nonprofits that emphasize financial transparency experience a **53% increase in donor retention, highlighting the importance of clear and honest communication with donors.**

Accurate Donation Tracking

01

Detailed Donation Records

It can reduce discrepancies by up to 25%, leading to more precise financial reporting. NPSP enables you to track every donation—whether it's a one-time gift, recurring donation, pledge, or in-kind gift—with comprehensive records that include donor information, donation amount, date, payment method, and any restrictions on the use of funds.

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02

Customizable Fields

60% of nonprofits use customized fields to capture additional data necessary for compliance, which enhances their audit readiness. NPSP allows you to add these fields to ensure that all relevant information is recorded.

Real-Time Reporting and Dashboards



Donation Reports

Organizations using real-time reporting tools like those in NPSP have a 20% higher likelihood of achieving their fundraising goals. NPSP's reporting tools allow you to create real-time reports on donations, track trends, compare against goals, and provide detailed breakdowns by donor, campaign, or time period.



Dashboards for Stakeholders

68% of board members prefer dashboards for quick insights into financial health and donation management. NPSP enables the creation of dashboards that visually display donation data, making it easy for board members, donors, and other stakeholders to see how funds are being managed and utilized.

Automated Acknowledgments and Receipts



Receipt Generation

Automated receipt generation can save nonprofits up to 30% in administrative costs, allowing more funds to be directed toward programs. NPSP automatically generates and sends donation receipts to donors as soon as a gift is received, including all necessary details for compliance and transparency.



Thank You Letters

Personalized thank-you letters can increase donor retention by 21%. NPSP can automate the sending of personalized thank you letters or emails, acknowledging the donor's contribution and showing how their funds will be used.

Clear Allocation of Funds



Restricted and Unrestricted Funds

80% of donors are more likely to give if they know how their funds will be used. NPSP tracks donations by restricted and unrestricted categories, ensuring that funds are allocated according to donor wishes and reported on accurately.



Program-Specific Donations

Nonprofits that report on program-specific donations see a 40% increase in repeat donations. NPSP allows you to assign donations to specific programs or projects, providing clarity on how funds are directed toward particular initiatives.

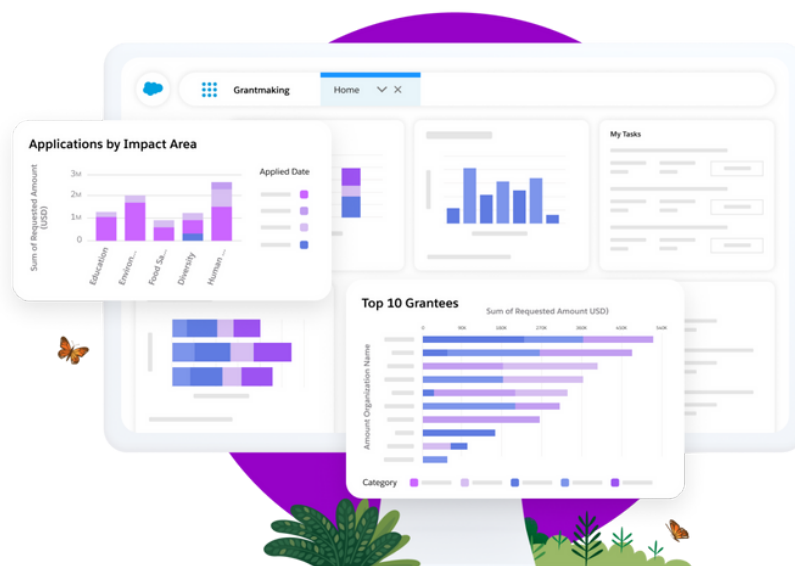
Grant and Major Gift Management

Grant Tracking

Effective grant management can lead to a 15% increase in successful grant applications. NPSP tracks all associated documentation, deadlines, and reporting requirements for grants and major gifts, ensuring compliance and transparency.

Impact Reporting

65% of major donors are more likely to contribute again if they receive detailed impact reports. With NPSP, you can create impact reports that show how major gifts or grants have been utilized, providing donors with clear evidence of the outcomes their contributions have supported.



Public Reports and Donor Portals



Donor Portals

45% of donors prefer to have online access to their donation history and impact reports. NPSP enables the implementation of donor portals where donors can log in to view their giving history, see the impact of their contributions, and access receipts and reports.



Public Transparency Reports

Nonprofits that publish transparency reports experience a 30% increase in donor trust. NPSP facilitates the creation of regular transparency reports that aggregate donation data and demonstrate how funds are being used across the organization.

Audit Trails



Change Tracking

Implementing change tracking in NPSP can reduce data entry errors by 22%, ensuring more accurate records. NPSP's detailed tracking of changes made to donation records provides an audit trail that can be reviewed to ensure all entries and updates are accurate and authorized.



Compliance Monitoring

Regular compliance checks can reduce the risk of financial mismanagement by 28%. NPSP allows you to run compliance checks to ensure that all donation management processes are transparent and in line with your organization's policies.

Donor Communication and Engagement



Regular Updates

Frequent communication with donors can increase engagement by 42%, leading to higher levels of giving. Use NPSP's email marketing integrations to keep donors informed about how their contributions are being used, including progress reports on specific projects, financial summaries, and success stories.



Impact Stories

Sharing impact stories can boost donor retention by up to 50%. NPSP helps you share stories and testimonials from beneficiaries to illustrate the real-world impact of donations, strengthening both transparency and donor engagement.

Board and Stakeholder Access

Role-Based Access

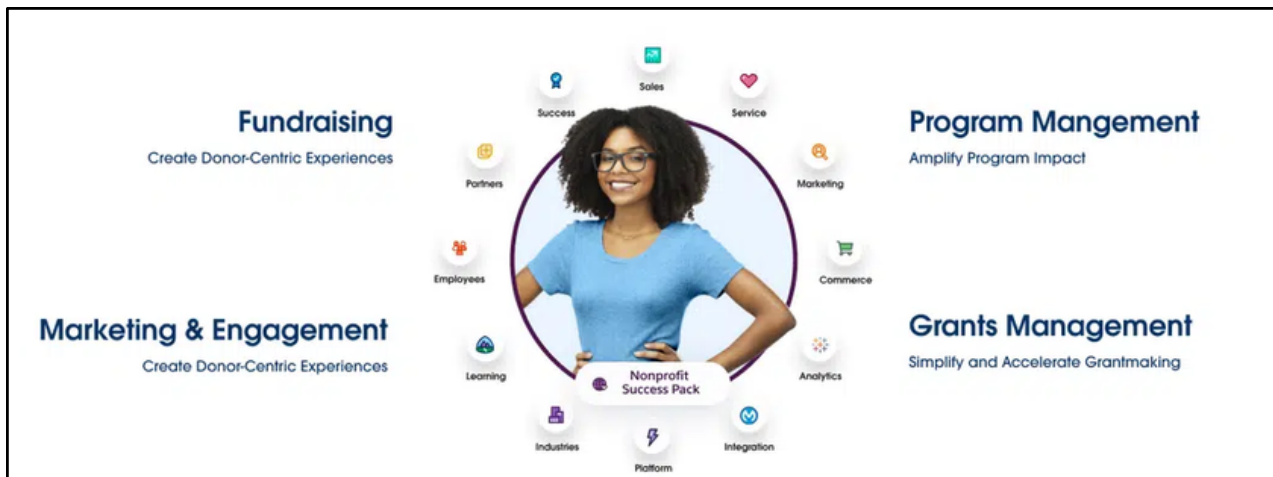
Implementing role-based access controls can improve data security and reduce unauthorized access by 35%. NPSP allows you to grant role-based access to donation data, ensuring that board members and key stakeholders can view the information they need without compromising the privacy or security of donor data.

Board Reports

70% of board members report higher satisfaction when provided with regular, detailed financial reports. NPSP enables the provision of detailed reports on donation management, including summaries of financials, trends, and any issues that need to be addressed.

The screenshot displays the NPSP interface for a donation opportunity titled "Bullard Lead Gift - West Side House Capital Campaign". The interface includes a top navigation bar with options like "Follow", "Edit", "Delete", and "Clone". Below this, a summary bar shows the account name "Bullard Household", the amount "\$100,000.00", and the opportunity owner "Aniyah Thompson". A progress bar indicates the current stage is "Qualification", with other stages like "Cultivation", "Solicitation", "Proposal/Review", "Verbal Commitment", and "Closed" shown as completed. The main content area is divided into two sections: "Details" and "Related". The "Details" section shows donation information such as the opportunity name, account name, primary contact (Lisa Bullard), close date, stage (Qualification), and amount (\$100,000.00). The "Related" section lists contact roles for Lisa Bullard (Primary, Donor, Senior Vice President), Robert Bullard (Household Member), and Sarah Bullard (Household Member). A "View All" link is provided at the bottom of the related section.

Conclusion



By effectively utilizing these NPSP features and leveraging the facts and figures provided, nonprofits can ensure a high level of transparency in their donation management processes. This transparency is key to maintaining donor trust, supporting long-term fundraising success, and achieving your organization's mission.

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