



BENCHMARKS

for Public Radio Fundraising

FY2010 Definitions of Revenue & Expense Categories

(Version 2010.1)

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Overview:

This document provides instructions on how to complete the Data Form you use to participate in DEI's Benchmarks for Public Radio Fundraising for Fiscal Year 2010. This document includes definitions and instructions to help you determine what information to include and exclude on your Data Form. The Data Submission Form Worksheet is at the end of this document. Use the form to gather raw data and then submit the data electronically using the *Data Submission Guidelines*.

TAKE SPECIAL NOTE

FY2009 Benchmark Participants:

If you provided data for 2006 – 2009 to DEI, you do not need to provide it again. You may opt to enter prior year data for new categories (major gifts revenue \$10,000+)

Allegiance, Memsys, Team Approach and Enterprise Users:

Access International, Team Approach, Allegiance Software and Memsys have worked with DEI to create specific reports that allow you to extract Benchmarks data quickly and easily. If you have questions, please contact your vendor directly. Allegiance Version 8.0 required. Call Allegiance to get programs installed for Version 8.0 Benchmarks reports and/or to upgrade to Version 8.0.

Joint Licensee Participants:

If you allocate revenue and expenses between radio and TV using an internal formula, this is the preferred method for allocating revenue and expenses for Benchmarks. If not use an internal allocation formula, use one of these three methods:

1. If you participate in donorCentrics use that allocation for Individual Giving
2. Allocate the percent of expense that equals the percent of revenue
3. Allocate 25 percent of revenue and expenses to radio and the remainder to TV

Regarding Allocation of Development Director Time:

If your station does not allocate Director of Development time by discipline use this formula:

1. Reduce the salary and benefits by the % allocated to administrative overhead.
2. Allocate time according to the revenue split. For example, if 40% of income is from underwriting, 50% from membership and 10% from other then allocate expense at the % that equals the % of revenue.

Whichever approach you use should be consistent from year to year so that any changes in your fundraising trends are the result of changes in efficiency, not in how you arrive at your revenue and expenses.

General Definitions:

Restricted revenue/gifts – Any gifts or revenue that is not available to be spent as part of general operating at the discretion of station management. Most often, project, program, or capital expenses that are outside the station’s operating budget. *Except where noted below all restricted income is excluded from Benchmarks.*

In-Kind contributions – Contributions of goods or services other than cash. *Except where noted below in-kind contributions, their equivalent financial value and any station expenses they offset are not included in Benchmarks.*

Definitions of Revenue and Expense Categories:

Total Membership Revenue (\$1-\$249): Includes unrestricted financial giving from individuals within the 12 months of the fiscal year where the individual’s sum total of cumulative giving falls between \$1 and \$249. Include On-Air Pledge revenue as well as pre- and post-drive revenue. Financial gifts are cash, stock or properties that are convertible to cash – not in-kind contributions. Exclude revenue from auction items, event tickets, merchandise or station-sponsored group travel. Exclude accruals for installments and pledges. Exclude contributions received through the Combined Federal Campaign (CFC).

Total Mid-Level Membership Revenue (\$250-\$999): Includes unrestricted financial giving from individuals within the 12 months of the fiscal year where the individual’s sum total of cumulative giving falls between \$250 and \$999. Include On-Air Pledge revenue as well as pre- and post-drive revenue. . Financial gifts are cash, stock or properties that are convertible to cash – not in-kind contributions. Exclude revenue from auction items, event tickets, merchandise or station-sponsored group travel. Exclude accruals for installments and pledges. Exclude contributions received through the Combined Federal Campaign (CFC).

Major Giving Revenue (\$1,000 +): Includes all unrestricted revenue from individuals and small family foundations (defined below) within the 12 months of the fiscal year where the individual’s sum total of cumulative giving falls at or above \$1,000. Exclude revenue designated for capital, endowment or planned gifts. Include On-Air Pledge revenue as well as pre- and post-drive revenue. . Financial gifts are cash, stock or properties that are convertible to cash – not in-kind contributions. Exclude revenue from auction items, event tickets, merchandise or station-sponsored group travel. Exclude accruals for installments and pledges. Exclude contributions received through the Combined Federal Campaign (CFC).

Small Family Foundations are foundations where the funds are derived from a single family, at least one family member sits on the board, and the foundation’s total assets are \$5 million or less. This definition of Major Giving is consistent with Target Analysis Group’s donorCentrics, CPB’s SABS reporting and with SRG’s Challenge for the Year 2010.

Major Giving Revenue (\$10,000+) includes the portion of your major giving revenue (above) that is from cumulative giving of \$10,000 or more in the fiscal year.

Dollar Amount of Cumulative Unrestricted Financial Gift from Largest Individual Donor:

The sum total of cumulative financial giving from the largest single individual donor or small family foundation. Exclude capital, endowment and planned gifts. In plain English, this is the amount contributed by your largest major donor in the specific fiscal year, excluding capital, endowment and planned gifts. Financial gifts are cash, stock or properties that are convertible to cash – not in-kind services or merchandise.

Membership and Mid-Level On-Air Pledge Revenue (\$1-\$999): Includes all membership and mid-level revenue generated within the 12 months of the fiscal year by fulfilled pledges of between \$1 and \$999 made during periods of on-air pledge fundraising whether the revenue came in by telephone or online. Excludes revenue generated during pre- and post-pledge drive spot campaigns. Exclude matching and challenge funds used during pledge drives except for gifts that were received during the pledge drive and then used as a match or a challenge. . Exclude accruals for installments and pledges.

Major Giving On-Air Pledge Revenue (\$1,000+): Includes all major giving revenue generated within the 12 months of the fiscal year by fulfilled pledges of \$1,000+ made during periods of on-air pledge fundraising whether the revenue came in by telephone or online. Excludes revenue generated during pre- and post-pledge drive spot campaigns. Exclude matching and challenge funds used during pledge drives except for gifts that were received during the pledge drive and then used as a match or a challenge. . Exclude accruals for installments and pledges.

Direct Membership and Mid-Level Expense (\$1-\$999): Includes all direct expenses associated with Total Membership Revenue and Total Mid-Level Giving Revenue (\$1-\$999) within the 12 months of the fiscal year, **including staff salaries and benefits**. Do not include indirect (allocated) expenses for overhead whether for use of air time for pledge drives; use of talent, board operators, or producers for pledge drives; facilities; administration; or overhead. Include cost of member newsletter and/or program guide if it is for members.

How to Separate Membership/Mid-Level from Major Giving Expense (if you do not have separate budgets): If you have a person (or people) assigned either full or part time to Major Giving, allocate the appropriate portion of salary and benefits to Major Giving (and subtract them from Membership/Mid-Level). Additionally, if you have line items in your Membership/Mid-Level budget that are specifically for Major Giving activities allocate those expenses to Major Giving (and subtract them from Membership/Mid-Level). If you have expenses that are split between Membership/Mid-level and Major Giving split personnel costs based on time devoted to each revenue area and other resources based on the revenue split between the two areas.

Consistency is key. Whatever method you use to allocate your expenses should be used consistently from year to year.

Direct Major Giving Expense (\$1,000+): Includes all direct expenses associated with Major Giving Revenue (\$1,000+) within the 12 months of the fiscal year, including staff salaries and benefits. Do not include indirect (allocated) expenses for overhead whether for use of air time for pledge drives, facilities, administration or overhead. Include cost of donor/member newsletter and/or program guide, if the program guide is for donors/members. Exclude expenses for planned giving, capital campaign and endowment activities.

Number of Members (\$1-\$249): The number of members whose giving qualifies for inclusion in Total Membership Revenue (\$1-\$249).

Number of Mid-Level Givers (\$250-\$999): The number of givers whose giving qualifies for inclusion in Total Mid-Level Revenue (\$500- \$999).

Number of Major Donors (\$1,000+): The number of major donors whose giving qualifies for inclusion in Major Giving Revenue (\$1,000+).

Number of Membership/Mid-level Staff Full-Time Equivalent (FTE). The number of full-time equivalent staff in membership/mid-level. Exclude customer service and/or administrative staff not directly involved in soliciting funds.

Number of Major Gifts Staff Full-Time Equivalent (FTE). The number of full-time equivalent staff in major gifts. Exclude administrative staff not directly involved in soliciting funds.

Total Membership Revenue from sustainers (\$1-\$249): Includes unrestricted financial giving from individuals within the 12 months of the fiscal year where the individual's sum total of cumulative giving falls between \$1 and \$249 and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift. Include On-Air Pledge revenue as well as pre- and post-drive revenue. Financial gifts are cash, stock or properties that are convertible to cash – not in-kind contributions. Exclude revenue from auction items, event tickets, merchandise or station-sponsored group travel. Exclude accruals for installments and pledges. Exclude contributions received through the Combined Federal Campaign (CFC).

Total Mid-Level Membership Revenue from sustainers (\$250-\$999): Includes unrestricted financial giving from individuals within the 12 months of the fiscal year where the individual's sum total of cumulative giving falls between \$250 and \$999 and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift. Include On-Air Pledge revenue as well as pre- and post-drive revenue. . Financial gifts are cash, stock or properties that are convertible to cash – not in-kind contributions. Exclude revenue from auction items, event tickets, merchandise or station-sponsored group travel. Exclude accruals for installments and pledges. . Exclude contributions received through the Combined Federal Campaign (CFC).

Major Giving Revenue from sustainers from sustainers (\$1,000 +): Includes all unrestricted revenue from individuals and small family foundations (defined below) within the 12 months of the fiscal year where the individual's sum total of cumulative giving falls at or above \$1,000 and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift. Exclude revenue designated for capital, endowment or planned gifts. Include On-Air Pledge revenue as well as pre- and post-drive revenue. . Financial gifts are cash, stock or properties that are convertible to cash – not in-kind contributions. Exclude revenue from auction items, event tickets, merchandise or station-sponsored group travel. Exclude accruals for installments and pledges. . Exclude contributions received through the Combined Federal Campaign (CFC).

Small Family Foundations are foundations where the funds are derived from a single family, at least one family member sits on the board, and the foundation's total assets are \$5 million or less. This definition of Major Giving is consistent with Target Analysis Group's donorCentrics, CPB's SABS reporting and with SRG's Challenge for the Year 2010.

Membership and Mid-Level On-Air Pledge Revenue for sustainers (\$1-\$999):

Includes all membership and mid-level revenue generated within the 12 months of the fiscal year by fulfilled pledges of between \$1 and \$999 made during periods of on-air pledge fundraising whether the revenue came in by telephone or online and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift. Excludes revenue generated during pre- and post-pledge drive spot campaigns. Exclude matching and challenge funds used during pledge drives except for gifts that were received during the pledge drive and then used as a match or a challenge. Exclude accruals for installments and pledges.

Major Giving On-Air Pledge Revenue for sustainers (\$1,000+):

Includes all major giving revenue generated within the 12 months of the fiscal year by fulfilled pledges of \$1,000+ made during periods of on-air pledge fundraising whether the revenue came in by telephone or online and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift. Excludes revenue generated during pre- and post-pledge drive spot campaigns. Exclude matching and challenge funds used during pledge drives except for gifts that were received during the pledge drive and then used as a match or a challenge. . Exclude accruals for installments and pledges.

Number of Members who are sustainers (\$1-\$249): The number of members whose giving qualifies for inclusion in Total Membership Revenue (\$1-\$249) and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift.

Number of Mid-Level Givers who are sustainers (\$250-\$999): The number of givers whose giving qualifies for inclusion in Total Mid-Level Revenue (\$500- \$999) and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift.

Number of Major Donors who are sustainers (\$1,000+): The number of major donors whose giving qualifies for inclusion in Major Giving Revenue (\$1,000+) and automatically renews on an on-going basis until the donor elects to stop giving or the station is unable to collect payment on the gift.

Annual Retention Rate for All Individual Givers (\$1--\$1,000+): The percentage of donors who made one or more contributions in the fiscal year prior to the current benchmarks year who also made one or more contributions in the fiscal year in which you're reporting your benchmarks numbers.

Annual Retention Rate for All Individual Givers who are sustainers (\$1--\$1,000+): The percentage of donors who made one or more contributions in the fiscal year prior to the current benchmarks year who also made one or more contributions in the fiscal year in which you're reporting your benchmarks numbers and whose gift in the first fiscal year automatically renewed into the second fiscal year on an on-going basis until the donor elected to stop giving or the station could not collect payment.

Average monthly Attrition for sustainers: The percentage of sustainers, donors whose gifts automatically renew on an on-going basis until they elect to stop giving or the station is unable to collect payment, that the station loses on average per month throughout the fiscal year.

Total Underwriting Revenue (cash only) after agency commissions: Includes unrestricted cash revenue generated from sale of terrestrial airtime for the radio broadcast of underwriting messages within the 12 months of the fiscal year. Includes NPB Underwriting Revenue. Exclude trade and all restricted revenue. Excludes national underwriting sold for a station's nationally distributed program(s).

Net NPB Underwriting Revenue (cash only) after NPB commissions: Includes all unrestricted cash underwriting and online sponsorship revenue generated by National Public Broadcasting within the 12 months of the fiscal year.

Net Online Sponsorship Revenue (cash only) after agency commission: Includes unrestricted cash revenue generated from sale of online sponsorship within the 12 months of the fiscal year. Include sponsorship messages/visuals on web pages, as well as tags and tails of podcasts, audio streaming, e-newsletter messages and other similar revenue. Includes NPB Online Sponsorship Revenue. Excludes trade and all restricted revenue. Excludes national online sponsorship sold for a station's nationally distributed program(s).

Direct Underwriting and Online Sponsorship Expense: Includes all direct expenses associated with Total Underwriting Revenue and Total Online Sponsorship Revenue within the 12 months of the fiscal year, including staff salaries, benefits, and any incentive compensation. Do not include salary or benefit expenses for Traffic personnel, even if those staff members are part of the Underwriting department. Do not include indirect (allocated) expenses for overhead whether for use of air time, voice talent, web personnel, or engineering for recording credits, facilities, administration or overhead.

Number of Unique Underwriters: The number of underwriters whose cash purchases qualify for inclusion in Total Underwriting Revenue.

Number of Unique Online Underwriters: The number of online underwriters whose cash purchases qualify for inclusion in Net Online Sponsorship Revenue.

Number of Underwriting Sales People (FTE): The number of full-time equivalent (FTE) underwriting sales people. Exclude Traffic personnel and underwriting assistants who are not actually sales people.

Employer Matching Gift Revenue (from employers): Includes all employer matching dollars received during the 12 months of the fiscal year where the gift being matched is

a Membership, Mid-Level or Major Gift (as defined above). Include employer matching dollars for capital and endowment contributions.

Vehicle Donation Revenue: Gross revenue from vehicles donated to your station within the 12 months of the fiscal year. Gross revenue should include the total amount the cars sold for including the station cut and the vendor cut. Do not exclude vendor fees.

Vehicle Donation Expense: Includes all direct expenses associated with vehicles donated within the 12 months of the fiscal year, including fees paid to vendors who handle donations for your station. Exclude air time used to promote the program as well as the cost of any other promotion unless it has a direct cash expense.

Online Auction Revenue: Gross revenue received within the 12 months of the fiscal year from online auction activity.

Online Auction Expense: Includes all direct expenses associated with Online Auction Revenue within the 12 months of the fiscal year. This includes fees paid to auction hosting vendor, staff salaries and benefits, if applicable, as well as any other direct auction-related expenses incurred.

Other Annual Fundraising Revenue: Includes foundation and government grants, sponsorships and other revenue except for those dollars designated for endowment, capital or national program production and distribution. Include gala revenue. Include revenue from federal, state and local arts and humanities grants and other competitive government grants except for those designated for endowment, capital, or national program production and distribution. Include station-sponsored group travel if the travel is specifically a fundraising activity. Include contributions received through the Combined federal Campaign (CFC).

Exclude event revenue where the event is not specifically a fundraising event. Exclude CPB CSG, CPB NPPAG and CPB RLAIF. Exclude revenue accounted for in other fundraising revenue categories. Exclude fees for rental of station broadcast towers or other earned revenue.

Other Annual Fundraising Expense: Include all direct expenses associated with Other Fundraising Revenue within the 12 months of the fiscal year, including staff salaries and benefits. Exclude indirect (allocated) expenses for overhead whether for use of air time, facilities, administration or overhead. Exclude event expenses where the event is not specifically a fundraising event.

CPB CSG Grants: Cash received during the 12 months of the fiscal year from CPB. Include NPPAG, RLAIF and CSG dollars from CPB. Exclude all other CPB grants.

Operating Revenue: Includes operating revenue for the broadcast service. Include fundraising revenue. Include interest revenue from reserve and endowment funds, but exclude contributions to capital and endowment funds. Exclude all revenue generated by or for any nationally distributed program(s), including national underwriting, program sponsorship, carriage fees, royalties and restricted grants. Include all CPB grants, except for those CPB grant dollars designated for program(s) you produce for national distribution. Include in-kind

contributions of labor (work study students), overhead, administration and facilities from a university or other licensee. Include revenue from the rental of station broadcast tower as well as other earned income. Include in-kind contribution of facility rent.

Operating Expense: Includes operating expense for the broadcast service, including staff salaries and benefits, programming, fundraising, administration, overhead, facilities and all other operating expenses not specifically excluded below. Include overhead, administration and facilities charges from a university or other licensee. Exclude all capital expenses and all expenses for any program(s) you produce for national distribution. Excludes money allocated for depreciation.

True Permanent Endowment Total: A permanent endowment is comprised of funds that have been designated by donors to that fund to be held permanently as an endowment, either for general purposes or for specific programs as identified in written gift agreements. A true endowment is restricted in written agreement(s) by the donor(s) or is in response to a solicitation that promised to use the gift as a permanent endowment. The principal is not expendable. It is to be maintained in a permanent fund.