



Fundraising Effectiveness Project (FEP)
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FEP Glossary of Terms Appendix

This FEP Glossary of Terms Appendix to the “*AFP Fundraising Dictionary (2003) online*” has been prepared to ensure clarity in nomenclature, consistency, and broad usage of the variety of categories, terms and formulas used in AFP’s Fundraising Effectiveness Project and Growth in Giving Initiative. See the “*AFP Fundraising Dictionary (2003) online*” at:

<http://www.afpnet.org/files/ContentDocuments/AFPFundraisingDictionary.pdf>

FEP Glossary of Terms Task Force

James M. Greenfield, ACFRE, Chair

Jon Biedermann

Melissa S. Brown, MBA

Caity Craver

Erik Daubert, MBA, ACFRE

Nathan Dietz, PhD

Randy Fox

Ryan Johnson, MA, CFRE

Wilson “Bill” Levis

Barbara Levy, ACFRE

Wesley E. Lindahl, PhD

Jay Love, BS

Heather McGinness, CNM, CFRE

Ben Miller, MS

Janice Gow Pettey, EdD, CFRE

Kristin Priest, CFRE

Nathan Relles, PhD

Cathleen Williams, PhD

average annual giving per donor, the total dollars received in one year, divided by the total number of donors who gave that year.

average donor annual value, the value of actual contributions by a donor to date (donor giving history), divided by the total number of years of giving (donor loyalty in years.)

average gift, the total dollars received divided by the total number of gifts received. *AFP Fundraising Dictionary (2003) online*

database donor retention rate, the number of donors who gave this year (excluding new donors this year), divided by all donors of record in the database (also excluding new donors this year).

donor acquisition, the process of identifying and acquiring new donors. *AFP Fundraising Dictionary (2003) online*

donor attrition, the loss of donor participation from one year to another.

donor attrition rate, the number of donors who gave last year but not this year, divided by total number of donors last year.

donor giving history, the value of actual contributions by a donor to date from the first year a gift was made to the most recent year of giving.

donor loyalty in years, the number of years in which a donor made gifts, first year to last.

donor participation analysis, the examination of increases and decreases in number of donors from one or more years.

donor participation rate, the total number of donors in a year, divided by the number of donors in the database at the end of that year.

donor participation rate of growth, the increases or decreases in number of donors from one or more years, divided by the number of donors in the initial year.

donor participation report, the summary of increases and decreases in number of donors in one or more years.

donor reacquire, the process used to renew previously lapsed donors whose last gift was three or more years ago.

donor reacquire rate, the number of recaptured donors who gave this year, but not in the last two years, divided by number of donors whose last gift was three or more years ago, but not in the last two years.

donor reactivate, the process used to renew donors who gave two years ago but not last year.

donor reactivate rate, the number of recaptured donors who gave this year and two years ago, but not last year, divided by number of donors who gave two years ago, but not last year.

donor recapture, the process used to renew a previously lapsed donor whose last gift was two or more years ago, including analyses of his or her giving pattern.

donor recapture rate, the number of previously lapsed donors who renewed this year, divided by total number of donors last year.

donor relations, the strategy to maintain the continued involvement of a donor through activities, acknowledgments, information, personal opportunities, and other engagements.

donor renewal, the process of inviting a donor to continue his or her gift support.

donor retention, a plan to preserve and enhance a positive relationship with a previous donor in order to secure continued support.

donor retention rate, the number of donors last year who gave again this year, divided by total number of donors last year (see also **overall donor retention rate**).

donor upgrade, the activity by which a donor increases his or her level of giving. *AFP Fundraising Dictionary (2003) online*

downgraded donors, donors who gave less this year than last year.

same donors, donors who gave the same amount this year as last year.

upgraded donors, donors who gave more this year than last year.

donors in database, the total number of donors of record in the database in any given year or specific number of years.

donor's first annual giving amount, the total dollar value of the first year of giving from a donor.

donor's first gift amount, the dollar value of the first gift from a donor.

donor's first year, the first year when a donor made a gift.

- donor's largest annual giving amount**, the total dollar value of the largest year of annual giving by a donor.
- donor's largest gift amount**, the dollar value of the largest single gift to date by a donor.
- donors' largest annual giving level segmentation**, the grouping of donors by giving levels (dollar ranges), using donors largest annual giving amounts.
- donor's largest annual giving year**, the year of the largest annual gift from a donor.
- donor's latest annual gift amount**, the total dollars' values of the latest year of giving by a donor.
- donor's latest annual giving level segmentation**, the grouping of donors by giving levels (dollar ranges) using donors' latest annual giving amounts.
- donor's latest gift amount**, the dollar value of the most recent gift by a donor.
- estimated donor lifetime** (measured in years), 1 divided by the donor attrition rate.
- estimated donor lifetime value**, the average annual giving by a donor times the estimated donor lifetime (measured in years).
- estimated lifetime value (ELTV)**, the value of the actual contributions to date by a single donor (donor giving history), divided by the total number of years of giving (donor loyalty in years), times the total estimated number of years of anticipated giving.
- gains in donors**, the total number of new donors and recaptured lapsed donors.
- gains in giving**, the gifts by new donors and recaptured lapsed donors and increases in gift amounts by upgraded donors.
- gift frequency in months**, the average number of months between gifts, or the total number of months from first-gift month to last-gift month, divided by the total number of gifts from first gift to last gift.
- giving level**, the categorization of dollar amounts by giving ranges, such as under \$100, \$100 to \$250, \$250 to \$1,000, \$1,000 to \$5,000, and \$5,000 and above.
- giving level analysis**, the examination of fundraising performance by giving level.
- growth in donors**, the net of gains in the number of donor's minus losses in number of donors from last year to this year.

growth in donor's analysis, the examination of comparative gains and losses of donors in any given year or specific number of years.

growth in giving, the net of gains in giving minus losses in giving from last year to this year.

growth in giving analysis, the examination of comparative gains and losses in giving in any given year or specific number of years.

lapsed donors, the total number of donors who gave prior to this year who did not give again this year.

lapsed new donors, first-time donors last year who did not give this year.

lapsed repeat donors, donors who gave last year and in one or more prior years, but not this year.

lifetime value, the financial value ascribed to a donor file in terms of anticipated average giving and expected average years of actual giving.
AFP Fundraising Dictionary (2003) online

losses in donors, total number of lapsed new donors and lapsed repeat donors.

losses in giving, the decreases in gift amounts by downgraded donors and lost gifts from lapsed new and lapsed repeat donors.

new donor, a donor who never gave prior to this year.

new donor acquisition rate, the number of new donors this year, divided by total number of donors last year.

new donor retention rate, the number of new donors last year who gave again this year, divided by all new donors last year.

overall donor retention rate, the number of donors who gave last year and gave again this year, divided by total number of donors last year (see also **donor retention rate**).

overall rate of growth in donors, the net of gains in number of donor's minus losses in number of donors from last year to this year, divided by total number of donors last year.

overall rate of growth in giving, the net of gains and losses in giving from last year to this year, divided by total value of gifts received last year.

reacquired donors, donors who last gave three or more years ago, who gave again this year.

reactivated donors, donors who last gave two years ago but not last year, who gave again this year.

recaptured donors, previously lapsed donors who gave again this year.

repeat donors, donors who gave last year and in one or more prior years, and who gave again this year (i.e. upgraded, same or downgraded combined).

repeat donor retention rate, number of donors last year who gave again this year (excluding new donors last year), divided by all donors who gave last year (excluding new donors last year).

total donor value (TDV), value of contributions by a donor to date (donor giving history), plus expected or anticipated giving by a donor (estimated lifetime value).

Examples of Donor Retention Rate Formulae

average annual giving per donor (\$)

$$\frac{\text{total dollars received in one year}}{\text{total number of donors who gave that year}}$$

average donor annual value (\$)

$$\frac{\text{value of actual contributions by a donor to date (donor giving history)}}{\text{total number of years of giving (donor loyalty in years)}}$$

average gift (%)

$$\frac{\text{Total dollars received}}{\text{total number of gifts received}} \text{ times } 100$$

database donor retention rate (%)

$$\frac{\text{number of donors who gave this year (excluding new donors this year)}}{\text{all donors of record in the database (also excluding new donors this year)}} \text{ times } 100$$

donor attrition rate (%)

$$\frac{\text{number of donors who gave last year but not this year}}{\text{total number of donors last year}} \text{ times } 100$$

donor participation rate (%)

$$\frac{\text{total number of donors in a year}}{\text{Total number of donors in database at the end of that year}}$$

donor participation rate of growth (%)

increases or decreases in number of donors between two or more years
 ----- times 100
 number of donors in the initial year

donor reacquire rate (%)

number of recaptured donors who gave this year and three or more years ago,
 but not in the last two years
 ----- times 100
 number of donors whose last gift was three or more years ago,
 but not in the last two years

donor reactivate rate (%)

number of recaptured donors who gave this year and two years ago, but not last year
 ----- times 100
 number of donors who gave two years ago, but not last year

donor recapture rate (%)

number of previously lapsed donors who renewed this year
 ----- times 100
 total number of donors last year

donor retention rate (%)

number of last year's donors who gave again this year
 ----- times 100
 total number of donors last year

estimated donor lifetime (years)

1

 donor attrition rate

estimated donor lifetime value (\$)

average annual giving by a donor
 times
 estimated donor lifetime (years)

estimated lifetime value (ELTV) (\$)

donor actual contributions to date (donor giving history)

 number of years of giving (donor loyalty in years)
 times
 total estimated number of years of anticipated giving

gift frequency (months)

total number months of giving from first gift month to last gift month

 total number of gifts from first gift to last gift

new donor acquisition rate (%)

$$\frac{\text{number of new donors this year}}{\text{total number of donors last year}} \text{ times } 100$$

new donor retention rate (%)

$$\frac{\text{number of new donors last year who gave again this year}}{\text{all new donors last year}} \text{ times } 100$$

overall donor retention rate (%)

$$\frac{\text{number of donors who gave last year and again this year}}{\text{total number of donors last year}} \text{ times } 100$$

overall rate of growth in donors (%)

$$\frac{\text{net of gains minus losses in number of donors from last year to this year}}{\text{total number of donors last year}}$$

overall rate of growth in giving (%)

$$\frac{\text{net of gains and losses in giving from last year}}{\text{total value of gifts received last year}}$$

repeat donor retention rate (%)

$$\frac{\text{number of donors last year who gave again this year (excluding new donors last year)}}{\text{all donors who gave last year (excluding new donors last year)}} \text{ times } 100$$