



## 2010 Wealth Engine Wealth Screening Ratings

### Giving Capacity

- Total Philanthropic Capacity *over 5 years to all entities*
- The Estimated Giving Capacity is the industry standard that an individual will contribute 2% of their net worth per year to charity.
- The giving capacities are preceded by a 1-9, A, B, C or Z to ensure proper sorting order.
- This is comprised of 5 components, each calculated from database info, as well as client provided info. For each component, a formula is used to determine which information is included and in what amounts. The formula includes either 1 or 2% of the value of each component per year so all the final multipliers are 5 or 10% (except for charitable giving).
  - Income and Age –  $\text{Income} * (\text{Age} - 22) * 10\%$
  - Real Estate –  $\text{Low End Range of Property} * \text{Escalator} * 5\%$
  - Stock –  $[(\text{Holdings} * \text{Current Value}) + \text{Values of Sales Transactions}] * 10\%$
  - Pension –  $100\% \text{ Plan Assets} * (0.75) * 5\%$
  - Charitable Giving – 100% Gifts to this Non Profit and Political & Philanthropic giving

### Propensity to Give Score (P2G)

- WE analysis shows individuals with better Propensity to Give scores will in the short term and the long term have higher personal contributions (single largest gift)
- Not relative to others in the database, it is based on fixed criteria Wealth Engine developed
- Each P2G score has two digits “#-#”, with each combination meaning a different rating
- P2G 1-0, 1-1, 1-2, 1-3, 1-4 and 1-5
  - Extremely well-qualified matches. They are best for major gifts and often warrant a specific strategy to qualify and cultivate. They should receive high end treatment via outreach programs. The second # (other than the 0) represents the giving capacity rating. 5 represents those with 5 or lower capacity level.
- P2G 2-1, P2G 2-2, P2G 2-3, P2G 2-4, and P2G 2-5
  - Qualified matches that have typically matched to above average real estate and possibly another data point. The second # represents the giving capacity rating. 5 represents those with 5 or lower capacity level.
- P2G 3-1, P2G 3-2, P2G 3-3, P2G 3-4, P2G 3-5 and P2G 3-6
  - The better P2G 3 ratings (3-1, 3-2, and 3-3) indicate approximate matches to databases that indicate productive givers. The ratings 3-4, 3-5 and 3-6 have fewer matches. 3 rated prospects should not be used for major gift activities without verifying the information.
- P2G 4-0
  - Typically represent a higher % of the records but generate <5% of the contributions. They have marginal value for even low end direct mail acquisition unless they are qualified through another process, for example a previous giving history. If they are existing donors, they should not be ignored, but lower \$ gift expectations. If they are existing donors of the proper age, with an extended giving history, then they should be considered for planned giving for smaller estates. The second # can only be 0.

### Influence Rating

- Quantifies a prospect's level of influence within his/her community based on employment information. There are four possible ratings (1-4). The rating structure is as follows.
  - 1= Top range of scores
  - 2= Upper middle
  - 3= Lower middle
  - 4= Bottom range of scores
- Data is compiled from the following information in order to determine a prospect's rating: business/employment, high level job titles, company sales volume, longevity with company, biographical data, board/foundation affiliations, and Circle of Friends linkages.



### Recency, Frequency, Money

- Each prospect's scores are relative to the others included in the screening, not the whole database
- Uses the gift history provided by the client (if there is no gift history, there is no score)
- There are three components to the RFM score, each of which has a maximum score of 100. These ratings can be totaled to provide a "Total RFM Score." The closer to a total score of 300 the prospect has, the stronger the prospect's giving history.
- Recency of the gift: This refers to how long it has been since a contribution was made.
  - The prospect(s) that has the most recent contribution receives a score of 100, and the prospect(s) with the least recent receives a rating of 1.
- Frequency of the gift: This refers to how often contributions have been made.
  - The prospect(s) with the most frequent giving receive a score of 100, with scores going down to 1 for the least frequent giver(s).
- Money: This refers to the size of the gifts made.
  - The donor(s) with the largest total giving receives a score of 100, and the donor(s) with the smallest total giving receives a score of 1.

### Planned Giving Ratings – There are three separate ratings

- Based upon age and estimated giving capacity, for each individual. The three possible classifications, along with their respective criteria, are listed below. Note: an individual can be listed in more than one category.

Bequest	Yes	The prospect's age is greater than or equal to 65 and the prospect has an estimated giving capacity greater than or equal to \$100,000.
Annuity	1	The prospect's age is greater than or equal to 70 and the prospect has an estimated giving capacity between \$100,000 and \$250,000.
	2	The prospect's age is greater than or equal to 70 and has an estimated giving capacity greater than \$250,000
Trust	1	The prospect's age is between 55 and 64 and the estimated giving capacity is greater than or equal to \$700,000
	2	The prospect's age is greater than or equal to 65 and the prospect has an estimated giving capacity greater than or equal to \$700,000.

### Inclination Rating

- Quantifies a prospect's philanthropic personality and propensity to give. Information from matched data sources and giving history provided by the client is weighted to reach a score. The score is then assigned a rating based on score range.
  - 1= Scores >= 7 points (top score)
  - 2= Scores 1-6 points (middle score)
  - 3= Scores 0 points (lowest score)
- Gives points based on info from the following:
  - Giving History from Client: Amount and Years
  - Federal Elections Giving: Listed at all? and Amount
  - State Political Donations: Listed at all? and Amount
  - Waltman's Charitable Trust: Listed at all?
  - Philanthropic Gift Database: Listed at all?
  - 527 Political Contributions: Listed at all?



## **2004 Blackbaud Wealth Screening Ratings**

### **CMS Annual Gift Likelihood (AGL)**

- Score ranges from 0-1,000. 1,000 is the highest possible score. High scores translate to better prospects. The predictive model used the following weighted variables to assign an AG score:
  - Zip code, past giver type (see below), age, average credit limit on open revolving accounts, proportion with graduate school and proportion urban
- Score ranges
  - $\geq 801$ : Excellent AG Prospect
  - 551-800: Very Good AG Prospect
  - 401-550: Good AG Prospect
  - 301-400: Average AG Prospect
  - $\leq 300$ : Below Average AG Prospect
- Prospects that score higher should be solicited more frequently should be solicited more frequently; those that score lower should be solicited less frequently.
- Utilizing both the MGL score and the TGR will segment out those top AG prospects.

### **CMS Major Gift Likelihood (MGL)**

- Score ranges from 0-1,000. 1,000 is the highest possible score. High scores translate to better prospects.
- The predictive model used the following weighted variables to assign a PG score:
  - Past giver type (see below), age, estimated current home value, per capita income, credit limit on bank cards, upscale merchandise buyer
- Score ranges
  - $\geq 701$ : Excellent MG Prospect
  - 551-700: Very Good MG Prospect
  - 501-550: Good MG Prospect
- Utilizing both the MGL score and the TGR will segment out those top MG prospects.

### **CMS Planned Gift Likelihood (PGL)**

- Score ranges from 0-1,000. 1,000 is the highest possible score. High scores translate to better prospects. The predictive model used the following weighted variables to assign a PG score:
  - Past giver type (see below), age, proportion with graduate school, credit limit on bank cards, credit balance, upscale merchandise buyer, proportion households 65 years+
- Score ranges
  - $\geq 750$ : Excellent PG Prospect
  - 601-750: Very Good PG Prospect
  - 501-600: Good PG Prospect
- PGL prospects should be cultivated and solicited for annuities, bequests and trusts, while also remembering the importance of consistent AG. Include PG info with AG mailings. Use specialize mailings.

### **CMS Target Gift Dollar Range (TGR)**

- The gift range projected by the predictive model for a *one year period just to UA*
- The ranges, from \$1-50 to \$100,000+, are prefaced with a number between 1-12 to ensure they sort properly.
- The predictive model used the following weighted variables to assign a TGR:
  - Years of consecutive giving, marital status, gender, city and state, age, average credit limit on open revolving accounts, median value of owner occupied home



# University of Alaska Foundation Wealth Screening Ratings Quick Guide

## CMS Past Giver Type

- This is located on the attributes tab and classifies the prospect into categories:
  - Regular Donor (past giver type 2) – an individual donor with a minimum of one gift in each of the past three years.
  - Occasional Donor (past giver type 1) – an individual donor with one or two gifts in the past three years.
  - Non-Donor (past giver type 0) – no gifts in the past three years. Could be a lapsed donor.

## CMS Age

- This is located on the attributes tab and lists the person’s age at the time of the screening in 2004.

## Ratings Locations in RE

- All the ratings are on the Prospect Tab in the individual’s RE record, with the exception of the 2004 CMS Age and 2004 CMS Past Giver Type, which are located on the Attributes Tab.
- To find the ratings, select the prospect tab, then select the “Ratings” from the menu on the left, and the screen on the right will show all the ratings.
- For the 2010 ratings, if they have been verified they will have a date after 1/1/2011 and a note that says “verified”. If they still have a 2010 date, they have not been verified. RFM Ratings do not get verified and will always have a 2010 date.

Source	Date	Category	Description	Notes
Blackbaud Analytics' Custom Modeling Service	7/19/2004	CMS Annual Gift Likelihood	999	
Blackbaud Analytics' Custom Modeling Service	7/19/2004	CMS Target Gift Dollar Range	\$100,001+	
Blackbaud Analytics' Custom Modeling Service	7/19/2004	CMS Major Gift Likelihood	960	
Blackbaud Analytics' Custom Modeling Service	7/19/2004	CMS Planned Gift Likelihood	985	
Staff	9/17/2010	Prospect Status	6 - Temporary Stewards...	
Staff - Mary Rutherford	9/21/2010	Prospect Status	7 - Permanent Stewards...	Mary Rutherford assigned this :
WealthEngine	10/12/2010	WE Giving Capacity	2:\$1,000,000-\$4,999,999	\$1,311,902: Income,Real Estat
WealthEngine	10/12/2010	WE Inclination Rating	1	
WealthEngine	10/12/2010	WE Influence Rating	1	
WealthEngine	10/12/2010	WE RFM Recency	82	
WealthEngine	10/12/2010	WE RFM Frequency	100	
WealthEngine	10/12/2010	WE RFM Money	100	
WealthEngine	10/12/2010	WE P2G Rating	1-2	Highest WE propensity to give :
WealthEngine	11/22/2010	WE Annuity	2	10/12/2010
WealthEngine	11/22/2010	WE Trust	2	10/12/2010
WealthEngine	11/22/2010	WE Bequest	Yes	10/12/2010