

Charities changed by technology

August 16 2005

The Internet has transformed the way people shop for cars, pick the right stock options and choose the movie they want to see on the weekend -- and now it can be used to help them shop for the right charity. At the same time, technology can help charities keep track of their donors and enhance their services.

Tech advancements have changed how non-profit organizations run: Charities use software that tracks donors, online fundraising and run their operations more efficiently.

"The non-profit sector has embraced technology very fully and differed from the for-profit sector," Heather Iliff, deputy director for education at the Alliance for Nonprofit Management, told United Press International. "Technology has enabled significantly, non-profit fundraising success. We've seen huge developments in this area, not only cultivating donors online but finding a community of supporters."

The Web site eCharity.com lists numerous organizations that can help non-profits use technology better to promote their missions and raise awareness. Boardnetusa.net allows non-profits to find potential board members, and Idealist.org posts non-profit jobs and internships.

Eric Leland, associate director of TechCommons at CompuMentor in San Francisco, said the most significant changes he has seen technology make for non-profits is enabling them to reach out to more people and manage their information with more sophistication. He also noted the exposure the Internet provides.

"It's like having a storefront without having to buy the building," Leland told UPI.

He mentioned CompuMentor, which was founded in 1987 as one of the older technology-assistance organizations, and TechSoup Stock, which distributes highly discounted hardware and services to non-profits, as online resources. His own TechCommons helps non-profits find the tech support they need.

"One of the unique things about CompuMentor is its marriage of providing donated discounted services and helping non-profits make wise choices on whether or not they should use those services," Leland said.

Software programs developed by companies such as Unicentric, in Pittsburgh, are targeted specifically at non-profit organizations. Unicentric's software is geared toward record management, automatic billing, client management and document management. Blackbaud, in Glasgow, Scotland, is the leading global provider of software for non-profits and helps more than 12,500 organizations.

"I think that a lot of the benefit that we provide can be boiled down to lowering the cost of quality," Greg Gendron, Unicentric's vice president of sales and marketing, told UPI. "When someone has technology that can help increase productivity and enhance quality of services they are able to do more with the money they are given."

One of the new innovations that Unicentric is currently working on providing its 30 plus clientele is the xInk writing system. Gendron said the way the writing system works is a worker writes with a special pen on special paper and at the end of the day the pen can be dropped into a docking station and the data is retrieved from the pen.

"It solves mobility problems for field case workers and computer illiterate problems," he said.

Dan Cooperstock, a computer programmer in Toronto, wrote a donation software program for his local Quaker meeting after they had purchased a similar program that showed obvious flaws. His software, called DONATION, which is free and available at freedonationsoftware.org, has helped 2,400 charities, churches and non-profits.

"When I realized how much work I had put into it, I thought it would be a shame to have only one organization using it, so I made it available for free on the Web," Cooperstock said in an e-mail message. "I have a full-time job, and have no interest in turning this into a business."

The program's main function is to track donations, involving receipt issuing and keeping track of donor information. The program can also run mailings.

"This is not a serious fundraising solution," Cooperstock told UPI in a phone interview. "The big organizations probably would not consider this; it is more for smaller to mid-size operations merely trying to track and issue proper receipts and minimum fundraising."

Along with ways online for charities to keep track of donors and potential donors, there also are ways online for donors to find out how charitable organizations spend money. Each charity must fill out an IRS form 990 that is made a matter of public record. One organization, Charity Navigator, in Mahwah, N.J., obtains the records directly from the IRS and rates each charity on its Web site, charitynavigator.org.

"By and large the news has been good, most charities spend 75 percent of their revenue on their programs," Sandra Miniutti, Charity Navigator's director of external relations, told UPI. "Most are focusing on their

mission and not engaging in wasteful spending."

Charity Navigator gives each one of 4,300 non-profits a charity rating, from 0, the worst, to 4, the best, Miniutti said. The financial health of the organization is assessed by seeing what percentage of each charity's expenses goes to support its chosen cause, how much goes to pay for fundraising and how much goes to administrative costs.

Copyright 2005 by United Press International

Citation: Charities changed by technology (2005, August 16) retrieved 4 April 2024 from <https://phys.org/news/2005-08-charities-technology.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--