How to Calculate Normalized Fundraised Amount

By David Lively and Naveen Vinukonda

To calculate the amount raised and prevent very large gifts from skewing the results, we considered both the average dollar amount each person raised and the average number of major gifts each person secured.

We multiplied the average number of major gifts each fundraiser secured per year by the median gift amount. Then we added that sum to the average of all revenue raised and divided the total by two.

**Normalized Fundraised Amount**

\[
\text{Normalized Fundraised Amount} = \frac{\text{Avg. of all big-gift revenue raised/yr.} + (\text{Avg. # of big gifts/yr.} \times \text{median gift amount})}{2}
\]

Here are the steps to take to calculate the Normalized Fundraised Amount for each fundraiser:

A. Calculate the average number of major gifts raised annually (12)

B. Calculate the median gift size ($200,000) based on the years in that role

C. Multiply A x B (12 x $200,000 = $2.4 M)

D. Calculate the average amount of all major-gift revenue raised during the period ($2.8 M)

E. Add D + C ($2.8M + 2.4 M = $5.2M)

F. Divide sum in half ($5.2M ÷ 2 = $2.6M) to get the Normalized Fundraised Amount