ARE YOUR READY FOR A CAPITAL CAMPAIGN?

Wednesday, June 15, 2016

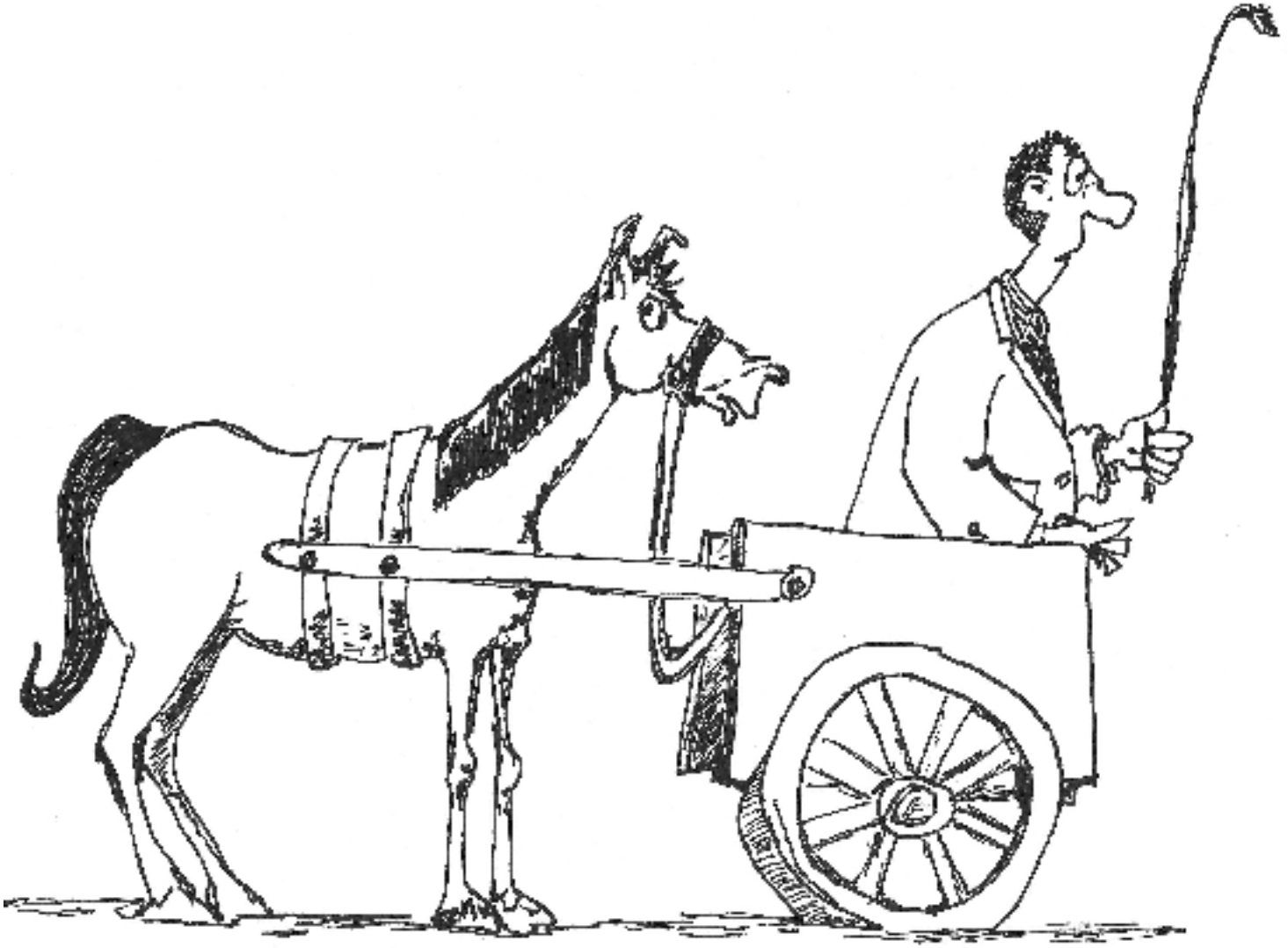
Presented by:

Rosemarie Resnik, President, *Rosemarie Resnik & Associates, Inc.*

Eric Briggs, Founding Partner, *Butcher & Briggs*

Carlyn J. Ellms, Board Chair, *West Falmouth Library*

Lucy Steere, Campaign Chair and Board Member, *JFK Hyannis Museum*



A Capital Campaign . . .

- Time-limited effort to raise significant dollars for a specific project.
- Requires **extraordinary preparation** and skillful execution.
- Enables you to build your development program for the future.

Capital Campaign Phases

The Board is Responsible for the Campaign

Endorsement and Decision to Proceed

Campaign Planning and Project Accountability

Financial and Stewardship Accountability

Reporting Accountability

Campaign Cost Accountability

Preliminary Leadership Discussion

- Motivating plan? Why now?
  - Strategic Plan
  - Organizational Priority
  - Consequences of doing nothing?
  - Sustainability
- History of raising large gifts
- Affirm the *Case for Support*
  - Need, Impact, Benefit
- 100% Board Participation
  - Strategically
  - Fiscally
  - Role
- Approve *Project Plans* and *Preliminary Budget*
- Due diligence with constituency
- Internal readiness
- Income loss of annual fundraising?

Pre-Campaign Leadership

Steering Committee = Campaign Governance

Building Committee = Project Management

Members Should:

- Passionate about your mission and need for funding
- Representation from the Board
- Strong Networks
- Potential leadership beyond pre-planning stage

Is Your House in Order?

"How could anyone think that this department is under staffed?"

- Campaign experience of staff and volunteers
- Campaign Resources (time and $)
- Maturity of fundraising program
- Depth and breadth of donor/prospect pool
  - Lead donor prospects
- Database system

Table of Needs = Budget

$5 Million Campaign	
New Building (design & construction)	$2,500,000
Project Costs	$625,000
Internal Furnishings	$500,000
Staffing and Expenses	$125,000
Endowment	$1,250,000

Construction Costs: Constructing the building and site including materials, labor, contractor fees, and general conditions

Project Costs: Construction costs plus architect/engineering fees, fixtures and equipment, contingency, additional services, testing and permitting fees

Don't Forget…

Project Budget

- Legal and Permitting
- Owner's Rep
- Contractor and oversight
- Business interruption
- Moving and relocation
- Storage
- in-kind goods, products and services

Campaign Budget (8-12%)

- Start Up costs
- Consultant
- Campaign Materials
- Marketing and Publicity
- Public Phase
- Donor Recognition and Naming Opportunities
- Events
- Website

Financial Projections

- Sustainability—Business plan

Cash flow projections

Finance charges on loans

Investment planning and oversight

How to Determine $5M Goal

1.

	Benchmark	Non-profit	Totals
Feasibility Study	10%	10%	$500,000

2.

	Benchmark	Non-profit	Totals
Top Donors	50%	50% 24 Prospects = 10 Donors	$2,500,000
CPC & MA Cultural	0%	10%	$500,000
All Other Donors	30 %	22%	$1,100,000 ❑ Households ❑ Businesses ❑ Events
Foundations	10%	8%	$400,000
Totals	**100%**	**100%**	**$5M**

Case for Support
Need
Impact
Benefit

Creating a Compelling Argument For Need, Impact & Benefit Through:

Ethos

Establishing the organization's reputation and credibility

- *Mission, History, Milestones*

Logos

Making a logical argument supported by reason and data

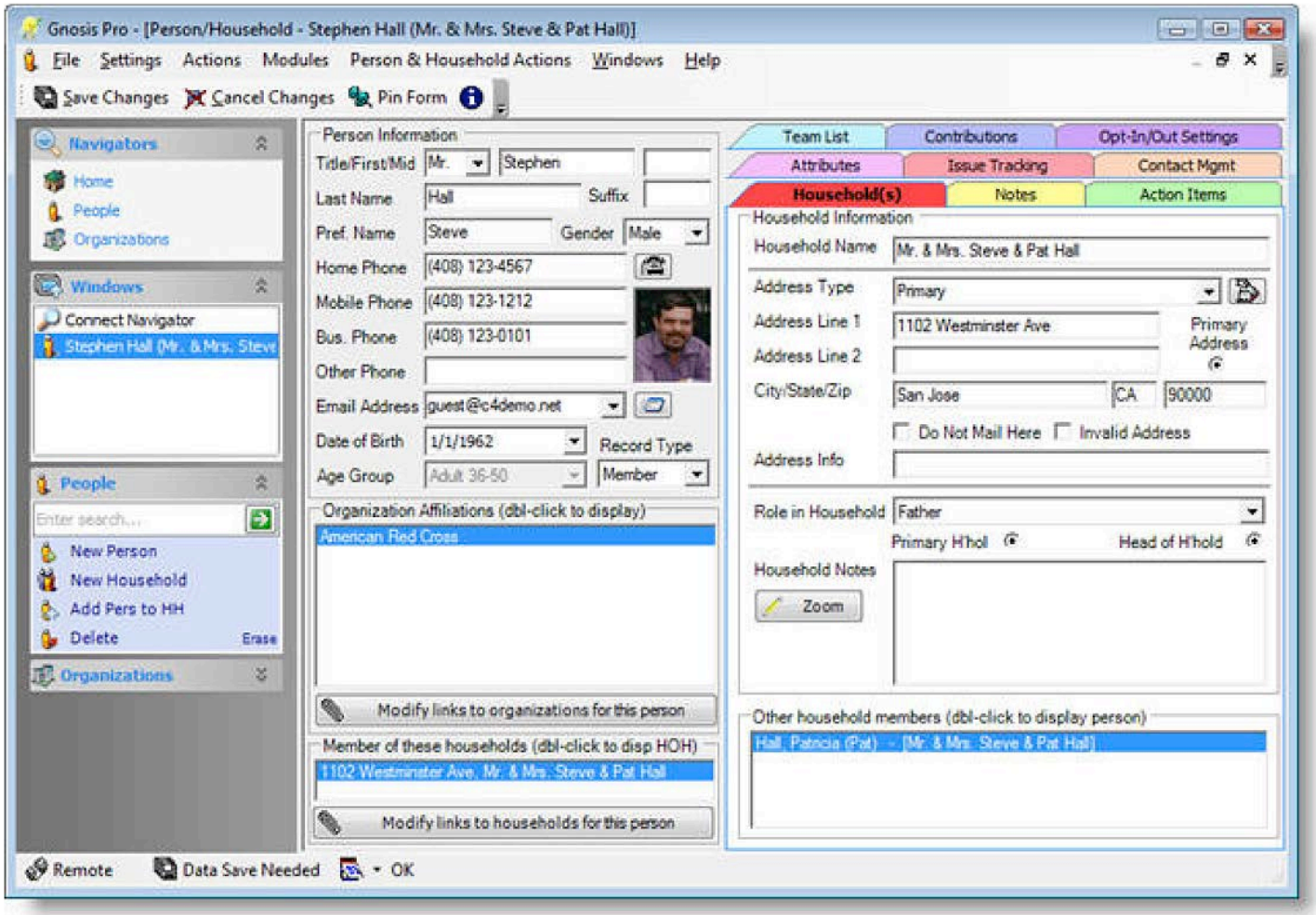
- *Goals, Budget, Data, Research*

Pathos

Creating an emotional appeal – convincing an audience of an argument by creating an emotional response

- *Testimonials, Images, Anecdotal Information, Call to Action, Urgency*

Constituency Database



Feasibility Study

A campaign feasibility study is a tool a nonprofit uses to determine whether it should go ahead with a capital or endowment fundraising campaign.

Why Conduct a Feasibility Study?

- Test the Climate & Measuring Potential
  - Identify potential roadblocks and solutions
- Case Statement Viability
  - Opinion and priority of the case for support
- Campaign Goal
  - Validate the financial goal and timeline
- Board Leadership and Other Key Volunteers
- Lead Donors
- Giving Climate

Identifying Prospects
(60-70 Names)

- Rate for Capacity and Inclination
  - Who cares about us and why?
  - Are there existing relationships?
  - Who is capable of giving at the right level?
  - How many degrees of separation are there?
  - Individuals with affluence and influence
- Key Board Members
- Corporate, Business, and Foundation Leaders
- Leadership and Major Gift Prospects (and need cultivation)
- Current and Lapsed Major Gift Donors

What Kinds of Questions Are Asked?

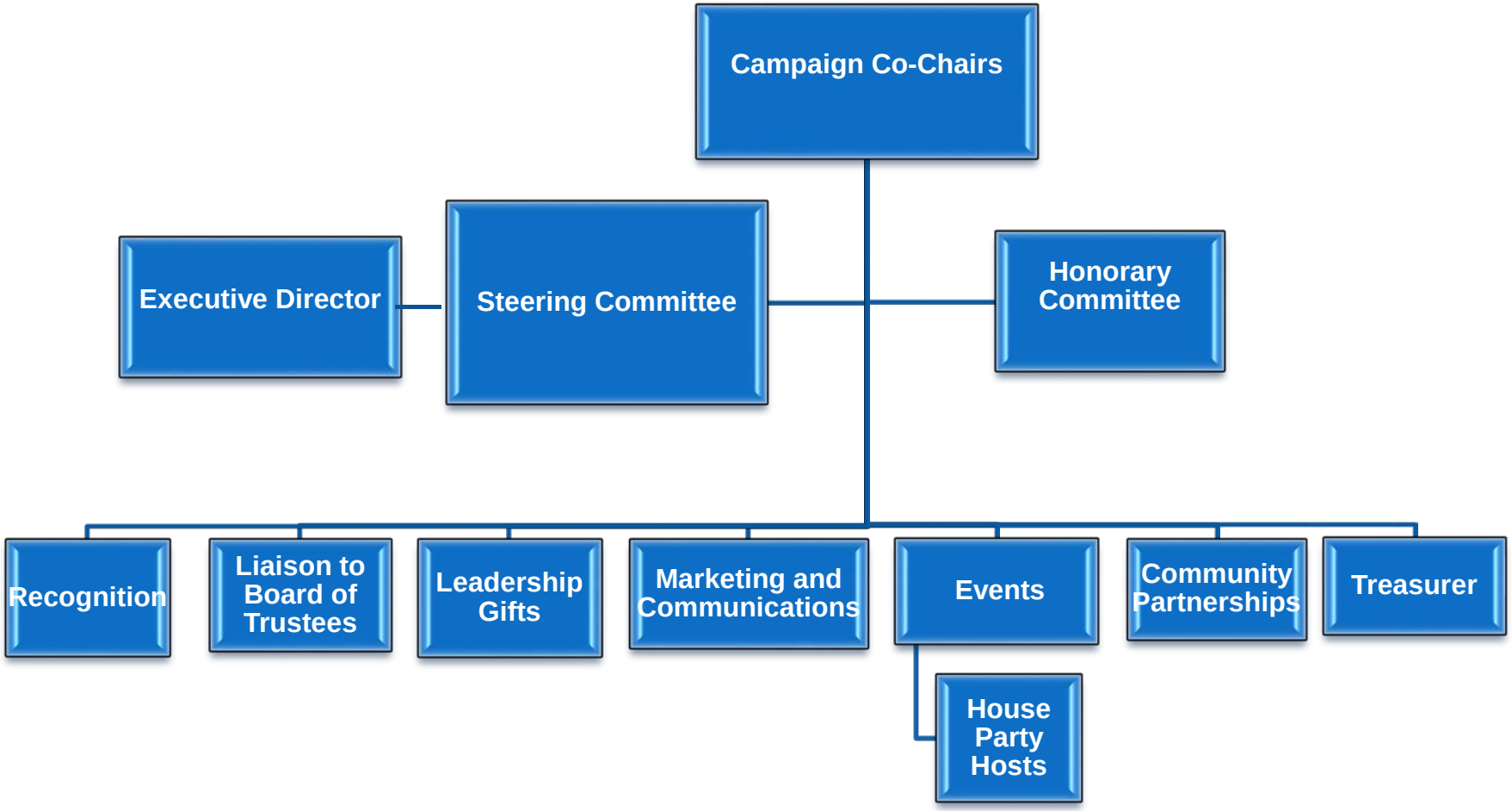
- Background of Individuals interviewed
- About the organization
  - Programs and services and the area it serves?
  - Profile in the Community
  - Are there problems to be addressed before commencing?
- Case for the project: Need, Impact, Benefit
  - Are the major needs supported by the majority?
- Review of Campaign goals
  - Is there active support from your constituency?
- Personal Involvement
- Personal Interests
- Wrap Up

Summary of Key Findings

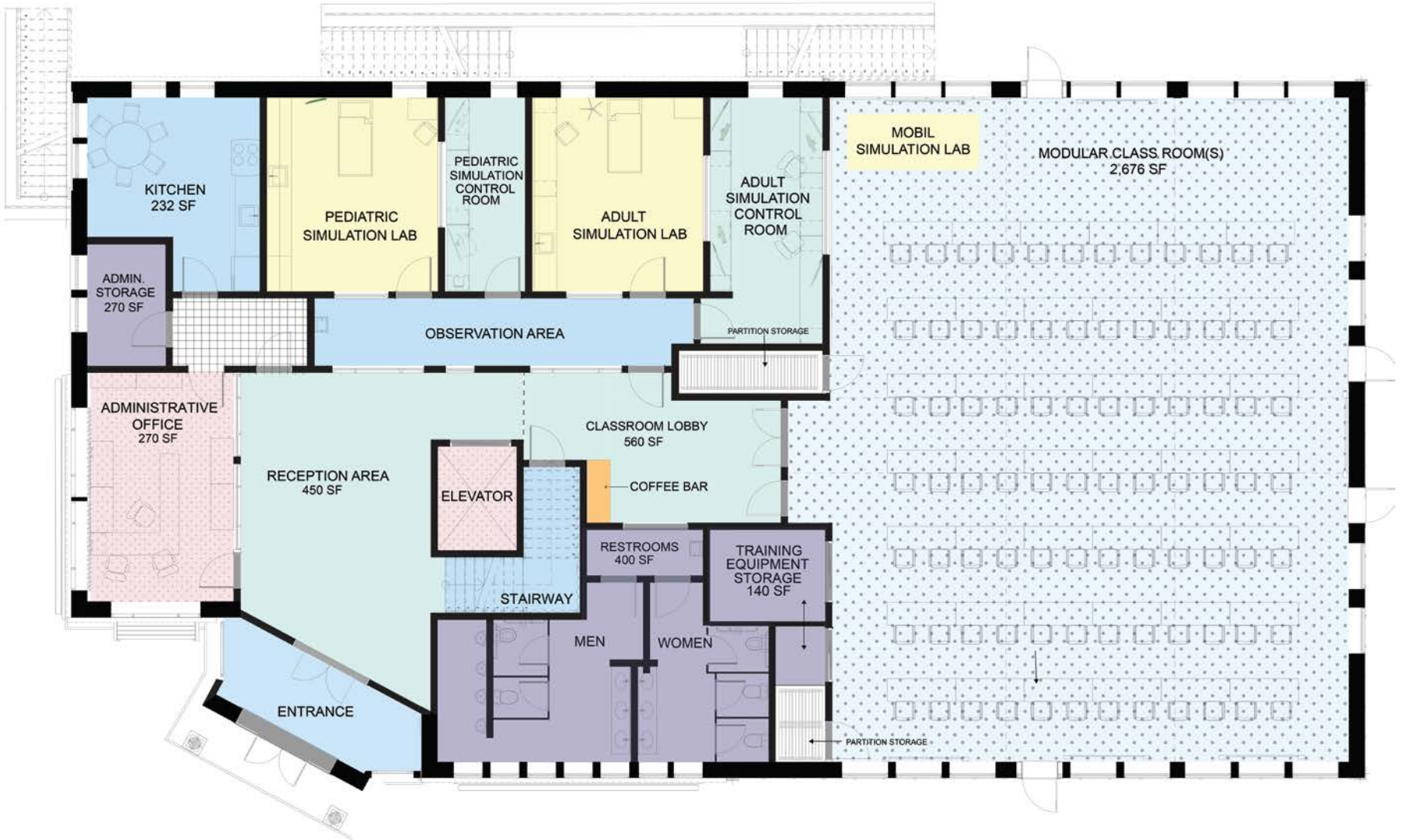
87%	**Stated project is important or very important**
100%	Understood and accept the need as stated
90%	Case Statement was compelling and explained the need
90%	Felt the organization should proceed with a Capital Campaign
68%	$5M is NOT attainable
100%	Financially support the program
78%	High or medium philanthropic priority
100%	Potential donors
35% participants	Willing to volunteer for a campaign
78%	Believe gifts of $5,000+ can be secured
48%	Community would respond to a Capital Campaign lower $5M

ARE YOU READY?

Campaign Committee



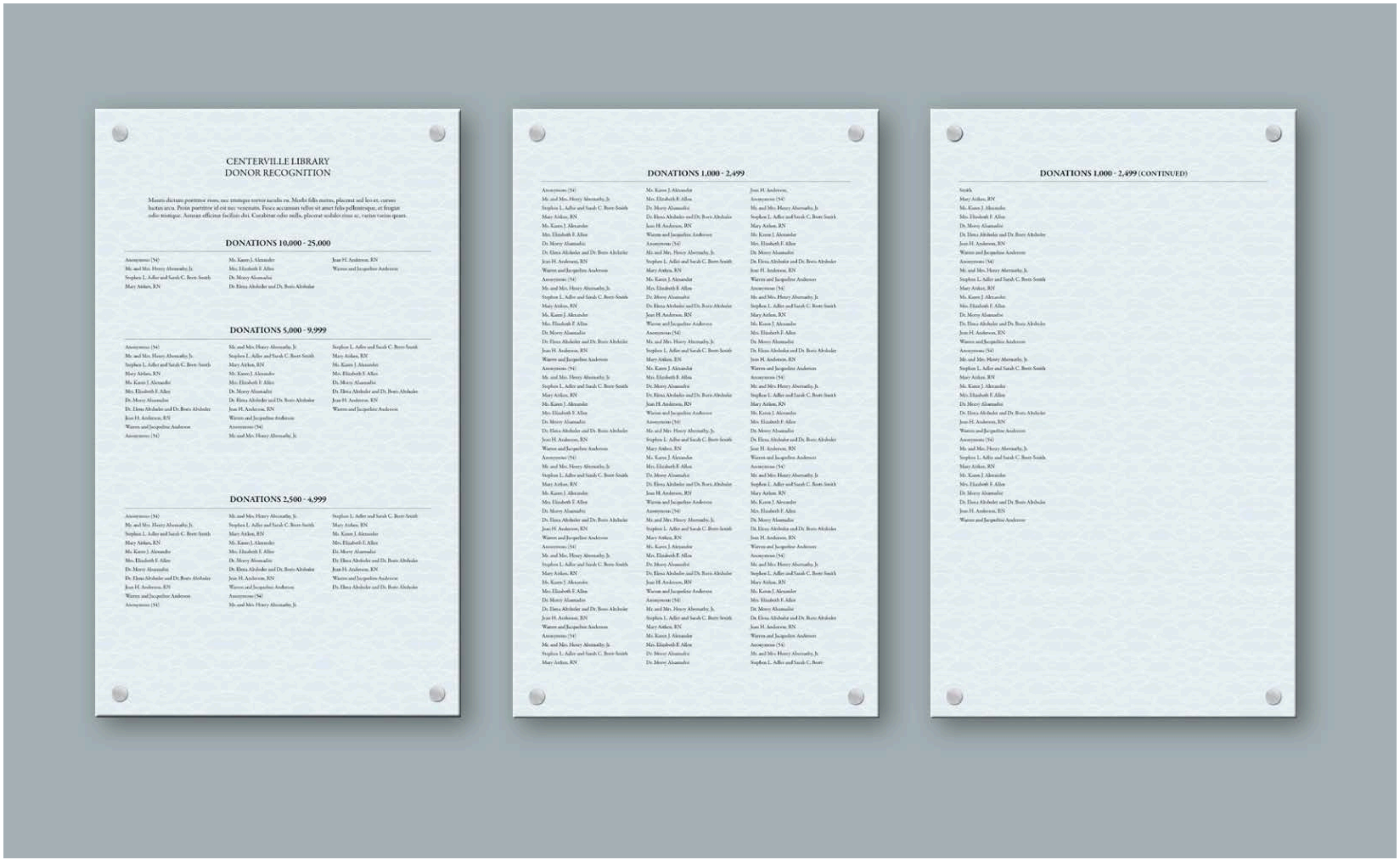
Building Footprint



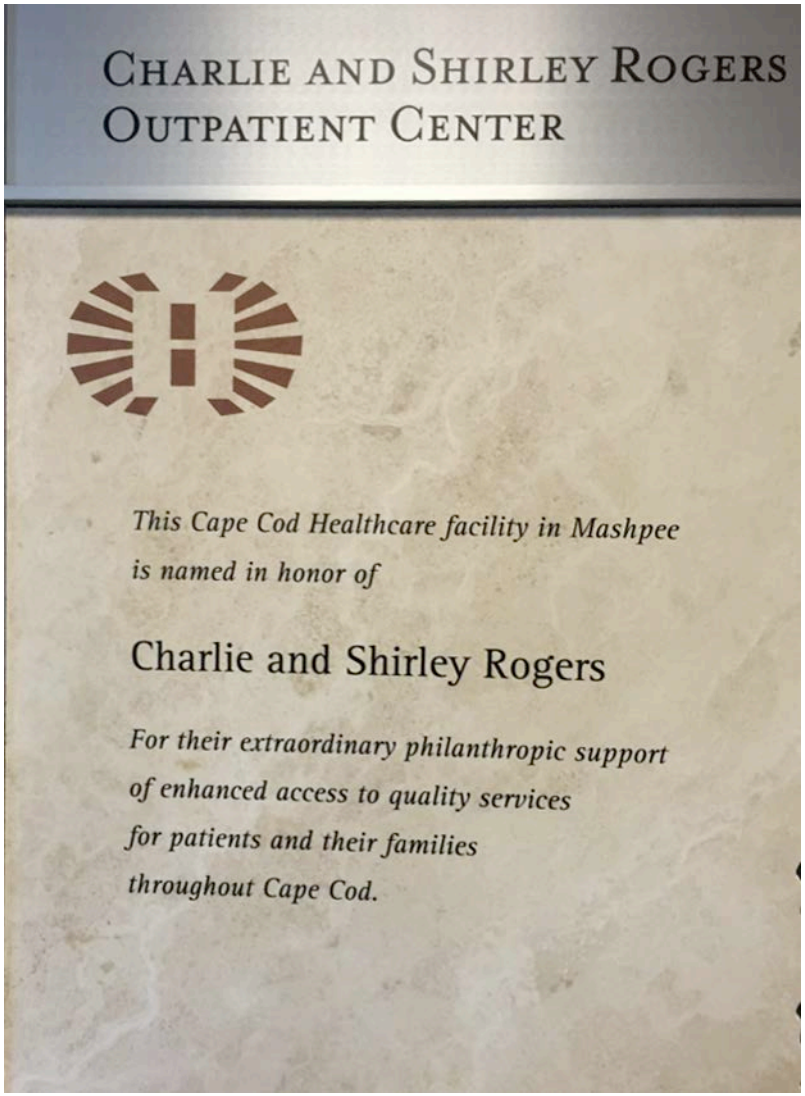
Renderings

[redacted]

Donor Recognition Wall



Naming Opportunities

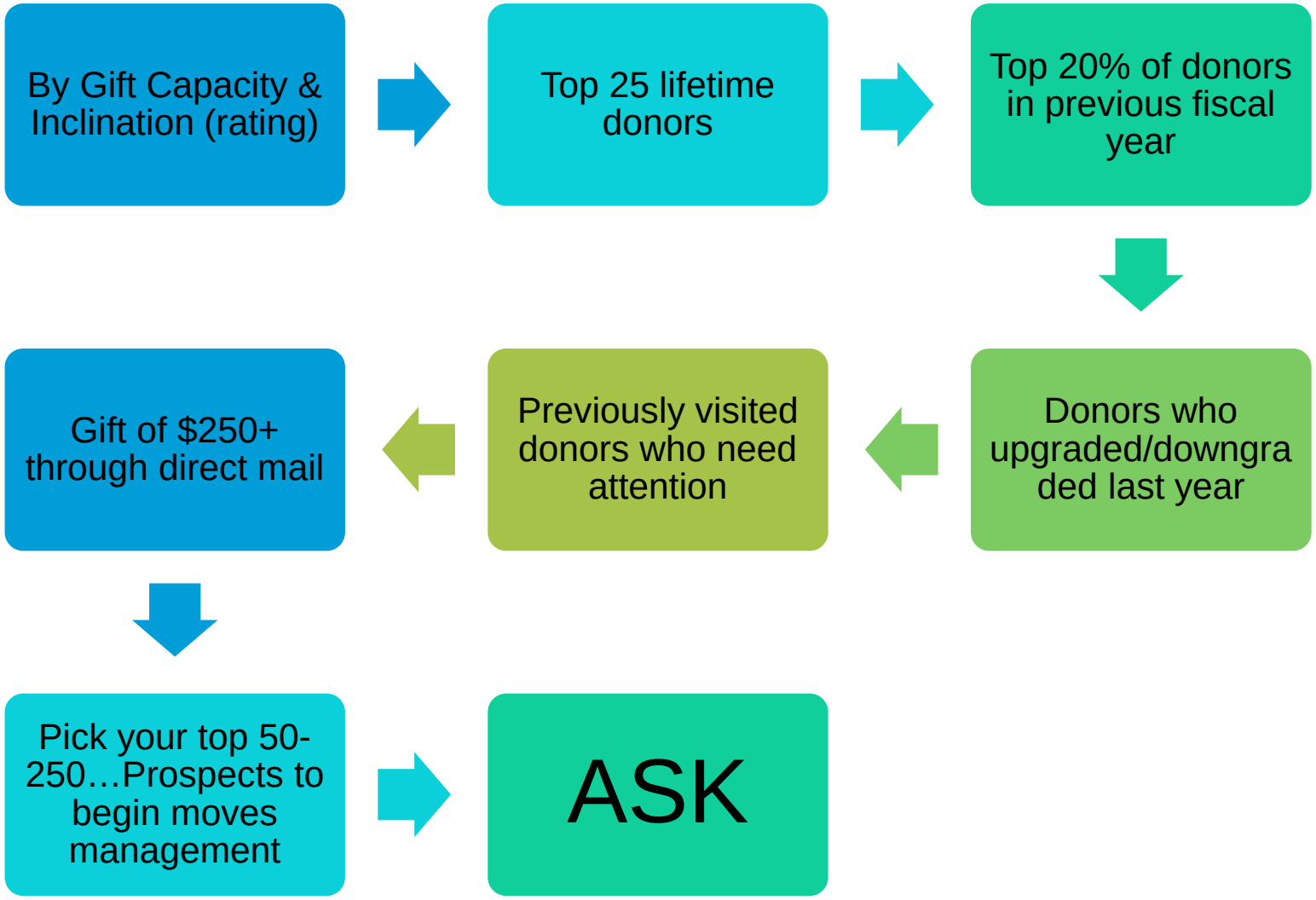


Final Case for Support

Briefcase

- Case for Support
- FAQ's
- Pledge form
- Remittance Envelope
- Letters of Support

Prioritize Your Prospects



In Conclusion

- Board Support
- Strategic Plan: Vision
- Internal Readiness
- Steering & Building Committees
- Project Budget & Goal
- Floor Plans
- Renderings
- Board support
- Feasibility Study
- Screen and rate prospects
- Case for Support
- Committee descriptions
- Naming opportunities & donor recognition plans
- Letters of Support/Testimonials
- Board Campaign Training

Marathon – Not a Sprint