

The Capital Campaign

Breakdown of the Fundamentals for Nonprofit Board of Directors

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What is a Campaign?

- Large, intensive, volunteer fundraising effort conducted over a long, defined timeframe
- Raises large sum for a specific purpose
- Focus is big gifts pledged over a multi-year period
- Not an effort to seek average gifts
- Personal solicitations with specific asks
 - By board members and volunteers who can call on people they know

Phases of the Campaign

The Quiet Phase & The Public Phase

The Quiet Phase

6 – 15 Months

Communications During the Quiet Phase

“Although it is tempting to share an organization’s need with the world from the beginning in the hopes that new donors will respond generously, effective campaign planning requires that you wait before publicly announcing the campaign and its goal until success seems likely. But even though communications prior to the campaign kickoff will not be widely disseminated, effective communication among insiders as the campaign is gaining steam is critically important.” (Kihlstedt, 2010)

References

Kihlstedt, A. (2010). *Capital campaigns: Strategies that work* (3rd ed.). Sudbury, Mass: Jones and Bartlett Publishers.

What Happens During the Quiet Phase?

- Solicit advance gifts and fundraising volunteers
- Identify, research, and evaluate lead and major gift prospects
 - Best prospects are current givers and your board
- Hold private, targeted cultivation meetings and gatherings (not public events)
- Begin to solicit lead and major gifts

Planning & Organization

- Conduct some level of Feasibility Study to determine need, ability, and readiness for the campaign. Screen database and create donor pyramid of prospects.
- If going forward, expect six to nine months *or more* during the Quiet Phase
- During the Planning Phase:
 - Finalize funding priorities (have updated plans drawn, decide phases)
 - Write Case for Support
 - Identify Campaign Leadership...

Planning & Organization Continued

- Screen database
- Create policies
- Determine staff's role
- Solicit the Board of Directors
- Secure lead gift
- Develop donor pool
- Create campaign materials

Leadership in The Quiet Phase

- Recruit campaign chair
 - The Chair must be visible in the community and able to open doors
 - The Chair must make a lead gift; must ask others
- Most critical function is leadership – form a strong steering committee (campaign committee)

Four Keys to Campaign Success

1. Case Statement

- How compelling is your case?
- The case is the tool that gets everyone on the same page with their understanding and expectation of the campaign

2. Volunteer Leadership

- Willing to ask?
- Committed to reaching the goal?
- Along with organizational leader, Volunteer leaders are viewed as the driving force for the campaign in the community

Four Keys to Campaign Success

3. Financial Support

- You will need 80% to 95% of your campaign goal to come from the largest 30 to 50 gifts.

4. Organizational Readiness

- Do you have proper staff and support?

Public Phase

Six to Twelve Months

Going Public

- Announce campaign publicly (Go Public) **only** when:
 - At least 60% (as much as 80%) of total goal is raised (celebrate it publicly)
 - Pledges are in from all members of the Board of Directors and the campaign committee
 - Leadership gifts are in hand
 - Major gifts are being solicited
 - Face-to-face calls with major donors

What Happens During the Public Phase?

- Use direct mail and online campaigns for smaller gifts
- Hold special events
- Show the general public that your solution (campaign) meets an identified community need
- Visible public presence
- Celebrate Success!

Are You Ready for a Capital Campaign?

Are You Ready for a Campaign?

- Is there a need?
- Does your vision meet the need?
- Do you have the resources (described in this presentation) to meet the need?
 - Chair, lead gift, community reputation, staff, etc.

www.GiftRangeCalculator.com

Target Amount:

| GIFT RANGE | # GIFTS REQ. | # PROSPECTS REQ. | SUBTOTAL | CUMULATIVE TOTAL | CUMULATIVE % |
|------------|--------------|------------------|----------|------------------|--------------|
| 2000000 | 1 | 5 | 2000000 | 2000000 | 25% |
| 1200000 | 1 | 5 | 1200000 | 3200000 | 40% |
| 800000 | 2 | 10 | 1600000 | 4800000 | 60% |
| 600000 | 2 | 10 | 1200000 | 6000000 | 75% |
| 400000 | 3 | 15 | 1200000 | 7200000 | 90% |
| 200000 | 4 | 20 | 800000 | 8000000 | 100% |
| 160000 | 6 | 30 | 960000 | 8960000 | 112% |
| 80000 | 8 | 40 | 640000 | 9600000 | 120% |
| 40000 | 10 | 50 | 400000 | 10000000 | 125% |
| 20000 | 12 | 60 | 240000 | 10240000 | 128% |
| Total: | 49 | 245 | | 10240000 | |

You'll notice the total adds up to over 100%. This is intentional.

- (1) Costs of construction always tend to go up.
- (2) Nonprofits often neglect to budget donor recognition in their plans.
Plaques and signs always add up to more than we expect.
- (3) It's always better to raise more than you need.

Number of prospects needed for each gift secured

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