Trustee Institute: Capital Campaigns
October 3, 2007

Ready to Launch a Capital Campaign?
What to Consider?
Why is Pre-planning Necessary?
What Happens When? Who Does What?
Inverted Gift Pyramid: Annual Giving versus Capital Campaign

Gift Size

- Planned Giving, Major Gifts
- Capital Campaign
- Annual Fund

Technique

- Face-to-face
- Face-to-face, tailored proposals
- Direct mail, special events, newsletter

Estate Planning

Base-line donors
Characteristics of a Capital Campaign

80/90% of money comes from 20/10% of donors = key to success lead & major gifts
## Clear View School: $1.3 Million Gift Chart

<table>
<thead>
<tr>
<th># of Gifts</th>
<th>Amount</th>
<th>Multiple Amount</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$100,000</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>2</td>
<td>$75,000</td>
<td>$150,000</td>
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<td>5</td>
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<td>$500,000</td>
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<td>6</td>
<td>$25,000</td>
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<td>$650,000</td>
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<tr>
<td>6</td>
<td>$20,000</td>
<td>$120,000</td>
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<td>8</td>
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<td>$120,000</td>
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<td>10</td>
<td>$10,000</td>
<td>$100,000</td>
<td>$990,000</td>
</tr>
<tr>
<td>35</td>
<td>$5,000</td>
<td>$175,000</td>
<td>$1,165,000</td>
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<td>All Other Gifts</td>
<td>$135,000</td>
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<td>$1,300,000</td>
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**Campaign Goal:** $1,300,000 = 100%
Feasibility Study: Dream versus Reality
A Campaign Planning Tool

• Identify & Formulate Funding Needs

• Identify & Access Leadership Potential
  • Determine Campaign Committee Structure

• Assess Leadership Gift Potential
  • Determine Campaign Goal
  • Leadership & Major Gifts

• Assess Constituency Attitudes Towards the Proposed Project Being Tested

• Assess Timing
Selection of Interview Candidates:

One-on-one confidential “conversations” with:

- Individuals with affluence, influence, and access “Peers give to peers.”
- Key board members
- Corporate, business and foundation leaders
- Leadership and major gift prospects
- Current and lapsed major gift donors
- Planned giving prospects
- Leadership and major gift prospects needing cultivation
A Feasibility Study Will Address

- Giving potential & willingness of board members to “give, attract and solicit”
- Availability, willingness, readiness of leadership to serve: Campaign chairs, co-chairs, and committee members
- Availability of leadership and major gifts
- Strength of “statement of need”
- Realistic fund-raising goals within projected ranges
- Availability of necessary resources: team of volunteer solicitors, prospects, research capabilities, budget, and staff
- Determine optimum timing
- Presentation of findings to the board with recommendations for next steps at the completion of the Feasibility Study
A Feasibility Study: What Happens When?

- Conduct a Leadership Workshop
- Prepare Study questionnaire
- Develop “statement of need,” articulates proposed funding priorities
- Collaborate in the selection of candidates to be interviewed
- Prepare appointment letters, “thank you” correspondence
- Schedule interview appointments
- Prepare materials, research prior to each interview
- Conduct face-to-face confidential interviews
- Present an interim report based on first ½ of the initial interviews
- Review, analyze and prepare the findings in a final report
- Present the final report with recommendations to the board.
Final Report: What to Expect ...

- Identity, readiness of proposed Campaign leaders to serve
- Availability, willingness of prospects to make leadership and major gifts
- Effectiveness, validity and confidence in the statement of need
- Leadership and major gift potential (dollar ranges), estimated capacity to meet the projected campaign goal
- Need for leadership and major gift prospect cultivation
- Availability of new major donors
- An outline of how to proceed, along with a preliminary timetable and specific recommendations for next steps (e.g., securing leadership to serve on Steering Committee)
<table>
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<tr>
<th>Weeks</th>
<th>1 – 2+</th>
<th>3 – 4+</th>
<th>4 – 5+</th>
<th>5 – 6+</th>
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<td>Leadership Workshop</td>
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<td>✔️ ✔️ ✔️</td>
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The Feasibility Study Factors that Drive Campaign Costs

- Leadership and Major Gift Prospect Research
- Leadership Development: Solicitation Training
- Campaign Committee Structure
- Cultivation/Public Awareness Events
- Adequate Development Staff
- Campaign Materials: Print and Electronic
- Fund-Raising Counsel
Moving into a Campaign: The Critical Elements

- An overall organizational strategic plan in which annual, capital and endowment fund-raising goals are established
- A statement of need complementing your strategic vision
- A clear, persuasive, compelling case for support
- Available cadre of committed, influential leadership willing to give and solicit gifts
- Pacesetter, leadership prospects
- Available base of donors capable of funding the Campaign
- Cost estimates for each component of the Campaign
- Adequate volunteers, staff and financial resources