CAPITAL CAMPAIGNS: MORE THAN JUST MONEY

Capital Campaigns can be an incredibly rewarding experience, growing relationships with donors all the while generating funds for a special project or building. Or Capital Campaigns can be incredibly frustrating, with donors slow to engage and the goal seemingly out of reach. Whichever is the case, the one true thing is that Capital Campaigns take time, money and experience in the fundraising process. Below are some tips to help you set your expectations for your Capital Campaign process before jumping into the fire!

CAPITAL CAMPAIGN RULES OF THUMB

- Engage leadership both internal and external to the organization
- Frame a message that resonates beyond the Campaign
- 5-7 Donors will give 50%+ of the total goal
- Always ask for the big gifts first
- Foundations prefer to go last, ensuring you have support from the community at large before they commit
- Capital Campaigns cost approximately 10% of the total goal (including planning, staffing and materials)
- Planning for the Campaign will take approximately 6-12 months
- The cultivation/solicitation phases of the Campaign will take approximately 12-24 months
- Most gifts will be in the form of pledges payable over a period of 3-5 years.

COMPONENTS OF THE CAMPAIGN

Phase 1: The Planning Period
During this Phase, the organization assesses its capacity to raise money through a feasibility study. Usually conducted by a capital campaign consultant to maintain the confidentiality of study participants, the study includes:

- A development audit to assess internal fundraising structures (policies & procedures, access to funders & donors, message & communications, staffing, financial management, information management & technology and experience in fundraising);
- A data collection process that includes interviews and surveys with and to key supporters and community leaders.
Based on the information received from the feasibility study, the organization then develops a Campaign Action Plan, laying out the prospects, budget, activities and timeline needed to get to the goal determined to be feasible by the study.

The Planning Period Components

- The Development Audit
- Message Development
  - Data Collection
- The Campaign Action Plan

End Result: The Campaign Action Plan

Phase 2: The Quiet Phase
During this phase, the organization cultivates its top level prospects, usually those that are capable of giving $25,000-$1,000,000+. Donors in this Phase often qualify for a “naming” opportunity, though certainly there are those who do not want this sort of recognition. There may be a foundation or two in this category; however, any foundation solicited during the Quiet Phase should have a long standing relationship to the organization. This Phase should raise 50-75% of the total Campaign Goal. Oh, and it’s called the Quiet phase for a reason . . . there is no public announcement yet. Cultivation and solicitation is “quiet,” limited to small number of donors/prospects.

The Quiet Phase Components

- Volunteer Recruitment
- Final Message Development
- Campaign Processes & Systems
  - Prospect Identification
  - Volunteer Training
  - Lead Gift Solicitation
  - Major Gift Solicitation

End Result: 50% of Goal

Phase 3: The Public Campaign
We have reached 50-75% of the total Campaign goal, so now we go public! Gifts during this phase are generally under $25,000 and (at the very end) may include a “brick” campaign (tiles or bricks with donor names are “sold” for a lower level gift – usually $100-$250 per item). This Phase of the Campaign still includes personal solicitation, but is enhanced by intense media and communication strategies and some direct marketing and events. As the Campaign draws to a close, the final foundations prospects are solicited to put the goal over the top.

The Public Campaign Components

- Prospect Identification
- Public Announcement
  - Gift Solicitation

End Result: 20% of Goal
Phase 4: The Transition
So now we’ve reached our goal, completed all our donor recognition obligations and held a celebratory event. We’ve invested a lot of time and energy building donor relationships . . . let’s not let them fall to the wayside. During the pledge payment period, continue to steward Campaign donors, keeping them up-to-date on not only the progress of construction or the project, but the ongoing programs of the organization. When the donor completes their pledge, it’s time to re-engage them in ongoing support for the organization. Their annual giving may not equal the level of their capital gift, but it’s likely to be higher than their pre-campaign giving!

The Transition Components

- Implement Gift Recognition
- Grand Opening

End Result: Integrate Donors into the Ongoing Work of the Organization