

# Capital Campaigns

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# Capital Campaigns

- A capital campaign is a concerted effort to raise significant funds for a specific project over a defined period of time. The two major variables in a capital campaign are:
  - *Time*- Typically, a capital campaign will take 1 to 2 years for the solicitation process and allows 3 to 5 years for the pledge period. When an organization enters a capital campaign, it should continue other fund raising efforts for ongoing support, but should understand that there may be a negative impact on these efforts.
  - *Money*- The amount that can be raised will be determined by the need of the project balanced by the ability and willingness of donors to give. Once the goal is determined, it should remain rock-solid. If a variable needs to be adjusted, it should be the timeline.

# \$225K Gift Chart

# of Gifts Required	Gift Level	Sub-Total
1	\$50,000	\$50,000
2	\$25,000	\$50,000
3	\$10,000	\$30,000
4	\$5,000	\$20,000
6	\$2,500	\$15,000
10	\$1,000	\$10,000
Many	Under \$1,000	\$50,000
<b>26</b>		<b>\$225,000</b>

# \$9 Million Gift Chart

# of Gifts Required	Gift Level	Sub-Total
1	\$3,000,000	\$3,000,000
2	\$1,000,000	\$2,000,000
3	\$500,000	\$1,500,000
4	\$250,000	\$1,000,000
6	\$100,000	\$600,000
8	\$50,000	\$400,000
10	\$25,000	\$250,000
15	\$10,000	\$150,000
Many	Under \$100,000	\$100,000
<b>49</b>		<b>\$9,000,000</b>



**Campaign for the New Student Center  
\$9 Million Gift Chart**

<u>Gift Amount</u>	<u>Number of Gifts</u>	<u>Cumulative Goals</u>	<u>Committed As of 6/2/09</u>
\$3,000,000	1	\$3,000,000	\$3,000,000
\$1,500,000	1	\$1,500,000	\$1,500,000
\$1,000,000	1 2	\$2,000,000	\$2,000,000
\$500,000	1 2 3	\$1,500,000	\$1,500,000
\$250,000	1	\$0	\$250,000
\$200,000	1	\$200,000	\$200,000
\$150,000	1 2	\$300,000	\$300,000
\$100,000	1 2 3	\$300,000	\$300,000
\$50,000	1 2 3	\$150,000	\$150,000
\$25,000	1 2	\$25,000	\$50,000
\$10,000	1 2 3	\$20,000	\$30,000
Under \$10,000	1 2 3 4 5 6 7 8 +	\$5,000	\$33,905
<b>Totals</b>		<u>Total Goal</u> \$9,000,000	<u>Committed</u> \$9,313,905

**Riverview School  
Named Gift Opportunities**

<b>New Student Center</b>	<b>Naming Amount</b>	<b>Committed</b>
Entire Student Center	\$3,000,000	Yes
Auditorium	\$1,500,000	Yes
Amphitheater	\$500,000	Yes
Commons: Student Union	\$500,000	Yes
Library/Resource Center	\$500,000	Yes
"Green" Initiative	\$500,000	Yes
Head of School Office Suite	\$500,000	Yes
Courtyard	\$250,000	Yes
Center for Academic & Residential Life	\$250,000	No
Admissions Suite	\$250,000	Yes
Commons: Art Gallery	\$250,000	Yes
Commons: Lobby	\$250,000	Yes
Commons: Kitchen	\$100,000	No
Staff Resource Area	\$100,000	No
Dance/Drama Studio	\$100,000	Yes
Art Studio	\$100,000	No
Art Studio	\$100,000	No
Music Studio	\$100,000	Yes
Radio Station & Sound Booth	\$100,000	Yes
Bell Tower	\$100,000	Yes
Club Room	\$100,000	Yes
School Store	\$100,000	Yes
Tennis Courts	\$100,000	No



# Endowment Campaigns

- Endowment is the best way to secure the long-term future of an organization.
- Endowment funds can be unrestricted, board restricted or donor restricted.
- Since endowment is more about the future than the present, planned gifts are often used to support these funds.
- There are basically three types of gifts to endowment:
  - *Outright* – For immediate use including cash, securities, tangible personal property or real estate.
  - *Bequests*- By far the most common form of planned gift, made through a will or insurance plan where charity receives assets at the death of the donor.
  - *Life Income*- May take considerable effort on the part of the donor to prepare the necessary legal documents. These include: charitable gift annuities, charitable remainder trusts and charitable lead trusts.



# Development Studies

- Before conducting a capital or endowment campaign, proper research and planning are essential.
- A Development Study (sometimes called a feasibility study) entails personal interviews with 30 to 40 stakeholders and takes between 6 and 8 weeks.
- “If you want advice, ask for money but if you want money, ask for advice.” The purpose of a Development Study is to ask for advice.
- A Development Study gives the organization the information and confidence to move forward, or not, with a comprehensive fund raising campaign.



## Conducting a Capital Campaign In a Down Economy

- **Be pro-active.** Stay in touch with key donors and prospective donors – now is a time to reach out, not to retreat;
- **Be alert.** Understand that some individuals are being impacted significantly by current conditions (both negatively and positively) and others are not – adjust conversations and requests accordingly;
- **Be discriminating.** Sharpen the case for philanthropic support and focus on institutional priorities that are central to advancing the mission of your organization and that are viewed by donors as essential priorities;
- **Be flexible.** For some individuals, long-term commitments will be unrealistic but gift decisions one year at a time will be possible – for others, there will be little or no change in how they consider major requests;
- **Be resolute.** Time may become more of a variable in achieving gift objectives and/or campaign goals – simply reducing expectations and/or goals rarely benefits institutions or those who care deeply about advancing the institution;
- **Be observant.** Seeing the institution through the eyes of the prospective donor often provides the insights and the sensitivities required to move relationships and gift requests forward;
- **Be knowledgeable.** Focus on what is at stake, or at risk, for the institution that is central to its mission and its aspirations – discuss serious issues confronting the institution;
- **Be patient.** Most philanthropic initiatives have a longer life span than the ups and downs of most economic cycles.



**Questions?**