Feasibility Study
and
Capital Campaign Information

Archdiocese of Kansas City in Kansas
Office of Stewardship and Development
12615 Parallel Parkway
Kansas City, Kansas 66109-3748
(913) 647-0325
# Table of Contents

- What is a Capital Campaign ................................................................. 1
- Capital Campaigns in the Archdiocese .................................................. 2
- Why do a Capital Campaign ................................................................. 3
- Good Effects of a Capital Campaign .................................................... 4
- What is a Case Statement ..................................................................... 5
- Determining a Goal .............................................................................. 6
- What is a Feasibility Study .................................................................... 6
- Using Outside Consultants ..................................................................... 7
- Choosing a Consultant .......................................................................... 7
- Costs ...................................................................................................... 8
- How long does it take ............................................................................ 9
- When Not to do a Campaign ................................................................. 9
- What is involved ................................................................................... 10
- Generating Excitement ....................................................................... 10
- Discern – Study – Ask .......................................................................... 10
- Who Plans and conducts the Feasibility Study ........................................ 11
- Campaign Planning Committee ............................................................ 12
- Subcommittees, Special Events and Leadership Gift ............................. 13
- General Campaign ............................................................................... 15
- Recognition and Celebration ................................................................. 16
- Implementing Follow-up ....................................................................... 17
- Finances ................................................................................................. 17
- Legal Issues .......................................................................................... 18
- What is the Burgundy Binder? ............................................................... 18
- Questions? Who to Contact? ................................................................. 19
- Gift Table Example .............................................................................. 20
- Questions for Interviewing Consulting Firms ....................................... 21
- Questions for Reference Checks ............................................................ 23
- Firms for Consideration ....................................................................... 24
What is a Capital Campaign?

A Capital Campaign is part of the “financial trinity” of financial support by church members and friends to the ministries and mission of the local church. The other two major sources of support are Annual Offertory Pledges and Planned Giving.

The purpose of a Capital Campaign is generally very specific and typically building related, though Capital Campaigns have been conducted to support specific mission projects, to fund endowments and for other church projects. More often mission and other purposes will be added onto a campaign initially launched for a building-related purpose.

Capital Campaigns combine giving from both the accumulated assets and the annual income of church members and friends. Many large gifts typically come from donor’s investment portfolios, while givers of more modest means will often make a pledge paid periodically (weekly, monthly or yearly) from their ordinary income. Some gifts may be “in kind” as when the donor is in the building trades. Whatever the source or nature of the gift, Capital Campaigns tend to generate sacrificial giving well beyond what is ordinarily experienced in Offertory Giving.

A Capital Campaign is a major event in the life of a church, often of historic significance. It will be the biggest event in the memory of most members. Typically, Capital Campaigns are not conducted more often than every ten years or so.

A Capital Campaign is a faith defining moment in the life of the parish. The questions “Who are we?”, “What are we about?” and “What is our purpose?” are raised and answered. The project becomes understood in the context of how it advances the mission of the church. A theme will be established, such as “Lighting the Way”, “Lift High the Cross”, or “Open Wide the Doors”, which will echo in the minds of members long after the campaign is over.

In the life of a parish, school or institution or organization, it is often necessary to conduct a Capital Campaign. A Capital Campaign is basically a concentrated effort to generate significant donations and funding over a relatively short period of time. Capital Campaigns are usually conducted for one or more of the following reasons:

- For capital improvements or renovations
- For new building projects
- For debt reduction
- For an endowment fund
All approvals to begin Capital Campaigns in the Archdiocese of Kansas City in Kansas are given first by the Archbishop. Other personnel from the Finance Office, Real Estate Construction Office, and Stewardship and Development Office are available to consult with parishes through all stages of their Capital Campaign planning.

**Capital Campaigns in the Archdiocese of Kansas City in Kansas**

In order to standardize and facilitate the process of approval of Capital Campaigns for major construction/renovation projects of parishes and institutions of the Archdiocese, the following procedures are provided for all projects estimated to cost more than $100,000. Projects of lesser cost ($25,000 plus for parishes with less than $1 million operating budget; $50,000 plus for parishes with more than $1 million operating budget) are approved through written correspondence to the Archbishop and/or Chancellor outlining the scope of the project, costs and method of funding.

When a parish/institution determines that it is advisable to explore the possibility of conducting a Capital Campaign or initiating a major construction/renovation project estimated to cost more than $100,000, a letter is sent to the Archbishop outlining the nature and preliminary scope of the project, preliminary estimates of costs and source of funding with request for permission to proceed. These preliminary plans and costs should be discussed with the archdiocesan Construction Consultant, (913) 647-0322, in advance. The letter is to be signed by the pastor and the chairpersons of the Finance and Pastoral Councils, or in the case of institutions, the CEO and the board chair. A copy of the letter and proposal is sent to the Chancellor and the Director of Stewardship and Development and, in the case of schools, the Superintendent. The Archbishop will respond in writing to the request indicating any specific expectations regarding the project or process. Normally a feasibility study is required when undertaking a capital campaign for a major construction project or renovation.

Upon receiving permission from the Archbishop to proceed with the first step towards a Capital Campaign, an outside consulting firm should be hired to conduct the feasibility study. After study of the current situation and interviews with members of the community, a feasibility report will indicate:
• If there is adequate support for the proposed project.
• If the project should possibly be scaled back or expanded.
• What the best goals and timeline would be for the capital campaign.

Upon review of the feasibility study report, the decision will be made to proceed or not to proceed with a formal Capital Campaign. Because of the complexity of conducting Capital Campaigns, it is strongly recommended that all archdiocesan parishes, schools and organizations retain the services of a professional Capital Campaign consultant to conduct a successful Capital Campaign. This consultant can be the same one who conducted your feasibility study or a different one. (A brief list is included at the end of this packet.)

Any parish, school or institution interested in conducting a Capital Campaign or feasibility study, should arrange for a meeting with any or all of the following as they pertain to your organization:

• A meeting with the pastor and/or parish staff
• A meeting with the Finance Committee
• A meeting with the Parish Council
• A meeting with the Building Committee
• A meeting with the Board of Directors

Why do a Capital Campaign?

The only reason to undertake a Capital Campaign is because the parish has discerned it to be God’s will. Here are some underlying reasons why other churches have discerned a Capital Campaign to reflect God’s will for them:

1. God’s people are challenged to examine their faith and commitment to Christ as lived out in the life of the church, as they are invited to give sacrificially out of accumulated assets and ordinary income.

2. Resources are provided to support the body of Christ in its work, such as renovating the sanctuary to provide a beautiful worship environment, handicap access, new or better education space for our children, etc.
3. God’s people are given an opportunity to use their wealth to do something that reflects their love of God and of each other. Many will find a renewed sense of faith, vision, hope and commitment to the church.

4. There is outreach to people on the margins of the church, inviting them to participate in and to serve the body of Christ. Many who have not been seen around church in a long time, and who do not even support the annual budget, will support, sometimes significantly, a Capital Campaign. There will more likely be complaints from those who were overlooked during the campaign than from any who were asked to participate.

What good effects may come of a successful capital campaign?

A successful Capital Campaign can have a tremendous positive effect on the overall morale of the church, as a sense of unity and common purpose develops. This boost in morale often leads to increased giving to current church expenses and to mission. Although during the time campaign pledges are being paid (usually three years), the annual pledges may be flat, many members, having been accustomed to giving perhaps double or triple than normal, will continue giving at a higher rate once the pledges to the campaign are paid.

Another common effect observed by many churches is increased attendance at Mass and a greater understanding of Stewardship as a way of life in appreciation of Christ’s sacrifice for our eternal salvation. (Mt 25:14-30; Lk 12:42-48)

A successful Capital Campaign provides the resources needed to carry out our mission to lead souls to Christ. Individuals compose the body of Christ; therefore disciples of Jesus Christ are stewards of the Church because stewardship is the personal responsibility of each one of the baptized.

“To each individual the manifestation of the Spirit is given for some benefit.” (1 Cor 12:7)
What is a Case Statement?

At the heart of every effective Capital Campaign is a document that explains the importance, relevance and urgency of the project. That document is called the case for support or case statement. The case for support will describe your proposed project in simple and compelling terms to potential donors in the parish or school and community. In actuality, the case for support is an evolving document telling or giving an emerging picture of the project. A preliminary draft of the case for support will be presented to key insiders and community leaders during the feasibility study. Their comments will then shape the direction of the campaign.

A good statement of your case for support will present a credible plan to address compelling needs. It should convince a reader that your proposed project is important and feasible. It will include information about your church’s past and present accomplishments, your parish’s values and vision, the needs your church fulfills in the community, the impact of your church on peoples lives, and the key ministries and programs of your church. It will describe the proposed project needs, explaining what will be addressed and the relevance of the proposed project in meeting those needs. The case for support should also present a campaign goal and convey a sense of urgency in reaching that goal. Three critical elements needed in your case statement are importance, relevance and urgency.

Who writes the first draft of the case for support? Most frequently, this task is given to a key staff person, ideally working with the assistance of the pastor and a consultant. Sometimes a consultant will take the primary role in preparing the preliminary case for support. In some churches, a volunteer with previous related experience and skills in this area may be available to assist with the case for support. Prior to the time of campaign kickoff, the case for support will be an evolving draft document, improving with each new revision. In many cases, a case statement will then be presented in the form of an attractive brochure or booklet as the official Capital Campaign is launched.
How do we determine our goal?

A reasonable goal for most churches is between 1½ and 4 times the annual giving. The least exciting campaigns are to pay off debt, and they generally raise about 1½ times the amount of annual giving. A new facility is one of the most exciting campaigns and generally will raise up to 4 times the amount of annual giving. Campaigns to finance projects such as deferred maintenance or handicap accessibility generally raise between 2½ to 3 times the amount of annual giving. These are only rules of thumb. For any number of reasons, the actual potential may be much more or much less.

As your church considers its project, it should look at all its capital needs for the next 5 to 10 years. You are unlikely to have another capital campaign for a long time. More churches make the mistake of setting their goal too low than set it too high. While that being said, it is also true that it is easier to raise funds for a single large project, such as a new building wing, than for a laundry list of smaller items. If your needs and projects are varied, it will be important to find a way to link them together under a single theme.

For help in determining an appropriate goal for the unique situation of your church a feasibility study should be considered essential if you are considering a goal over $500,000.

What is a feasibility study?

The feasibility study is a market survey that tells you how close your key church members or patrons and leaders are to making financial commitments that will help you reach your dollar goal. Since approximately 80 percent of the money received in a capital program will come from approximately 20 percent of your donors, it is absolutely essential that your leadership gift prospects be completely familiar with the campaign purposes and be ready to make the largest gift they can.

The feasibility study involves individual, confidential interviews with approximately 30 percent of your giving units, including 80 percent of the top 20 percent. The interviews are arranged by local church leaders, with invitations issued by letter from the pastor and/or key lay leader, and scheduled during follow-up phone calls. The interviews are conducted by an outside consultant, who will make a confidential report of the results to the planning committee.
During the interview, each person will be asked the same questions. They will include such issues as: (1) the prospect’s understanding of the purpose of the capital campaign; (2) the prospect’s level of confidence in the church’s pastoral and lay leadership; and (3) the prospect’s willingness to participate with a financial commitment, and to provide active leadership and support.

On the basis of the consultant’s report of the interview results, the planning committee will be able to make informed decisions about: (1) the dollar goal for the campaign, (2) the timing of the campaign, and (3) the leadership for the campaign. Usually the consultant will also be engaged to serve as the campaign director.

**Should we use outside consultants?**

Even if your church or school has experienced and capable fundraisers in it, the use of independent consultants is advisable. Consultants will be able to give an honest, detached view of the project. They will be able to prod those involved in the campaign to stay on task, and they can take the heat if there is any dissatisfaction with the campaign. It takes a tremendous amount of energy and expertise to create the enthusiasm, organize the campaign, and shepherd it through to conclusion. Also, psychologically, people will pay attention to, and follow the advice of, an outside paid professional more than they will to a volunteer, regardless of the volunteer’s ability. A financial investment creates a psychological investment in the enterprise.

The use of the right consultant will significantly increase your likelihood of reaching your campaign goal, and will more than pay for the fee involved. Where the Capital Campaign is such a big event in the life of the church and since you are only going to have a Capital Campaign every ten years or less, you want to do it right. You certainly do not want the campaign to turn into a morale deflating failure.

**How do we choose a consultant?**

You should be looking for experts in church Capital Campaigns of proven faith and commitment. Church Capital Campaigns are unique, and differ in many ways from other campaigns by organizations such as hospitals. The faith compo-
nent to the campaign cannot be understated, and the consultant must be someone who understands and speaks the language of faith.

It is important to ask for references and to check them thoroughly. Ask for references other than what are on the list provided to you. It is not uncommon for different churches to have very different experiences with the same consultant. Dig for answers to why they were successful in one church and not another.

Beyond that, it is important to have positive “chemistry” with your consultant. Interview several. Make sure their philosophy, style, personality and attitudes match that of the parish.

Of course, make sure the fee arrangement is clearly understood and all costs as well as services to be provided are spelled out in a written contract.

NOTE: A recommended list of questions for both the consultant and the potential consultant’s references are included at the back of this packet.

A more complete list of consultants with experience in capital campaigns in our Archdiocese of Kansas City in Kansas is available from the Stewardship and Development Office (913) 647-0325.

What does it cost?

Capital Campaigns usually have goals that are much higher than the normal annual income of your church. Capital Campaigns in a church typically raise from 1.5 to 3.5 times the annual income of the church, and in some cases have raised as much as seven times the annual giving of a church. Capital Campaigns happen infrequently in a church. They have very defined, specific and limited timetables. For the annual operating expenses of your church, most contributions will be given from people’s income. Commitments to a Capital Campaign often are given from people’s accumulated assets.

As a guideline, this is what your church should expect to spend. For Capital Campaigns of less than $500,000, fund-raising costs may run as high as 12 to 13 percent of the total amount raised. For campaigns up to $1,000,000 the amount should drop to 10 to 12 percent. Above $1,000,000 the percentage of cost should decrease as the size of the campaign increases. You should also expect to spend 1 to 2 percent of the total amount of the project on the feasibility study.
What expenses do these amounts cover? First, 55 percent of the costs are likely to be for personnel, including consultants, a paid staff campaign director (in large campaigns), and support staff. Secondly, 15 percent will be needed for office expenses such as supplies, telephone, duplication, postage, travel and entertainment for donor cultivation and committee expenses. Thirdly, 25 percent will support public relations and materials, including design and printing for brochures, direct-mail pieces, other presentation materials, and special events. Finally, 5 percent should be allocated for contingencies.

**How long does it take to do a Capital Campaign?**

The campaign itself usually runs about seven to 13 weeks, from the “Campaign Kick-off” to “Celebration Sunday,” when the pledges part of the campaign wraps up.

Prior to the launching of the campaign, the project needs to be clearly defined, the project cost estimated, a financing plan developed and the campaign goal established. This may very well take up to a year or more.

The pledges themselves are generally paid over a three year period. You can usually expect about 40 percent to be paid in the first year, 30 percent in the second year, and the balance by the end of the third year.

**When should we not do a Capital Campaign?**

It is inadvisable to do a capital campaign if the church is in the midst of conflict, or if your church has an interim pastor.

A successful campaign requires the financial support of at least 85 percent of the entire congregation.
What is involved in doing a campaign?

Consulting with the Director of Stewardship and Development is required prior to retaining a firm to do a feasibility study and/or to undertake a Capital Campaign. The Director of Stewardship and Development will assist in the determination of needed assistance and selection of the appropriate firm to provide services. When completed, the feasibility study is sent to the Archbishop with a copy to the Director of Stewardship and Development. Also to be included is a letter from the pastor and the parish leadership regarding their recommendations for the next steps.

The Archbishop will review the study and recommendations and then give the appropriate permission for the campaign. The parish leadership is to provide periodic progress updates to the Director of Stewardship and Development.

Generating Excitement

A Capital Campaign should actively involve at least 50 percent of your parish. This builds ownership and excitement. There is something for everyone! The most important thing the pastor and leadership can do is to be welcoming and personally invite participation. The artistic will create brochures, banners and posters. The sociable will call on people. The hospitable will put on the kick-off dinner.

Although you will have a consultant, it is still your campaign and you are going to do the work. Your people will give to you, not to outsiders.

It may look like a lot of work, but the active involvement of so many, some of whom do not typically serve on committees, will generate wonderful secondary benefits for all who participate – higher morale, commitment, excitement and the sense of being part of a vital endeavor greater than themselves.

Discern – Study - Ask

The Discern-Study-Ask approach provides a proven path to shaping a shared vision, gauging support for it, and then gathering funds.
Discern

Raising funds begins quietly, with a prayerful planting of seeds in the hearts and minds of your constituency. Discernment asks: What is God calling our ministry to accomplish?

Through the discernment process, you will be able to identify your ministry's needs, involve others to examine those needs in detail, and communicate a collective vision for your ministry.

Study

A feasibility study involves the entire parish in sharing its thoughts on the proposed plans.

The findings from the study are professionally tabulated and examined. The resulting report includes statistical data as well as insightful comments from your constituency.

The study gives you the information you need to shape your plans and set an attainable goal. The study also provides a blueprint for the final phase of your effort, identifying both leadership and potential donors.

Ask

Thanks to the information gained through the feasibility study, a foundation for giving has already been laid. Your consultant will now work with you through the final phases of your campaign, including: 1) preparation, planning, and prayer, 2) leadership recruitment, 3) advance gifts solicitation, 4) general gifts solicitation, and 5) celebration and acknowledgement.

Who plans and conducts the feasibility study?

This is the area of a Capital Campaign which benefits most from an outside consultant. This is a critical opportunity for your church to get a truly objective look at itself and the project it has planned. It is very difficult for an objective feasibility study to be accomplished using only internal personnel, who by definition are too close to your church. Internally, an ad hoc committee of five to eight persons...
should oversee the work of the consultant. The feasibility study committee will probably need to meet about four times during the study, and its work will be completed when the study is completed. The feasibility study committee has several tasks:

- Review the case for support
- Develop the list of people to be interviewed
- Review the questions to be asked during the interviews
- Help draft a letter to interview prospects prior to scheduling interviews
- Meet with the consultant at midpoint during the interview process to assess progress
- Review a draft of the report
- Make recommendations regarding the report’s findings.

The campaign planning committee

The campaign planning committee is charged with developing a clear, specific and reasonable plan for the campaign. The scope of this plan will include: a goal and table of gifts needed to reach the goal; guidelines about how gifts will be solicited; a volunteer structure which defines committees, task groups, responsibilities and reporting relationships; policies dealing with campaign accounting, solicitation and recognition; a procedure for identifying and evaluating prospective donors; a campaign budget; and, a campaign timetable.

The campaign steering committee guides the course of the campaign. It serves as the campaign’s communication hub, helping those in a given area of the campaign to be aware of what is happening in other areas. It monitors the progress of the campaign. The steering committee is usually comprised of the campaign leadership and chairs of subcommittees or task groups.
What about sub-committees?

The most frequent subgroups for a Capital Campaign are a public relations committee, a special events committee and solicitation divisions. Solicitation groups focus on two categories: prospects who are constituents and prospects in the community. As a practical matter with most churches in general, rarely have Capital Campaigns for church facilities drawn significant financial support from the outside community.

There are numerous roles and task groups you could create depending on your parish: Campaign Administrator(s); Advance or Leadership Gifts task group; Church Family Gifts task group; Publicity task group; Brochure task group; Kick-off Dinner and Program task group; Recording, Acknowledgment and Follow-up task group; and Prayer task group.

What about special events?

Another issue in Capital Campaigns is the appeal of special events. Special events seldom raise significant amounts of money. They are expensive and labor intensive. And, usually, they are not good cultivation events. Their value is limited and specific. If well-planned and produced, their chief value is that of public relations, creating awareness and goodwill. The most important special events in an effective parish capital campaign are the campaign kickoff event for the entire parish and dinners for special donors with the pastor or other leadership. Interestingly, a good campaign kickoff event reports on the success of the campaign at the same time it announces that the campaign is beginning.

The Importance of Leadership Gifts

The do-or-die portion of every capital campaign is the solicitation of the ten to twenty largest gifts. Some have called this the “90/10 Rule” because in most campaigns 90 percent of the total raised will come from 10 percent of the donors. Church development experts say that for churches, it’s likely that 80 percent of contributions to a Capital Campaign will come from 20 percent of the donors. Whatever variables influence such ratios in your church, one thing is undeniable: a very small
number of large leadership gifts will determine the success of your campaign. Early in the planning of a campaign, an informal meeting to devise a table of gifts or giving pyramid is useful. This will help those involved in the planning process to think in specific terms which particular donors are likely to give at various levels. At the back of this packet you will find an attached table that gives an example of a table of gifts. The top ten or twenty gifts should include a lead gift equal to 10 to 15 percent of the campaign goal. Leadership gifts should assure that at least 40 percent of the campaign’s goal has been reached before the campaign kickoff event.

**Why do people give?**

Successful solicitation of gifts begins with an understanding of what motivates potential donors to give to an organization, and particularly to a specific project. Some of the motivations for giving include:

1. People give to organizations whose mission appeals to them.
2. People give to organizations with which they have been involved.
3. People give because they feel a kinship with others in an organization.
4. People give because they have been touched by an organization’s work.
5. People give to a project that they care about.
6. People give because they are asked to give.
7. People give because they are asked to give by someone they know.

A key starting point with lead gifts is the campaign leadership. Every effective campaign leader should make a gift that is generous within the context of his or her resources. A good feasibility study will have already identified some prospective individuals with the ability and potential interest in providing this kind of leadership. Such individuals need to be recruited to serve on the campaign planning committee, steering committee or other task groups as appropriate. And, within that context, each should be asked for a major gift. Identifying and cultivating prospects for other lead gifts will be the next step. If the campaign chairs have been well selected and properly solicited, then the campaign will already have some momentum. Soliciting the lead donors is one of the primary responsibilities of the campaign chairs.
Personal solicitation of gifts and pledges is the essential method of effective Capital Campaigns. Commonly, pledges are made to be paid over a period of three to five years. For many people, solicitation is the most difficult and undesirable task of capital campaigns. Soliciting gifts or pledges is very uncomfortable for many in a society where discussion of money and personal finances is off-limits. The key to overcoming apprehension of personal solicitation is gaining a clearer understanding of potential donors’ needs and motivations.

Look at the sample table of gifts at the end of this packet. All gifts needed in excess of $1,000 definitely require personal solicitation. Many of those gifts less than $1,000 also will be obtained through personal contact. How do you identify, cultivate and approach those top 65 donors? Several of those at the very top of the list have already made their commitment, which holds the key to many other possible prospects. The sequence of solicitation is important. Capital Campaigns, like a military campaign, use a top down, inside out process. First, solicit the gifts of prospects capable of giving the largest gifts and most likely to make those gifts. Then, solicit additional lead gift prospects for which your strategy seems most certain. Enlisting volunteers to solicit prospects then continues from the top down. The campaign chair enlists the division chair; the division chair enlists the team chairs. The key principle is that every volunteer is solicited for a gift before that volunteer solicits other gifts.

Identifying and assessing prospects is another essential step in this process. Typically, it will take from three to five prospects to obtain each gift. Key factors increasing the prospect of a major gift from an individual are: a record of previous giving to your church; the individual apparently has the financial ability to give a major gift; the individual is actively involved in your church or school; the individual is or has been in a key leadership role; the individual is above 55 years of age. Once prospects are identified and categorized, names are organized into groups for assignment to solicitors. Solicitors are organized in teams and given appropriate training before their work begins. Usually, one individual will not solicit more than five prospects.

Once your campaign has completed the quiet phase of advance leadership gift commitments, by which time 40 percent of the campaign goal should have been reached, it is time for the official campaign kickoff. This is a celebrative event which moves your campaign into its public phase. The campaign kickoff gives the oppor-
tunity to publicly announce the proposed project, to promote campaign goals, to recognize accomplishments already achieved, and to energize volunteers for the work ahead. Sometimes a campaign kickoff event will be very elaborate and formal, such as a banquet dinner. In other situations, the kickoff event may be very informal such as a featured Mass followed by a reception. Often, campaign kickoff events are key moments for engaging media focus on the proposed project and role of your church in the community.

**Recognition and Celebration**

Every donor to your Capital Campaign should be acknowledged at least three times after receipt of the gift or pledge; by the Pastor, by the Chair of the Capital Campaign, and by the person who solicited the gift. Thank you notes let the donor know that a check or pledge has been received and that someone in the church has acknowledged and responded to it. Although the thank you note is recognition of completion of a transaction, it also promotes the continuation of the relationship. Beyond this, effective campaigns find additional levels and ways of expressing appreciation to those special donors whose leadership gifts are so crucial to the campaigns success.

Another form of thanking donors is through public recognition, which usually occurs through public announcements, or sometimes is achieved with the display of plaques or naming opportunities. Generally, naming opportunities do not indicate that the donor has paid for the cost of that space, nor are the dollar amounts of the naming opportunity reflective of the cost of that space. Usually, the levels of contributions for various naming opportunities relate to the prominence, visibility, or prestige of the spaces named. While naming opportunities are used most often for very large contributions, there are sometimes lower-level naming opportunities such as tiles in walkways, bricks in a garden, etc. Recognition by plaques is another approach to public recognition, and is often seen in the use of both individual and group plaques to acknowledge major and special contributions.

As a Capital Campaign comes to a formal conclusion, a victory celebration is another useful special event. This is an event especially designed for campaign staff, volunteers and major donors. While this marks an end of the campaign, it also signals a new phase in the workers and donors relationship with the church. Often,
appreciation can be expressed at this event through small mementos from the campaign. The celebration should thank the workers and donors, and create for them an exciting picture of the future of the church as a result of their contributions.

**Implementing Follow-up**

A system of pledge recording and tracking should already be in place when solicitation of pledges beyond leadership gifts begins. Database management software packages have the capacity to support this function. Having this in place early is well worth the cost of the software.

Pledge information should clearly indicate whether the donor expects to pay on an annual, quarterly or monthly basis. Then a monthly, quarterly or annual statement, as appropriate, can be sent to the donor with pledge payment status, payment reminders, and thanks for payments received. This mailing can also provide an opportunity to give more information on the progress of the project and the impact of the donor’s gift. The pledge management software can also provide reports for analysis and intervention in dealing with lapsed pledges.

**Finances**

Funds contributed to a Capital Campaign Fund Drive should be deposited into a separate account so as not to commingle with operating funds. Funds collected for an approved Capital Campaign are not subject to Cathedratic, the contribution made by every parish to support the work of the archdiocese.

The policy of the Archdiocese of Kansas City in Kansas is that before approval is given for any construction/renovation project, fifty percent (50 percent) of the total cost, including construction, architect, engineer fees, site work, construction loan interest, furnishings, etc., must be cash in hand. This is to prevent a parish from becoming encumbered in debt service. The parish must be able to support with pledges a debt repayment schedule, which is not to exceed ten years.

All payments for construction are paid by the parish. If borrowing funds from the Deposit and Loan Fund, a check will be issued to the parish in the required amount for deposit in its account so that the parish check can be issued for payment. Issues
regarding loans from the archdiocesan Deposit and Loan are to be forwarded to the Chancery Finance Office, Chief Financial Officer (CFO), for review and consultation (913) 647-0315.

No parish is authorized or permitted to take out any loan for construction or other purposes without the written consent of the Archbishop.

**Legal Issues**

The Archdiocesan contact for legal services is the Chief Financial Officer (CFO). Contract drafts must be submitted to the Chief Financial Officer of the Archdiocese for his review and the review of the Archdiocesan attorney when appropriate. No contract drafts are to be submitted directly the Archdiocesan attorneys. When the contract is finalized it will be signed only by the Archbishop or his designate. All contracts dealing with easements, purchase or sale of property or real estate are to be made in the name of the Archdiocese and must be reviewed by the Archdiocesan CFO and signed by the Archbishop or his designate. No individual pastor or church representative is authorized to enter into a contract on behalf of the parish/institution. All documents for legal consideration and review are to be submitted through the Archdiocesan CFO for conveyance to the Archdiocesan attorneys.

**What is the Burgundy Binder?**

The Archdiocese of Kansas City in Kansas adheres to guidelines published in Guidelines for New Construction and Major Renovation also known as “the burgundy binder” and is available through the Real Estate/Construction office, (913) 647-0322.

When funds from your Capital Campaign sufficient to commit to construction are deposited, the Guidelines for New Construction and Major Renovation contain information regarding the elements required for approval throughout the construction process.

The construction of new facilities or the renovation of existing facilities is an exciting process for a parish or institution because it marks a time of new growth.
and improvement in the life of the community. It also calls the community to a major commitment of resources and a renewed sense of stewardship. The renovation and construction process can also be a rather complex one because of the serious legal and contractual considerations, the potentially high level of financial risk, the need for deliberate and competent planning in light of the long term effect of this construction and the involvement of numerous individuals and committees and constituencies. These include the pastor, parish pastoral and finance councils, parish building committee, various professionals such as the architect, engineers, liturgical consultant, contractors, the Archbishop and the Archdiocesan planning commission.

Once the Archbishop has given preliminary approval for a major construction or renovation project, the parish leadership is to work with the archdiocesan Construction Consultant. The parish is to follow the steps, procedures and approval processes outlined in the Archdiocesan Construction Handbook “the Burgundy Binder” that is available from the Construction Consultant. The Construction Consultant is to be involved in the selection process of the architect and the general contractor as well as review and approvals at various stages of the project. All review of plans at various stages in the process is to be conducted by the Construction Consultant. All contracts for architectural and construction services are to be reviewed by the Archdiocesan attorney and signed by the Archbishop or his designee.

What if we still have questions?

Staff is available to answer your questions and will meet with you if you wish to explore Capital Campaigns, or any other Stewardship matter further. Contact the Office of Stewardship and Development at the Archdiocese of Kansas City in Kansas: (913) 647-0325 or by email: stewdev@archkck.org
### EXAMPLE

**500,000 Capital Campaign**

**Table of Gifts**

*Amounts Pledged To Be Received Over Three Years*

<table>
<thead>
<tr>
<th>Number of Gifts</th>
<th>Amount of Gift</th>
<th>Amount of Level</th>
<th>Cumulative Total</th>
<th>Cumulative % of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>75,000</td>
<td>75,000</td>
<td>75,000</td>
<td>15%</td>
</tr>
<tr>
<td>1</td>
<td>50,000</td>
<td>50,000</td>
<td>125,000</td>
<td>25%</td>
</tr>
<tr>
<td>2</td>
<td>25,000</td>
<td>50,000</td>
<td>175,000</td>
<td>35%</td>
</tr>
<tr>
<td>4</td>
<td>15,000</td>
<td>60,000</td>
<td>235,000</td>
<td>47%</td>
</tr>
<tr>
<td>5</td>
<td>10,000</td>
<td>50,000</td>
<td>285,000</td>
<td>57%</td>
</tr>
<tr>
<td>7</td>
<td>5,000</td>
<td>35,000</td>
<td>320,000</td>
<td>64%</td>
</tr>
<tr>
<td>15</td>
<td>3,600</td>
<td>54,000</td>
<td>374,000</td>
<td>75%</td>
</tr>
<tr>
<td>30</td>
<td>1,800</td>
<td>54,000</td>
<td>428,000</td>
<td>86%</td>
</tr>
<tr>
<td>50</td>
<td>720</td>
<td>36,000</td>
<td>464,000</td>
<td>93%</td>
</tr>
<tr>
<td>100</td>
<td>360</td>
<td>36,000</td>
<td>500,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
**Suggested Questions for Interviewing Potential Fund-Raising Consulting Firms**

**General questions for any firm:**

- How many people/households will be interviewed? How are the interviewees identified?

- How long is the average study interview?

- Is there a direct mail survey? How does that compare with the interviews? How are those recipients identified?

- What is required of the parish/committee in order to conduct the study? (I assume: identifying interviewees and survey recipients, approving a case statement, sending letters to interviewees, sending surveys to the others, scheduling the interviews, sending thank you notes after interviews from pastor, etc.)

- If you were notified in the next few days that you were our selected firm, how quickly could we begin? How long will the study take?

- Who will do the interviews? (If more than one person, who does the most?) Will we have any say in who you send to us? If you already know who might be available, could you tell us their experience with similar studies or campaigns?

- In the study interview, do you ask interviewees to estimate their gifts? Do you use a gift table as an illustration of what is necessary to make our goal?

- Given what you know about our project, what goal should we test in the study?

- We are contemplating both a three-year and a five-year pledge period. Is it possible for you to ask interviewees and direct mail survey respondents to estimate their gifts both ways to determine statistically if more can be raised through a five-year campaign?

- After completing the study, how exactly do you determine what we can raise? Do you use a formula?

- Given the timetable you outlined, when can we expect to receive a report from you? Do you have a sample report you can share with us? What should we expect in that report?
• We have done a great deal of work in recent years to promote a stewardship philosophy in our parish. We are also in the final collection stage of a campaign for the Archdiocese, A Future Full of Hope. How do you suggest we address making capital campaign pledges part of a family’s stewardship commitment?

• We realize you haven’t conducted the study, but for what you know so far, what would a campaign for us look like? (This is where you want to find out if they suggest personal visits throughout or if there would be receptions/events, direct mail or phone-a-thons thrown in, how many volunteers might be required, a timetable (length, start/stop dates), etc.)

• Have you ever recommended to a client not to move forward with a campaign at the end of the study? If so, please describe.

• Do you provide full-time on-site counsel (at least 40 hours/week)? If not, what is the nature of your counsel to us? (meaning, how often will we see you, what specific services do you provide to us?)

• We realize that you personally may not be the person working directly with us on a daily basis, but how often will you be in contact with the person you send? How often will we see you?

• How long have you personally been working in this industry? How long have you been with this firm?

• Can you describe to us examples of other Catholic parish clients with whom you have worked recently that are similar to ours? (Be sure they tell you who, when, what the goal was, what they raised, and how long it took. Details on demographics, size, amount of goal, and the scope of project also would be helpful.)

• Please describe all local experience – Kansas or Missouri. (Again be sure you hear who, when, the goal and what was raised, and how long it took.)

• What were your largest and smallest parish campaigns last year or in the last few years?

• What specifically IS included and IS NOT included in your fee for the study and for the campaign? Find out about the following:
  • the supervisor’s and/or on-site person’s travel to and from our parish
• their local travel (Do we need to provide a car? If so, how is insurance handled?)
• their local housing
• their local daily expenses, like food
• campaign operational expenses – printed materials (cost of design and printing), meeting expenses

**NOTE:** Be sure you receive estimates for these additional expenses so you can compare apples to apples when comparing firms on fees and expenses.

• this person need a place to stay locally?
• Can you suggest any references for us to contact who are both recent clients and clients that are finished with their campaign collection phase?
• Why should we hire your firm to conduct our study?

**Suggested Questions for Reference Checks**

1. Did you run a feasibility study with this firm? What goal did you test? What goal did they recommend?

2. How much was raised? Average gift? Participation rate?

3. How is pledge redemption going?

4. Were you able to recruit enough volunteers?

5. Were you satisfied with the on-site director assigned to your study and campaign? What was his/her name?

6. How was he/she supervised? How often did you see the salesperson/supervisor?

7. Would you recommend this firm and why?
Suggested Firms for Consideration for Feasibility Studies or Capital Campaigns

Community Counselling Service (CCS)
Tom Hanrahan, Sr., Paul Miles and/or Patrick Moughan
thanrahansr@ccsfundraising.com Tom’s cell: (773) 251-8699;
pmiles@ccsfundraising.com; pmoughan@ccsfundraising.com

The Cosgriff Company
Michael Fitzpatrick, CEO, Owner
www.cosgriffco.com; (402) 344-7220

Steier Group
Jim Steier, Mike Finley or Bill Maloney (local) www.steiergroup.com;
(866) 391-3244; jsteier@steiergroup.com

Capital Quest
Bill Krueger (Kevin Wallace)
www.churchcampaigns.com; (800) 263-1976

Cavan Corporation
Rory Riley
(816) 880-0084

RSI Catholic Services Group
5151 Belt Line Road, Suite 900
Dallas, Texas 75254
Toll Free: 1-800-527-6824
(214) 866-7500
E-mail: info@viscern.com

Church Development Foundation
Bill Cardaro
(816) 333-0191

Recommended Reading: Stewardship A Disciple’s Response, A Pastoral Letter on Stewardship, Tenth Anniversary Edition, United States Conference of Catholic Bishops