

Comprehensive Capital Campaign Planning Overview

*A guide for nonprofit leaders
and board members*

**THE
VARGA
GROUP**

Strengthening Nonprofits

thevargagroup.com

Capital campaigns are not primarily fundraising projects. Capital campaigns are organizational growth projects.

The first question when considering any capital campaign should be: how does this fit within our long-term strategic plan and vision?

Capital campaigns are a tangible expression of an expanded vision for the future of an organization.

Your board, foundations, partners, and donors will want to understand how a new or expanded facility meets the goals of your organization – how it will increase your impact.

A Community-Centered Vision

You need to frame your project around a compelling vision for the future.

Your vision needs to be community-centered, not organization-centered.

What does the community need? And how will this project meet community needs?

Capital Campaigns



Are project management masterpieces



Raise your organization's community visibility



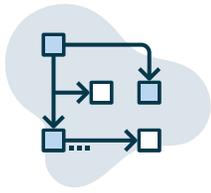
Accelerate donor engagement



Build the long-term fundraising capacity of organizations

3 Interconnected Planning Elements

Capital campaigns consist of three interconnected planning elements



Project Planning

- Your Vision
- Community Need
- Goals + Impact
- Space Requirements



Business Planning

- Sources + Uses
- Business Model
- Financing Strategy
- Pro Forma Analysis



Fundraising Planning

- Key Messages + Case for Support
- Campaign Volunteer Leadership
- Prospecting + Feasibility + Fundraising
- Long-term Fundraising Capacity Building

Each element seeks to answer key questions to move your project forward

Project Planning

- How does this project fit within our long-term strategic plan and vision?
- What does the community need?
- What impact are we seeking to make?
- What are the core objectives for this campaign?
- What long-term program goals do we have and what spaces will we need?
- How much and what kind of space(s) do we need?

Business Planning

- How will we fund this project?
- What sources of revenue will we use?
- How much of this project will we finance long-term?
- What non-philanthropic revenue can we access?
- Which sources of funds map to which aspects of the project?
- How much will short-term bridge financing cost?
- How much, on top of direct project costs, will running this campaign cost?
- What is our financial model for sustainably operating post-campaign?

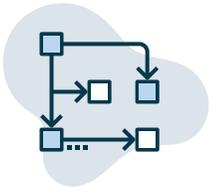
Fundraising Planning

- How much money can be raised from philanthropic sources for this project?
- Which individuals, foundations and corporations are the best donor prospects?
- Which volunteer leaders will champion this project?
- What messages will resonate with donors and the community?
- How can we use this campaign to grow our annual fundraising?

Working Groups for Each Element

A capital campaign is a powerful volunteer engagement tool

You will need a variety of volunteer working groups to move your campaign planning forward. These work groups include key organizational staff, board members and community volunteers with special expertise. Each work group should also have professional advisors involved (architects, campaign consultants, financial partners, etc).



Project Planning

- Core Committee
- Community Engagement Work Group



Business Planning

- Finance + Budgeting Work Group
- Construction Work Group



Fundraising Planning

- Donor Engagement Work Group
- Board Campaign Work Group
- Feasibility Work Group
- Campaign Committee

An Iterative, Non-Linear Planning Process

The vision that you develop might exceed your available resources as you dive deeper into your planning process. What you discover as you move along the planning journey informs your project scope and often requires you to adjust your plans.

You start with a working goal that aligns with your desired project which you adjust as you gather more information on what is possible.

This is why you never share your working goal publicly, and you wait to announce your campaign to the public. When you announce your campaign to the public the scope and financial goal is finalized — and you've raised the majority of the money.



How the Planning Elements Work Together

Every project is unique but this is a general outline that all campaigns follow

Step 1 Determine Needs & Options

Step 2A Organizational Readiness

- › Review strategic plan
- › Assess organizational capacity
- › Budget for planning

Step 2B Fundraising Planning

- › Assess staffing, systems, technology
- › Screen donor + foundation prospects
- › Engage lead donors

Step 3A Project Planning

- › Develop a facility plan
- › Create a conceptual design
- › Select a building process + a project team
- › Create a schematic design
- › Determine financing plan
- › Develop an estimated project budget
- › Estimate impact on operating budget
- › Create a financial model
- › Establish a project management system

Step 3B Fundraising Planning

- › Consider a feasibility study
- › Set a campaign goal + budget
- › Identify campaign leadership
- › Prepare a case for support
- › Develop a campaign plan
- › Begin major gift solicitation

Step 4 Board Approval of Campaign & Project

Step 5A Project Design

- › Start design development (DD) phase
- › Complete construction documents (CD)
- › Solicit bids + contract for construction
- › Review budget + finalize project scope

Step 5B Fundraising Planning

- › Establish campaign management
- › Continue silent or major gift phase
- › Finalize financing plan
- › Set financial campaign goal
- › Launch public phase of campaign

Step 6A Construction + Beyond

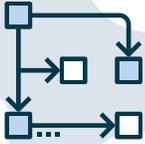
- › Celebrate ground breaking
- › Implement project management
- › Plan for donor recognition + facility dedication
- › Develop a long-range maintenance + facility plan

Step 6B Fundraising Planning

- › 100% of funds raised
- › Ground breaking
- › Ribbon cutting
- › Donor stewardship

Breakout of the 3 Planning Components

Project Planning



- Define long-term programmatic goals
- Outline campaign objectives
- Engage architecture and project visioning partners
- Community-centered visioning
- Quantify space requirements
- Engage owners representative

Business Planning



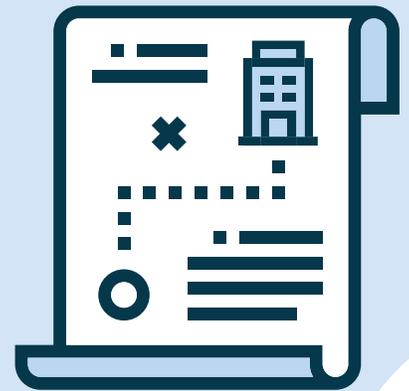
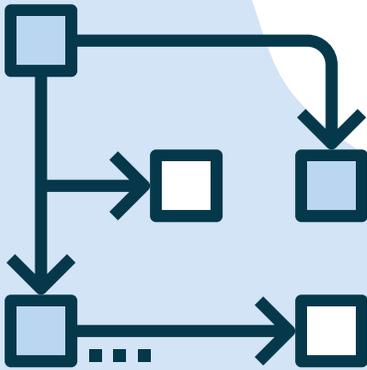
- Identify non-philanthropic revenue sources
- Develop pro forma for post-campaign
- Develop budget for campaign, including soft costs + campaign costs
- Develop business plan for project
- Develop working goal for project
- Engage financing partners
- Engage construction partners
- Finalize campaign goal

Fundraising Planning



- Engage capital campaign consulting partner
- Assess current fundraising capacity
- Engage lead donor prospects
- Screen donor + foundation lists for best prospects
- Develop project case + messaging
- Develop campaign volunteer leaders
- Execute feasibility study to test working goal
- Raise board, lead and major gifts
- Announce campaign to public
- Community fundraising phase

Your Fundraising can't get ahead of your project planning.



But Don't Wait to Move Your Fundraising Forward

While it's true that your fundraising can't get ahead of your project planning, you also don't want to wait until you have your project vision defined to engage your key donors and start moving the fundraising aspect of the campaign forward.

We call the fundraising work that happens while your project and business planning is being developed the Campaign Advancement phase. Involving your top donors in this process will ensure that they are literally invested in the project from the beginning.

Capital Campaign Timeline

All campaigns generally follow this framework regardless of size and scope

	PHASE 1 Project + Business Planning Campaign Advancement	PHASE 2 Feasibility Study + Scope Assessment	PHASE 3 Board Gifts	PHASE 4 Lead + Major Gifts	PHASE 5 Community Campaign + Construction	PHASE 5 Dedication + Celebration
	SILENT PHASE				PUBLIC PHASE	
Phase Length	1-5 years	6-9 months	6 months	1-2 years	1-2 years	3 months
Milestones Achieved	<ul style="list-style-type: none"> Project needs assessment completed Non-philanthropic revenue options identified Financing options identified Key case messages outlined 	<ul style="list-style-type: none"> Identify top lead donors Answer core questions around how much money can likely be raised from individuals and foundations, and which ones Project scope adjusted based on additional information Case messaging refined based on feedback 	<ul style="list-style-type: none"> 100% board campaign gifts secured 	<ul style="list-style-type: none"> 70-80+% of campaign fundraising goal secured 	<ul style="list-style-type: none"> Final public campaign goal and timeline decided Comprehensive marketing and donor acquisition program is in place and running Final % of campaign fundraising goal secured 	<ul style="list-style-type: none"> 100% of fundraising goal achieved Project is complete and occupied
Activities	<ul style="list-style-type: none"> Secure early seed fund commitments from most loyal supporters to fund campaign soft costs Identify needs for additional development staff and contractors + hire Identify development technology, systems and policies needed for campaign Screen constituent databases to identify best prospects + conduct prospect research Engage + inform foundation program officers Engage + inform lead and major donor prospects Strengthen annual and major gift programs Recruit and engage campaign and Work Group leaders Launch Major Gifts Committee/ Program Create draft Case for Support and key messages Outline initial campaign timeline and create campaign policies 	<ul style="list-style-type: none"> Identify and train feasibility study group participants Conduct feasibility interviews Gather feedback on case and project Align project scope and vision with available resources Develop a working goal for the campaign 	<ul style="list-style-type: none"> Project scope and financing clarified Case and campaign materials created Conduct board giving campaign Launch Campaign Committee Cultivate and engage lead and major donors Continue growing annual fund and major gift programs Continue to engage foundation program officers Continue to engage + inform lead and major donor prospects 	<ul style="list-style-type: none"> Solicit lead and major gifts Solicit foundations (after 50% goal secured) Determine final campaign goal and timeline Plan for community phase Secure challenge grants for community phase Continue growing annual and major gift programs 	<ul style="list-style-type: none"> Public announcement of campaign Ground breaking ceremony Ramp-up communications inviting all to participate Challenge grant for final fundraising push announced Continue building robust annual, major and planned giving programs 	<ul style="list-style-type: none"> Ribbon cutting and opening celebration Donors and volunteers recognized Donor stewardship efforts underway

Building stronger nonprofits is our superpower.

The Varga Group consultants are trusted advisors, coaches and strategists to high-performing, high impact organizations and their leaders.

What makes us different?

When you work with The Varga Group, you can expect the same comprehensive services a large firm delivers – combined with the personal commitment, real collaboration and customized solutions of a boutique agency. We dig in deep and address your unique challenges with creative thinking and customized strategies.

We are capital campaigns experts.

The Varga Group is a management consulting firm specializing in capital campaigns, fundraising training, board development, retreat facilitation, and leadership Coaching.

Our Clients

Capital Campaign Counsel

Camp Fire Columbia
De La Salle North Catholic High School
Friendly House, Inc.
Hands On Children's Museum
Latino Network
Northwest Housing Alternatives
NW Children's Theater & School
Portland Community College
Social Venture Partners Portland
The Dougy Center
University of Oregon Foundation
Willamette Falls Legacy Project

Fundraising Capacity Building

1,000 Friends of Oregon
Big City Mountaineers
Candlelighters for Children with Cancer
Community Warehouse
Dress for Success Oregon
MercyCorps
National Wildlife Federation
New City Initiative
Our House
Northwest Outward Bound School
Planned Parenthood Columbia Willamette
Portland State University Foundation
Relay Resources
Salem Art Association
United Way of the Columbia Willamette
Willamette Humane Society
Write Around Portland

Organizational Development

Clatsop Community Action
Elders in Action
Friends of the Children Portland
Innovative Housing
MESA Oregon
New City Initiative
Oregon Public Radio
World Muse

Board Development/Training

Albina Community Bank
Beaverton Arts Foundation
Camp Fire Columbia
Clark County Volunteer Lawyers Program
Clatsop Community Action
Community Warehouse
Cowlitz-Wahkiakum Legal Aid
DoveLewis
Elders in Action
Foundation for Excellence in Mental Health Care
Global ADE
Hands On Children's Museum
Make-A-Wish Oregon
MESA Oregon
National Association of Social Workers
NIRSA Foundation
Oregon Center for Nursing
PeaceHealth Foundation
Planned Parenthood Columbia Willamette
Portland Community College
Portland State University Foundation
Portland Trail Blazers Foundation
Southwest Washington Police Activities League
Willamette Humane Society

Executive/Leadership Coaching

Oregon Food Bank
1,000 Friends of Oregon
Beaverton Arts Foundation
De La Salle North Catholic High School
EcoChallenge
Friendly House, Inc.
Friends of the Children Portland
Kairos PDX
Planned Parenthood Columbia Willamette
Open School
Portland State University Foundation
Reed College
United Way of the Columbia Willamette
Youth Progress

About The Varga Group

The Varga Group is a management consulting firm specializing in capital campaigns, fundraising training, retreat facilitation, board development and leadership coaching.

Since 2013, we've worked with over 60 higher education institutions, independent schools and nonprofits to grow their fundraising, train their board, coach their leaders and successfully navigate their capital and comprehensive campaigns.

We have helped our clients raise more than \$90M since 2013.

Our team is based in Portland, Oregon and we work with clients nationwide.

The Varga Group is proud to be a woman-owned business.

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