

# Successful Capital Appeals

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# Successful Capital Appeals

## Trainer: Trudy Hayden

**10:00 INTRODUCTION** What is a capital appeal? Critical questions Strategic planning to set the stage

**11:15 BREAK**

**11:30 BUILDING BLOCKS OF A CAPITAL APPEAL I:** Fundraising targets Fundraising capacity

**1:00 LUNCH**

**2:00 BUILDING BLOCKS OF A CAPITAL APPEAL II:** Financial planning Stewardship Campaign management

**3:00 BREAK**

**3:15 YOUR CASE STUDIES: ARE YOU READY?**

**4:00 CLOSE**

# What Is a Capital Appeal?

A capital appeal [campaign] is a coordinated organisational effort, with defined goals and timetable, to increase the organisation's permanent assets:

- a new building,
- endowment,
- a major new programmatic initiative,
- or a combination of any two or all three of these.

# What Is the Purpose?

- To lift the organisation to a higher level of performance—you will be not just bigger, but better!
- A capital appeal always brings organisational change—be ready and plan ahead.

# Critical Questions

Are you sure that a capital appeal at this particular time is the best strategy to meet your most urgent organisational challenges and opportunities, or are there other issues that need to be addressed first?

# Critical Questions

Are you sure that you have sufficient leadership for a high-stakes and very public fundraising effort?

# Critical Questions

Are you sure that you can identify credible sources from your current donor base and feasible new prospects to reach your fundraising goals? [And are there other sources of revenue to help you meet your overall financial goals?]

# Critical Questions

Are you sure that you can continue to raise essential support for the organisation's work during the course of the appeal? How?



# Critical Questions

Are you sure that you will be able to support your new assets  
after the appeal? How?

# Strategic Planning

Strategic planning is a systematic process through which an organisation commits itself to actions that advance the implementation of its mission and are responsive to the environment in which it operates.

# Strategic Planning

- define mission & establish your unique niche
- assess the external & internal environments in which you operate & the factors that will determine your future
- identify your most immediate & urgent challenges & opportunities
- establish goals as a logical response & arrange in priority order, with costs & timetable
- define strategy to reach each goal—not always fundraising!

# The Question

Is a capital appeal the right strategy for you NOW? [Is a capital appeal the right way to reach your highest organisational priorities?]

# The Rationale

The strategic plan is the basis of your case for the appeal; it demonstrates to donors your assumptions & rationale to persuade them of the necessity & urgency of your capital appeal.

# Components of a Fundraising Plan

- **Leadership & Resources**
- **Campaign Goals**
- **Fundraising Targets & Financial Plan**
- **Donor Sources & Feasibility**
- **Stewardship: donor recognition & donor development**
- **Evaluation**
- **Related Work Plans: budgets & accounting, publications & publicity, events**

# Leadership

What are the fundraising skills you will need in a capital appeal? Define 'fundraising skills' broadly, encompassing all aspects of identifying & communicating with donors, writing proposals, demonstrating accountability, cultivation & stewardship, making the ask, donor recognition & publicity, etc.

- Identify specific Trustees, other volunteers & staff with appropriate skills who can actively participate in the fundraising effort & define their roles & responsibilities.
- What actions do you need to take to achieve each person's fundraising potential?
- Do you have sufficient skills & resources to support a capital appeal? If not, how will you increase them?

# Financial Planning

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Buildings: capital						
Programme initiatives: capital						
Endowment: capital						
Operating base: annual						
Capital appeal costs						
Total						

# Fundraising Planning

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Buildings: capital						
Programme initiatives: capital						
Endowment: capital						
Operating base: annual						
Capital appeal costs						
Total						



# Donor Assessment

Donor name	Last gift/date/amount /purpose	Total giving & purposes	Low projection: amount/purpose	High projection: amount/purpose	Action to achieve potential: work plan
Donor A					
Donor B					
Donor C					
Etc.					

# Prospect Assessment

Prospect name	Interests/personal connections	Assets/gifts to other organisations	Low projection: amount/purpose	High projection: amount/purpose	Action to achieve potential: work plan
Prospect A					
Prospect B					
Prospect C					
Etc.					

# Stewardship & Donor Management

- donor recognition: naming opportunities, acknowledgement opportunities, events, visits....
- donor management: responsibility for continuity of contact, staff/Trustee assignments
- accountability: tracking and reporting
- donor records management

# Capital Appeal Management

- planning: Trustees, committees, staff
- monitoring: Trustee oversight, staff
- coordination and management: committees, staff

# Case Studies

- **A.** The Chairman and one of the Trustees of a charity for learning-disabled children and their families are excited by the idea of expanding the organisation's space into an available site adjacent to the existing building in order to serve more clients. They are eager to start a capital appeal; they have some ideas about major donor prospects. They want the Chief Executive and the development team to present a plan.
- **B.** The decision was taken by a small museum last year to launch a capital appeal for a purpose-built facility to replace the existing makeshift exhibition and storage space. But the funding plan is still hazy, and the Trustees are worried. Should they/can they backtrack and start again? How should the Chief Executive and the development team respond?
- **C.** The university's strategic plan seems to indicate that a capital appeal for a new laboratory building is a justifiable response to its most urgent need—to increase its capacity for science education. The Vice-Chancellor has already talked to some potential major donors and prospects to test their interest. But the 'pool' for the university's revenue funding is shrinking. Should the campaign go ahead? If so, when and how?

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