



So you have a major project...

The basics of a parish capital campaign

OFFICE OF STEWARDSHIP AND DEVELOPMENT - DIOCESE OF STEUBENVILLE

FUNDED IN PART THROUGH A GRANT FROM
CATHOLIC EXTENSION TO
ST. LOUIS PARISH, GALLIPOLIS, OHIO

The boiler is down...the roof is leaking (again)... we got hit by lightning/a flood/a truck/vandalism...we need a new church....

Perhaps one of these situations sounds like yours?

A major need has come up, and though you may not know the details, you know you can't cover it out of petty cash or the offertory, and you don't know what you don't know yet (but you know it's probably major).

Congratulations! You're looking at a capital project!

A capital project is new construction, building expansion, renovation, or the purchase or replacement of a facility, piece of equipment, or asset that is a long-term investment, and that will be funded on a one-time basis (or at least not on a regularly repeating basis).

There are guidelines that must be followed regarding approval of projects relating to parish and diocesan property, and you can find them here (<http://www.diosteub.org/Buildings---Property>).

But **here**, we're going to discuss how to secure funds your project. A capital project normally means that the funds needed are over and above what can come out of the normal cash flow of the parish. Small or not so small, you are looking at some level of a capital campaign.

This document is meant to serve as a simple guideline for you. It's not exhaustive, and not terribly detailed. It is meant to give you an overview and some tips, particular for our own diocese, which hopefully you'll find helpful.

Each parish and project is unique. In this document, you'll actually find "case boxes" that contain anecdotes from a real capital project from our own diocese: a major re-wiring project for St. Louis Church in Gallipolis, Ohio. We thought a real-world example might help give you some useful context. As recipients of a Catholic Extension Challenge Grant, St. Louis Parish agreed that we could use their project as a "case" to bring to life some basic guidelines for capital projects.

If you need more assistance, please reach out to the Office of Stewardship and Development at the diocese. We can provide more detailed support to you in a number of ways, and would be happy to come to your parish and meet with you and your team as need be.

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How it began—The Case at St. Louis Parish

In 2011, St. Louis Parish was 159 years old, and its beautiful Church had been standing since 1908. In a late season squall, lightning struck the school less than a block away, the impact of which was so strong that the surge fried the church's Carillon bell and sound system, blew the confessional light and sent plaster tumbling down in the bell tower. When a local contractor set about to repair the damage, aged and extensive knob-and-tube wiring was found throughout much of the church...an old system that Fr. Myers, pastor at the time, knew would need improving. The system remained in place until dealing with it could be postponed no longer (building codes and insurance became real issues). By 2014, the new pastor Fr. Hamm and his council finally had to review options for upgrading the church's wiring.



1 ASSESS, DEFINE, AND PLAN

- **Outline the project**
 - Organize a working group to help define and describe the need: Don't hesitate to bring in real know-how you may have in the parish or the diocese to help assess the work that's needed (especially for professional areas like electrical issues, HVAC, or real structural problems). For example:
 - Someone with construction or topic area expertise
 - Trusted parishioners with divergent views
 - Someone with financial expertise
 - What has to be built, fixed, renovated, or upgraded to fill that need?
 - Define as simply and clearly as possible

The Case: In Gallipolis, there were no electrical diagrams available for the 110 year old Church. Keith Davison, project manager at St. Louis parish, had enough electrical expertise to literally start crawling around in the building to get an idea of what they were looking at regarding the scope of the work. He was able to make detailed measurements of the electrical system, documented all panels and what each breaker fed. The initial work done early by someone in house with legitimate expertise saved the project significantly in time and money in the long run: approximately \$10,000 in savings.

- Beware of project creep! When you start digging into a building, you may be enticed to expand the project because it's convenient to attack things when the walls are ripped open... spell out your options clearly to your working group and be realistic before committing to a final project scope
- For jobs requiring professionals, allow yourself plenty of time... in our diocese, some professionals can be difficult to find
- Using expertise at hand, draft as well as you can an estimated budget and timeline for the project
 - Estimate material, labor, permit costs
 - Just get a first estimate, these will be fine-tuned later
 - Later you may be able to get in-kind donation of materials or labor, but begin by assuming that everything will be need to be funded
- Brainstorm early on realistic funding sources: actual and potential
 - Feel free to call the Stewardship and Development office for assistance
 - Remember to outline the funding in accordance with the timeline you've estimated
 - If it doesn't drastically increase the cost of the project, sometimes a project can be done in phases, and with that, the funding can be phased as well. Beware that this doesn't make your costs get out of control.
- Consider using an online project management tool for your team
 - Email threads get long and painful to follow
 - They can also lead to "version control" on thoughts, approvals, and documents your team works on together

The Case: Gallipolis sent out 8 RFQs (Requests for Quotes) for engineering work in July of 2015... only 1 responded, and it was high. Many simply didn't want the job, but they were impressed with the job that Keith had done with the RFQ. It ultimately took one whole year to get in an engineering proposal.

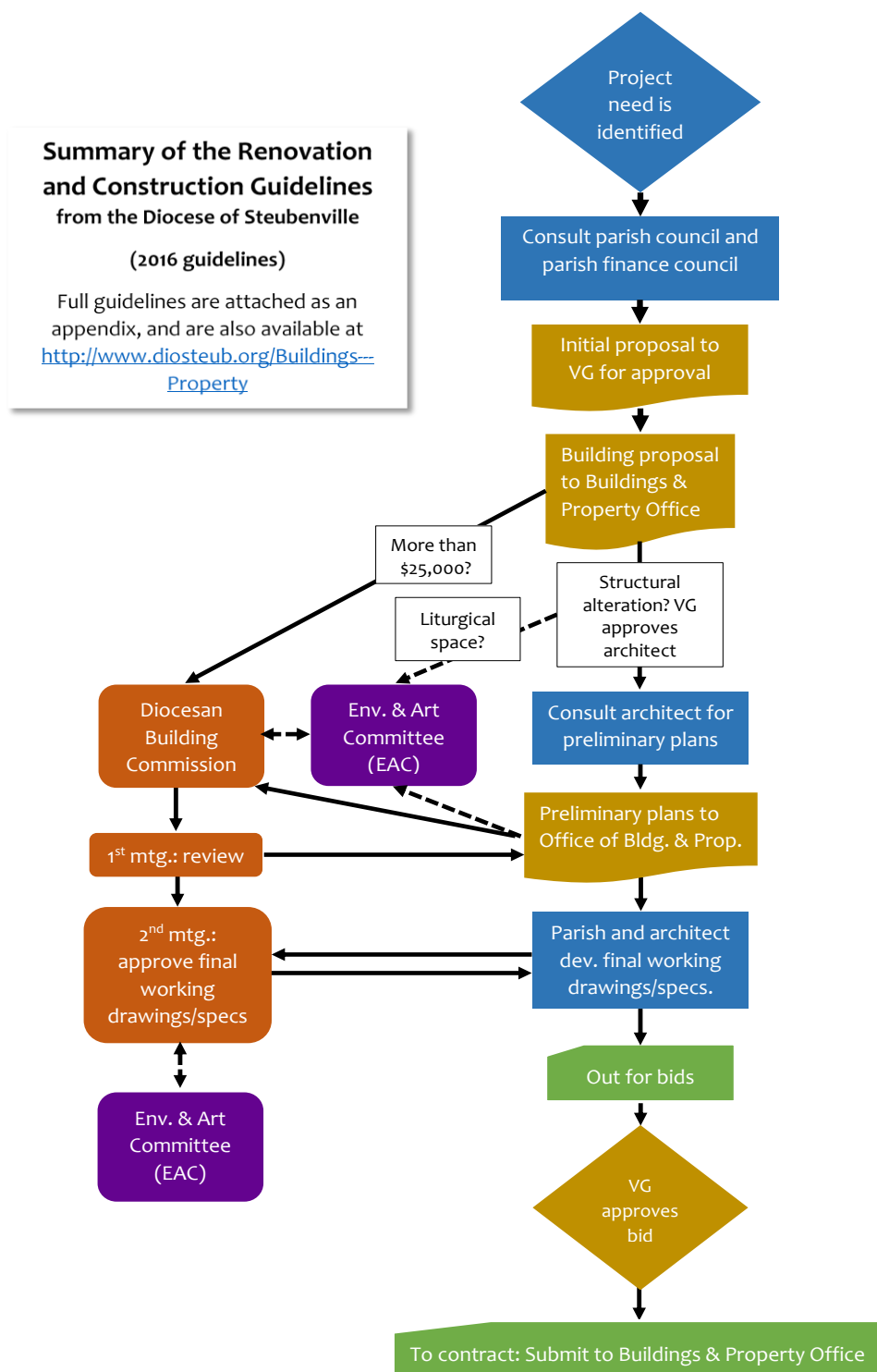


- An online project management tool can keep everyone on the same page... and can even be enjoyable to use!
- Some examples:
 - **Trello:** <https://trello.com/> (starting price: free)
 - **Basecamp** (very cool, a favorite of the Development Office, costs a bit)
 - **Smartsheet** (another favorite of the Development Office, also costs a bit)
 - **Asana** (starting price: free)
 - **Zoho Projects** (starting price: free)

(But get together often... few things get built without pizza.)

2 WORK WITH THE DIOCESE EARLY AND OFTEN

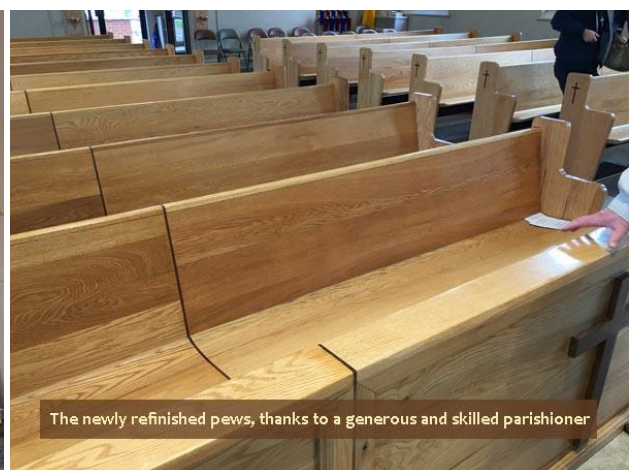
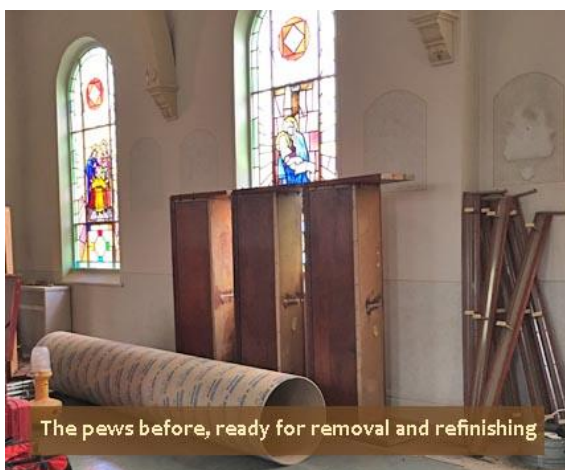
- Please review the Renovation and Construction Guidelines from the Diocese (to see the details, find it on the Diocesan website: <http://www.diosteub.org/Buildings--Property>)
- Here's a simplified summary of the diocesan guidelines:



The Case: The council at St. Louis Parish and the diocese were in contact regularly. As can often happen in our diocese, they simply could not get the 3 bids required by diocesan guidelines. Only one firm showed up at the pre-bid meeting, but they weren't bonded as the diocese requires. Due to these unforeseen issues (every project has them), and the urgent need of the rewiring project, the project was fast-tracked with the diocese. Eventually since bids were high, St. Louis Parish councils decided to whittle down the nature of the bid: the Carrollon system was taken out of the project, and railing lighting for the handicap access ramp had to be modified to lower the costs. It's important to allow time for unexpected speedbumps.

- **Develop an early “working” goal for the fundraising campaign:**
 - “Working goal” because it may change; but getting a number down early gets people focused on concrete issues; put out early documents to a few insiders with a “draft” stamp or watermark on them.
 - It's ok if it's not exact, as you are in the early stages of the campaign
 - Don't forget to include legal fees, inspections, insurance, and fundraising costs in your goal amount
 - Now is also the time to look at ways to bring costs down if necessary before going to a wider audience.

The Case: Your parishioners may pleasantly surprise you! Besides removing some things from their list that they absolutely didn't have to have done at the time, when the committee at St. Louis Parish announced that they weren't going to re-do the floors to save money, a few parishioners stepped up to fund new flooring. Another parishioner with woodworking expertise offered to refinish the pews while they had to have them out, as long as the parish purchased the supplies.



- **Fine-tune the draft fundraising timeline that jibes with the construction or project timeline:**
 - If the work goes as planned, when do the major influxes of capital need to be available?
 - Estimate conservatively (aim to have money available well before you need it... fundraising tends to take much longer than we think)
 - Have a project manager update this regularly from all stakeholders

- **If you have the bandwidth, it's wise to set up a few subcommittees: OR** have at least one person from your main working group lead each of these efforts below, and allow them each to pull together subject-area expertise as needed
 - **Construction/engineering committee**
 - **Fundraising event committee**
 - **Grant committee**
 - **Lead/Major donor committee**
 - **Publicity/communications and donor relations committee** (this group will work with fundraising a lot)
 - It's great to get someone who can do some graphic work
 - The Stewardship and Development Office can help with some graphic work, so reach out early for guidance
 - Note: This group will lead on writing thank-you's!

- **Develop a capital campaign budget**
 - Estimate how much you will need to spend on:
 - Experts/consultants (if necessary)
 - For example, if you need graphics done professionally, or if you plan on retaining a professional firm to manage your capital campaign
 - Printing
 - Case statements, brochures, pledge cards, envelopes, posters, flyers, postcards, etc.
 - Printing in-house (at the parish office?) or with a printing firm
 - Don't forget the ink in your on-site, desktop printers (and the paper you'll need to print on)
 - Using a print shop can often be cheaper—compared to an outside print shop, for larger print jobs desktop printer ink is notoriously expensive
 - Postage
 - Direct mailing?
 - Pledge notices/ billing
 - Thank you's!!
 - Again, please reach out to Stewardship and Development for assistance, as we have some examples from other parish projects that will help you

SAMPLE of a CAPITAL CAMPAIGN TIMELINE (these vary widely)												
	Months of campaign											
	1	2	3	4	5	6	7	8	9	10	11	12
Preparation												
Establish working group, develop case	Finalize goals, case											
Recruit leadership and volunteers	Recruite leaders											
Communication Plan/Material Preparation	Marketing plan, case booklet, pledge cards											
Donor evaluation	Evaluate entire parish, focus on leadership and top 20%											
Solicitation												
Lead Gifts		Solicit campaign & parish leadership & top 20%					Mass					
Campaign Kickoff												
Major Gifts									Personal appeals to top prospects			Complete appeals
Parish gifts									Personal appeals of general parish			
Direct Mail									Letter appeal to those not personally contacted			
Grant writing	Research targets	Draft and send LOIs, contact trustees			Submit grant proposals							
Follow-up												
After-Mass solicitations									Personal visits			
Phon-a-thon nights										Phone appeals		
Final Commitment Weekend										In-Mass Appeal		
Sweep mailing (last appeal, round-up pledges due)											Direct Mail	

3 GET YOUR MATERIALS TOGETHER

- **Develop a case for support, even a simple one:**
 - A case for support is the who, what, when, where, how, and mostly, **WHY** of the project. **What will motivate a parishioner to give?** Even just generating this will help get everyone on the same page
 - Your parish already has some of this material from the technical description in their project plan. Some redrafting can easily make it into a persuasive “case statement.”
 - This should fit into a brief, attractive, and easy to read document, preferably only a couple of pages with plenty of images and graphics if possible
 - **When you’ve got the “case” together, you will pull off of this content for almost all of the fundraising materials you generate**
 - Good for the whole committee to have this so everyone is on the same page
 - A few sets of eyes can also spot issues... both up-front, and after a few donor conversations (so you can adjust)
- **Set up a donor database early** (or use ParishSoft to track donors and donations)
 - If you have someone that can work with Excel or Access, either of these can also easily work for a limited-time project and smaller projects
 - No matter what size your project is, **be sure to track donors, contacts, donations, and conversations with all donors, so you know where you stand with each one**
 - For substantial projects, you might try inexpensive donor management programs
 - Here’s a few examples (besides Excel and Access) that are either free or low-cost
 - <https://www.littlegreenlight.com/>
 - <http://www.salesforce.org/nonprofit/>
- **Generate a gift-range chart for projects of a larger size**
 - A sample of a gift-range chart follows, this one for a campaign of \$250,000.
 - It’s an example of the optimal range of gifts from lead/major donors you will want to target raising
 - **These are incredibly useful to increase awareness of just how many people of different giving levels will need to be approached. Ideally your top gift is at least 10% of the total campaign goal**
 - One of the easiest to use (and free) is this one from **Blackbaud**:
 - <https://www.blackbaud.com/company/resources/giftrange/giftcalc.aspx>

Gift Range Chart					
Goal Amount:		250000	Calculate		
Gift Range	No. Gifts required	No. Prospects required	Subtotal	Cumulative total	Cumulative percentage
25,000.00	1	4	25,000.00	25,000.00	10%
19,000.00	1	4	19,000.00	44,000.00	18%
13,000.00	2	8	26,000.00	70,000.00	28%
9,400.00	3	12	28,200.00	98,200.00	39%
6,300.00	5	20	31,500.00	129,700.00	52%
4,700.00	8	32	37,600.00	167,300.00	67%
3,200.00	10	40	32,000.00	199,300.00	80%
1,600.00	12	48	19,200.00	218,500.00	87%
650.00	12	48	7,800.00	226,300.00	91%
Under 650.00	72	291	23,700.00	250,000.00	100%
Totals	126	504		250,000.00	

- You'll also use the chart to start brainstorming and mapping out who to approach for what amounts
- **Build a list of lead of potential lead/major donors**
 - You can start with existing data on parishioners,
 - Perhaps with top DPSC donors, or
 - Top 20% of offertory donors
 - **DO** look at people who give regularly, not just the people who give the most
 - Regular givers are committed people, and may be enticed to a larger one-time gift for a good project
 - Starting with them, you can also brainstorm among the committee to see what other names arise that might be connected to them
 - Keep in mind, too, the businesses that may be able to support these levels of gifts (parishioners themselves may own or have direct influence on these businesses)
 - Catholic funeral home?
 - Local restaurant or convenience store owner?
 - Other ideas?
 - Are there “memorial” or “naming” opportunities for major donors?
 - windows, pews, artwork, rooms, garden areas, baptisteries, votive sets, etc

4 Communications

- **Determine your goals with each communication**
 - To inform, inspire, engage—and finally, to call to action!
 - How will vary for each audience
- **Know your audiences**
 - Senior parishioners
 - Young parishioners
 - Foundations
 - Major/lead donors
- **Plan the collateral you'll need**
 - Collateral is brochures, flyers, appeal letters, envelopes, buckslips, posters, etc
 - Establish the same “look and feel” across all of your printed and online materials
- **Generate content based on your case for support**
 - All messages should be pulled out of your case for support — it's the one consistent source of information for the project
 - Generate images that you can use throughout your materials (photos, graphics, charts, etc.)
- **Draft and print materials**
- **Use same materials in a different format for online approaches**

The Case: St. Louis Parishioners had leftover “debt reduction” envelopes from the fundraising campaign for their parish hall. They used these same envelopes for the rewiring campaign, and also generated new ones as needed.

There are also many templates available free online, so it's good to do some looking around for what works. Just make the message consistent, and if you can keep a similar “look and feel”, it helps parishioners keep the campaign in mind each time they see an envelope, brochure, or poster.



- **Plan your communications calendar**
 - Website
 - Facebook
 - It's FREE!
 - Use lots of images
 - Use Facebook events pages when you have events
 - Other social media?
 - Direct mail
 - Emails
 - Personal appeals
 - Press releases (include local papers AND the **Steubenville Register!**)
 - Contact the Communications Office at the diocese for support, they are of great assistance!

5 Lead Gifts and Major Donors

- **Start to engage a potential lead donors** in the conversation very early in your project
 - Ask for their input, share the initial draft of the case for support
 - Then later they will already know the project when you approach them for an “ask” (they may even offer to donate!)

People want to be partners, not pockets.

- These early conversations, when fostered, lead to these first donors bringing in their friends, and breaking the ice with others.
 - Build relationships with these people...with all donors.
- **Broaden the major/lead donor approaches**
 - Once you have your feet wet with a few first conversations, throw a wider net, and keep approaching.
 - These are conversations, and the ask doesn’t always come on the first discussion
- **Make the asks**
 - If you have a subcommittee on major donors, meet or talk regularly to gauge how you are doing, to support one another, and to be accountable
 - Consider an email thread or online project site to have “**Major Gift Mondays**” where you put how you did the last week, and what you’re planning this week

6 Grant funding

- Grants are longer-term funding sources—many have 6-12 month grant cycles from application to funding
 - If they don’t know you, they are a more difficult organization from which to raise funds
 - Start with local organizations that know you or with whom you already interact
 - Local hospitals, civic organizations
 - Look to the organizations you already do business with (some have foundations or charitable arms)
 - Your bank
 - Health Care providers
 - Employers of parishioners
 - Vendors

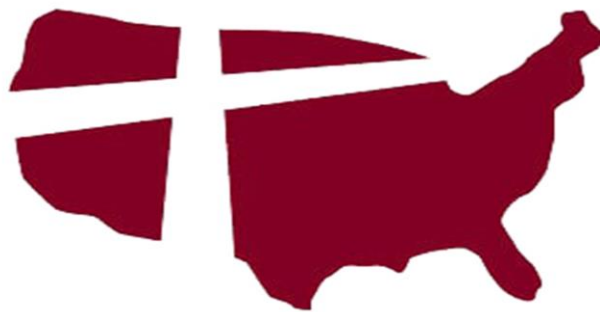
- **Generate a grants calendar**

- In addition to looking at potential local sources, **DO** reach out to us at the Diocese in the Stewardship and Development Office to do a scan of available granting sources

The Case: St. Louis Parish reached out to the Development Office early, so we knew about the project and we were already keeping our eyes open. Then the opportunity arose to approach Catholic Extension, and we were ready!

Catholic Extension is highly selective about funding capital projects. They prefer to come in toward the end of the project to inspire fundraising and “bring a project over the finish line”. They also prefer to make “challenge grants” which is what St. Louis Parish received. For every \$2 St. Louis Parish raised, Catholic Extension matched \$1, up to a maximum amount, during a specified period of time.

It worked: St. Louis parish met the challenge in less than 9 months!



- We also use the **FADICA Catholic Funding Guide Online** (*Foundations and Donors Interested in Catholic Activities*)
 - If you like, you can also purchase your own subscription, it is only \$145 for the first year, and \$130 for renewal; updated monthly
 - Find them here:
http://publications.fadica.org/main/Publications/tabid/101/ProdID/1/The_Catholic_Funding_Guide_Online.aspx
- Prioritize your most likely foundations/granting organizations and start there
- Put them into a calendar, with reminders set for application deadlines

- Develop a core grant narrative for your grants
 - Pull off of the information and content you generated for your Case for Support
 - All grantors want to know:
 - What's the need?
 - How much will it cost?
 - Have your project budget handy at all times
 - You may just want to ask for a specific item or phase to be funded
 - What impact will their funding have?
 - Who else are you looking to for funding?
 - **MOST grantors do not want to fund more than 25% of any project**
 - Grantors for capital projects are notoriously difficult to find
 - Give yourself time, and ask us for assistance
- Applying for grants
 - Using core narrative, draft a separate Letter of Inquiry or application for each foundation
 - Sample Letter of Inquiry (LOI): <https://grantspace.org/resources/knowledge-base/letters-of-inquiry/>
 - Sample of a grant application form (they vary widely): “Ohio Common Grant Application”, here: <https://www.philanthropyohio.org/resources/common-grant-application>
 - It asks for ALL the typical information a grantor wants!
 - Use the subcommittee to proof-read the application
 - Make sure you include the additional documents you may need
 - You may need financial statements from the parish and/or the diocese; call for assistance if you need to, (740)317-5678.
 - You may need a copy of your listing in the “Kennedy Directory” (the Official Catholic Directory; if you don’t have a copy in your parish, the Development Office can get you the copies you need and email them quickly).
 - Get the proper approval (Pastor and/or finance council to approve the applications)

Bringing it to the pews: Individual donor approaches

- **EVENTS: Take the time to plan**
 - Consider a focused, small number of well-organized events
 - Events require a MAJOR amount of time and energy
 - Focus on a few that you know you can do well, and that have low-overhead
 - Perhaps these are things you have already done, but can do a planned series of
 - Pancake breakfasts, fish fries, spaghetti dinners

- Make sure you use these as good social events, too, unifying the parish for this cause

The Case: St. Louis Parishioners held a series of events throughout the course of their fundraising. They recruited a lot of volunteers, and engaged the entire community in their events! A sampling:

- Restaurant owners in the parish stepped up and held “restaurant fundraisers”, featuring a Mexican food night at one restaurant, and an Italian food night on another
- They were big on FISH FRYS: Father Hamm said they often had more non-Catholics than Catholics at these (the Baptist pastor brought his whole church in every other week for them!)
- They got creative: they even had a “River City Leather BINGO night!”



- Direct Mailing remains a top fundraiser if you have a solid mailing list
 - Consider a direct mailing to all parishioners
 - Generate a **compelling** appeal package (letter, buck slip, maybe a SASE)—I can help you with some great examples
 - Personalize the letters by using a mail merge
 - On smaller mailing, make every attempt to hand-address envelopes if at all possible (we kid you not: it increases open rate by 75 %!)
- Do a General appeal when all is in place
 - After the major/lead donor appeals are underway, start planning in earnest your general appeal in the pews/online (most capital campaigns do this when they already have a substantial amount in-hand—at least 50% is great)
 - Appeal in the pews
 - With donation envelopes and pledge cards ready
 - Allow for one-time and recurring donations
 - Establish process for handling donations
 - Establish online donation capability if possible—take donations on the website
 - Couple with email appeal as well, if you have enough emails generated
- IN-THE-PEW PHASE
 - After lead donors have been approached, and there is preliminary indication of success, in-the-pew phase must be done
 - Plan a weekend (or a few) to have an active drive: you know the procedure from many years of DPSC's
 - Announcements in the bulletin
 - It's best to have a lay witness and the Pastor appeal
 - Make sure envelopes in the pew
 - Take pledges and payments
 - Be sure to have your campaign status, and your goal, clearly stated
 - If you have naming or memorial opportunities remaining by the time you go to the pews, they should always be clear
 - Excellent to have a leaflet, preferably with some memorials already "reserved" (it indicates strong interest, and pending success!)

8

Acknowledgements: PLAN THEM FROM THE BEGINNING

- **Plan donor recognition from the beginning:** Someone has to own it!
 - **Make acknowledgement timely**
 - Make it personal
 - Make it legal: ALL contributions of \$250 and more must be acknowledged in writing in a timely manner

- Contributions of \$75 or more if there were goods or services as part of the donation (e.g., benefit dinner, etc.)
- Acknowledgement must be sent to every donor
 - Minimum of a thank you note within 7 days, and a receipt
 - Acknowledgement in a public way to recognize those who've donated at significant levels (only if they approve it)
- Decide what you would like to call a “major” donor...these higher-end donations need special treatment
 - A good acknowledgement can actually encourage a follow-on donation
 - A phone call AND a letter is a great touch
 - Remember those giving levels or donor wall if you've planned them
 - Maybe even schwag (gifts and collectibles) for major donors
- Finally, when you've arrived at a successful conclusion, generate a FINAL REPORT for your parish
 - Report the amounts raised, status of your project, and acknowledge what went well through it all...and say thank you, thank you, thank you...

CELEBRATE EACH OTHER, CELEBRATE YOUR SUCCESS, AND
PRAISE GOD FOR THE GIFTS HE HAS GIVEN US ALL!



P.S.: Odds and ends....

You may want to consider retaining an outside firm. Please notify us at the Office of Stewardship and Development, since we've had experience with many, and can guide you.

If you're in the mood for browsing, here's a few:

<http://www.osv.com/capitalcampaigns>

<http://www.walshfundraising.com/>

<https://greatermission.com/capital-campaign-home/>

Some final general tips and comments from our friends at St. Louis Parish in Gallipolis:

- Having colleagues from the diocesan offices visiting on site for project reviews and parish council/parish finance council meetings was very helpful, and greatly expedited matters in making on-the-spot decisions
- Digging in and analyzing what the real situation was right up front themselves really helped move the project forward
 - They discovered quickly that it was more expensive to fix compared to just completely rewiring
- Parishioners can really step up when they know the need:
 - Having a skilled parishioner refinish the pews saved \$3,000 (and allowed him to donate of his talent!)
 - Once parishioners saw the state of the floor, and that the pews were up, they stepped up to donate for new flooring
 - Families also volunteered to tear up the old flooring, saving lots of money
 - Parishioners also volunteered to do the cleaning during contractor's work—this saved lots of \$\$ AND kept the contractor on schedule!
 - Parishioners also stepped up to volunteer on painting
- An online GoFundMe effort also added to the bottom line
- Make sure you've lined up storage for items during construction, and make arrangements for Mass in an alternative venue when needed well in advance
- Try to do larger fundraising events up front, while interest is high
- Some wanted to simply build a new church: but Fr. Hamm, reflecting on protecting the patrimony of the Church, decided against a "throw away" mentality, especially since the beautiful old Church was sound.