



Strategic Planning • Annual Giving • Capital Campaigns

CAPITAL CAMPAIGNS: HOW MUCH CAN WE RAISE?

A school, library, hospital, college, church or non-profit that is captivated by a vision and decides on a capital campaign always asks, “How much can we raise?” The aspects below affect the exact answer.

1. Most organizations can raise 2X to 7X their annual incomes, and some can raise up to 18X their annual incomes. The exact financial success is affected by many things such as:

- Bold and exciting visions
- Great Steering Committees
- Strong and thorough Major Gift efforts
- Communications of all forms – town halls, informational meetings, brochures, videos, emails, etc.
- Commitment opportunities for Major Gifts, Mid-tier and All-membership

2. Generally, there is an enthusiasm hierarchy for different projects. The hierarchy of support is:

- New buildings
- Significant new additions and major renovations
- New worthwhile programs
- Land purchases
- Scholarships, tuition assistance
- Endowments
- Debt reduction or loan repayment

3. Demographics – The community demographics affect the financial success of the capital campaign.

- How many members in the organization?
- What percentage of members supports the organization over the course of the year?
- What is the age mix of the organization’s membership or the community?
- What is the wealth mix (lower, middle income, upper class, or mixed) of the organization?

4. Financial Potential

- What was the total giving or income last year? The last three years?
- What are the various levels of giving?
- Has a capital campaign been successfully run before? When?
- What is the potential for large gifts?

5. Leadership and Organization Support

- Is the vision big, bold, life saving, life changing, worthwhile, and compelling?
- Do the director, board and staff manifestly support the vision? The capital campaign?
- Who in the organization supports the project? Who is against it?
- Is the community united and one?

For recently conceived projects, controversial projects or larger scale projects, a feasibility study should always be conducted. The feasibility study will more precisely determine what can be raised, what kinds of large gifts can be secured, what level of overall support exists, and who the potential chairpersons and steering committee members are.

A feasibility study also raises the sights as to what kinds of financial gifts are needed, and the feasibility study helps to pre-sell the campaign to the leaders and influencers in an organization.

If you have found the “How Much Can We Raise?” helpful, then contact us today at VisionWorks – 402.999.2970 or markf@VisionWorksCo.com for capital campaign counsel.