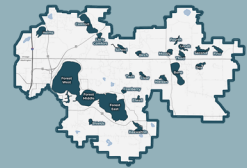




MEMORANDUM

Comfort Lake-Forest Lake Watershed District

Date: February 15, 2024
To: CLFLWD Board of Managers
From: Mike Kinney, District Administrator
Subject: Access Philanthropy Fundraising Feasibility Report



District Wide

Background/Discussion

The purpose of this agenda item is to present the results of our fundraising feasibility assessment with Access Philanthropy. Updates were provided in recent months on this effort during the monthly Administrator's Report. Access Philanthropy worked with staff, interviewed two board managers, and performed research to help the District evaluate funding options through private donors and foundations, particularly for the District's office space capital campaign.

Access Philanthropy staff will attend the February 22nd board meeting and present their findings.

Recommended Motion

Proposed Motion: Manager _____ moves to accept the Access Philanthropy final report as presented. Seconded by Manager _____.

Attached

- Access Philanthropy Capital Campaign Final Report



Capital Campaign Final Report

Prepared For:

Comfort Lake-Forest Lake Watershed District

Prepared By:

Access Philanthropy

2100 Stevens Ave S

Minneapolis, MN 55404



BACKGROUND INFO and SCOPE OF WORK

Comfort Lake—Forest Lake Watershed District engaged Access Philanthropy to evaluate the feasibility of raising \$3 million—\$4 million from private institutional donors to purchase and/or renovate a new office building. Access Philanthropy’s scope of work included the following:

Perception Survey

Access Philanthropy interviewed nine foundations and companies to understand the likelihood they would make a capital gift toward a new office space for CLFLWD.

Alternative Funding Strategies Review

Using publicly available financial statements and one-to-one interviews, Access Philanthropy gathered information from four “Friends of” groups, one watershed district, and watershed management organization to better understand their fundraising programs. This included conversations about fundraising success, challenges, and best practices to inform CLFLWD’s capital campaign.

Internal Assessment

Access Philanthropy interviewed two staff members and two members of CLFLWD’s Board of Managers to determine how well-positioned the organization is to run a successful capital campaign.

METHODOLOGY and KEY FINDINGS: PERCEPTION SURVEY

Methodology

Access Philanthropy used the following criteria to select foundations and businesses to interview as part of the perception survey:

1. Geographic Focus (Washington and Chisago counties)
2. Funding Priorities (water quality, and the environment more generally)
3. Accessibility (program officers/key staff available to have a conversation)

Access Philanthropy interviewed nine foundation and business staff using a standard list of questions to identify their interest in and perception of a capital request from a watershed district. Interviews were documented and reviewed to identify common themes. See Appendix 1 for a list of interview questions.

Summary of Findings

- With the exception of three, each of the participating foundations would accept a capital request from a watershed district. One program officer offered a caveat: she would accept the request, but would need to check the foundation's bylaws and get board approval to fund a public agency.
- Although many of the foundations were willing to accept a request from CLFLWD, they would not fund a building with the sole purpose of officing staff. In every case, the foundations required a community element to the capital project. An education program or co-location with a nonprofit organization was most frequently mentioned as a possibility.
- Foundation contacts frequently mentioned that grantmaking is highly competitive, and they often receive two- to three-times more grant requests than the foundation can fund. Five shared that a capital request from a watershed district would not be very competitive.
- When asked: "What makes a grant proposal stand out to you?" interviewees stated:
 - Alignment with foundation/company's focus areas
 - High level of involvement from the organization's board of directors
 - Realistic fundraising goals
 - Sustainable, long-term business plan
 - Volunteer involvement with the organization (for corporate foundations)
 - Do staff and board members reflect the community it serves (race, ethnicity, gender, age, income)?
- Of the nine interviewees, five shared CLFLWD would need a relationship with the foundation prior to proposal submission. The depth of the relationship varied: in two cases, CLFLWD would need to contact a program officer and have a conversation about the project and next steps. In the remaining three cases, CLFLWD would need to engage the employees as volunteers or establish a relationship with a company executive who would make a recommendation for funding.
- Grant sizes ranged from \$2,500-\$250,000 for capital campaigns.

Conclusion

The fundraising landscape for private foundations is very competitive; securing capital grants can take up to five years and requires a great deal of relationship building. In order to pursue private institutional gifts, CLFLWD would need to implement the following:

- Create a strong strategic vision for the facility, including a well-articulated community purpose
- Build solid community partnerships for the purposes of co-location or shared programming
- Dedicate time for foundation outreach and relationship development
- Implement a staff and board diversity, equity, and inclusion plan

Of note, establishing relationships with foundations is often a years long process and requires persistence, patience, and flexibility. Foundations typically require an existing relationship with an organization before considering a large capital gift. Building these relationships is most successful when board and staff are involved.

METHODOLOGY and KEY FINDINGS: ALTERNATIVE FUNDING STRATEGIES REVIEW

Methodology

To assess the possibility of alternatives to foundation fundraising, Access Philanthropy interviewed four friends groups, one watershed district, and one watershed management organization. Friends groups included those raising private funds on behalf of public lands (e.g., city parks departments, MN state parks and trails). The watershed organizations had recently completed the renovation or construction of a new facility.

Groups were asked a standard set of questions, and interviews were documented and reviewed to identify common themes. Please see Appendix 2 for a list of interview questions.

Summary of Findings

- All of the friends groups originally formed to fill a gap in the care/maintenance of public lands. They were often small and formed by a group of concerned residents interested in protecting their regional natural resources. Friends groups saw their role as providing guidance to public landowners, technical expertise, and volunteer labor.
- Friends groups raised between \$3,000-\$25,000 annually; funds were used to purchase equipment, restoration materials (e.g., seeds), and to cover their own operational expenses. Only one of the groups interviewed had raised funds for a facility.
- When asked about their fundraising challenges, the friends groups cited the following:
 - Limited capacity: the groups were volunteer-led with no dedicated fundraiser. Some would apply for small grants, but they were often unsuccessful. Another group hosted workshops and charged an admission fee. Each workshop raised approximately \$1,000. Two of the friends groups tried fundraising through Facebook campaigns without much success.
 - Groups also used a membership model, where members paid annual dues and were asked for additional gifts for special projects. Membership decline was cited as a major fundraising concern.
 - Competing priorities with public landowners often created tension between the friends group and their partnering agency. Lack of communication, lack of shared vision, and different expectations led to difficult relationships. One friends group shared:
 - o *“The city has advised against pursuing private fundraising dollars because it allows the friends group flexibility; the city is concerned we will move too quickly on projects without engaging the city. We have a contentious relationship and are not often on the same page. The friends group is frustrated that city officials don’t move quickly enough.”*
- When asked about fundraising success, one friends group shared an example from a 2018 capital campaign:
 - o *The friends group wanted to construct a trailhead lodge with restrooms, water fountains, and an information kiosk; they approached the DNR for funding (the DNR owned the land), but were turned down as a trailhead lodge was not a priority. The*

friends group began raising money on its own, securing \$200K within six months. The majority of donations came from the Cowles family, who were the original landowners of that particular state park. Remaining gifts were raised from local businesses. The friends group once again approached the DNR about constructing a trailhead lodge. Through MN Legacy Funds, the DNR then funded the remaining \$1MM of the project. In total, it took the friends group and DNR six years to complete their capital campaign.

- The two watershed organizations relied on public dollars to fund their building renovations or construction of their new facility, sharing the following insight:
 - The watershed district did have the land site donated; in that case, the landowner was already looking for an entity for the land donation, and was turned down by the landowner's first choice of an art facility.
 - Both of the watershed organizations used their tax levy funds for renovation or construction. For both organizations, using tax levy funds did not preclude robust public outreach and communications, engaging board, stakeholders and partners in developing a compelling programmatic vision for the facility.
 - Both organizations shared the need for long-term projections as the key lesson learned. In fact, they outgrew their space within a few years. However, this is also consistent with a frequent trend of building in phrases.

Conclusion

CLFLWD should discuss whether or not using tax levy funds is a useful path as the largest source of funding, keeping in mind how important public engagement is no matter the funding source.

It does not appear that a Friends group is a promising avenue from a purely financial point of view. It may require an extensive amount of staff time and revenue generated would likely be limited.

METHODOLOGY and KEY FINDINGS: INTERNAL ASSESSMENT

Methodology

Access Philanthropy interviewed the following staff and board members to better understand CLFLWD's internal expertise, systems, and capacity to run a capital campaign. Please see Appendix 3 for a list of interview questions.

Board of Managers

Steve Schmaltz, President
Jackie Anderson, Treasurer

Staff

Mike Kinney, District Administrator
Emily Heinz, Planning Coordinator

The interview included an assessment of the following areas, all of which are critical to the success of a capital campaign:

- Strategic plan and shared vision
- Staff and Board presence and influence in the local community
- Relationships with current donors (individuals, foundations, and businesses)
- Staff and Board fundraising experience and capacity
- Board support, including time and financial gifts
- Fundraising and accounting systems

Summary of Findings

- CLFLWD has a Watershed Management Plan, but not a strategic plan. The watershed management plan discusses primarily the water quality issues, projects, and metrics. A strategic plan would outline an operational plan and vision (including a vision for the new facility and partnerships), staff projections, and public communication, outreach and education.
- The vision for the new facility is still in discussion. Plans ranged from an office space to a destination facility for educational programming.
- Staff and Board members are primarily known among lakeshore homeowners and lake associations, but the general public may not be aware of CLFLWD's work in the community. One board member suggested that CLFLWD has a good story to tell, but hasn't shared it widely.
- CLFLWD does not have current private donors (e.g., individuals, foundations, or companies). As a result, staff and board members would need to develop relationships with new donors to secure leading campaign gifts. There was some disagreement about whether or not the campaign's top 10 donors could be identified.
- It is unclear if board members will support the campaign financially. Additionally, it is unknown if they would connect CLFLWD staff to donors or initiate donor meetings.
- CLFLWD has the ability to process financial contributions, including accounting for restricted gifts and issuing donor acknowledgment letters.
- CLFLWD Board members and staff have limited experience with fundraising and public outreach. Also, they have not yet had an opportunity to discuss board and staff capacity related to launching a capital campaign. It would be a heavy lift for a staff person at a public agency to run a capital campaign that relied on private dollars to fund all or part of a new facility (see appendix for an outline of a typical capital campaign).

Conclusion

It does not appear that staff and board members have a consistent vision for the new facility. Internally, there is significant work ahead for both groups in terms of developing concepts, evaluating roles and responsibilities, and nurturing community partners.

RECOMMENDATIONS / NEXT STEPS

1. **Staff and Board members need consensus on the project's concept and scope.** CLFLWD's board and staff need to have a compelling vision, community partners, budget, and a public outreach process. They also need a strong group of ambassadors to connect with the community, support the campaign's private fundraising efforts (if pursuing), and assist with communications.
2. **Private contributions from individual donors and foundations would not likely result in significant campaign revenue.** Donor relationships take years to build; certainly, they require a clear vision, community partners, and a strong fundraising infrastructure.
3. **As a next step, the CLFLWD Staff and Board need to develop a project planning process, timeline, and responsibilities to make sure everyone is on the same page moving forward.** This is also an opportunity to discuss staff and board capacity, outside help to support your campaign, and how to address several of the findings in this report.

General Steps are as follows:

1. Project Plan Timeline, Board & Staff Roles, Process
2. Facility Planning
 - a. Public Engagement Process
 - b. Facility Concepts and Partnership Exploration
 - c. Comparative Site Analysis (comparison criteria might include cost, location, size and shape, fit with facility concept, access, acquisition issues, necessary approvals)
 - d. Final Project Goals and High-Level Budget Estimate
3. Consultants (may include the following):
 - a. Architect and Design
 - b. Attorney
 - c. Engineer
 - d. Real Estate Professional
 - e. Fundraising
4. Facility Concept Detail (developed with consultants)
 - a. Fit plan-basic, general layout of the space
 - b. Programming-details of office, meeting, gathering, and other space uses
 - c. Interior and exterior materials
 - d. Parking and landscaping
5. Financial Analysis
 - a. Site Acquisition
 - b. Design Costs
 - c. Construction Costs
 - d. Maintenance Fund
 - e. Contingency
 - f. Assessment & Estimate of Budget Sources (tax levy, private institutional gifts)
6. Community and Donor Outreach
 - a. Communication Materials

- b. Stakeholder List
- c. Outreach Activities and Responsibilities
- d. Fundraising Timeline, Plan, and Responsibilities

Appendices

- Perception Survey Interview Questions
- Friends Group Interview Questions
- Internal Assessment Interview Questions
- Example Capital Campaign Process

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Appendix 1

Perception Survey List of Questions

1. Have you ever or do you currently fund government agencies?
 - If yes, then tell me more about your funding criteria as it relates to government agencies (e.g., scope of work, grant size, special considerations)
 - If no, will you share your reason for not funding government agencies?
2. Would you consider funding a “Friends Of” group, knowing funding would ultimately support a government agency?
3. How competitive is your environmental giving? For example, how many proposals do you receive vs. fund in a grant cycle?
4. What makes a proposal stand out to you?



Appendix 2

Friends Groups List of Questions

1. When and why did your friends group originally form?
2. Approximately how much are you raising annually? Does all of that funding go directly toward [government agency]?
3. What factors make your fundraising successful?
4. What are your greatest challenges today?
5. During your start-up phase, what were your greatest challenges?
6. What advice would you give a new friends group?



Appendix 3:
Internal Fundraising Assessment
CLFLWD Staff

1. Has the organization completed a strategic planning process in the past three years? Is it compelling?
2. Are the District Administrator and Board of Managers well-known and respected in the community and willing to get involved in the campaign?
3. Can the top 10 donors who will be leadership gift prospects for the proposed campaign, and the top 100 donors who will be major-gift prospects for the campaign, be easily identified?
4. Does the organization know which areas of the program interests individual and institutional donors?
5. Are there development staff members experienced in running a campaign?
6. Is there an adequate support staff person?
7. Will extra staff be hired during the campaign?
8. Does the organization have a strong, committed Board of Managers that will support the proposed campaign?
9. Is there a strong core of board members who will support the campaign both financially and with their time to help identify, cultivate, and solicit donors?
10. Is the Board of Managers well-known and respected in the community?
11. Are people of affluence and influence on the board?
12. Is the board diverse?
13. Do board members understand the importance of their role in a campaign?
14. Does the board have a development committee made up of both board members and other volunteers from the community?
15. Does the organization use community volunteers in its fundraising efforts? Does the organization communicate regularly with all its constituents?
16. Are constituents aware of the organization and its programs?

17. Is there a donor database system in place that allows for the segmentation of donors and personalized appeals?
18. Is the system capable of recording multi-year pledges and planned gifts as well as matching gifts?
19. Is there the ability to generate reports that will be needed by the "campaign cabinet," the board, and financial institutions that may be lending money for the project while the campaign is being completed?
20. Are there policies and procedures in place for accepting, recording, and acknowledging gifts?



Appendix 3:
Internal Fundraising Assessment
Board of Managers

1. Has the organization completed a strategic planning process in the past three years? Is it compelling?
2. Are the District Administrator and Board of Managers well-known and respected in the community and willing to get involved in the campaign?
3. Can the top 10 donors who will be leadership gift prospects for the proposed campaign, and the top 100 donors who will be major-gift prospects for the campaign, be easily identified?
4. Are board members experienced in running a campaign?
5. Is there a strong core of board members who will support the campaign both financially and with their time to help identify, cultivate, and solicit donors?
6. Do board members understand the importance of their role in a campaign?
7. Are constituents aware of the organization and its programs?

Capital Campaign

Stepping Towards the Horizon

You may hear about campaigns that were fast and easy, but we have never managed one, or even met an organization that experienced one. Maybe the stories are real: Major donors lining up to make seven- and eight-figure gifts in the first few months of a campaign, paying in cash and not wanting any say in the project's design or programs. This is not our experience or the experience of most.

In our experience, capital campaigns are hard work. They are rollercoaster rides that are both thrilling and scary. We like rollercoasters, especially the ones that we've been on before. We know what to expect, when we can smile and enjoy ourselves for a while, and where we need to clench our teeth and hold the hand of the person next to us.

That's why it's so important to surround your capital campaign with people you trust, and why it is imperative to never lose sight of your mission. This combination of people and purpose will sustain you through the ride.

The six phases that follow are typical to most capital campaigns. We include each of the phases' goals and potential stalling points.

Campaign Phases

- Family Phase
- Quiet Phase
- Leadership Phase
- Community Phase
- Close Out Phase
- Public Phase

Capital Campaign Phase 1

Family Phase

Begin by forming a small working committee of 3 to 5 organizational leaders, including board members and administrators. This campaign cabinet's first goal is to finalize the [case for support](#) and transform it into presentation materials for the campaign. The case for support outlines the needs and benefits of your project from your donors' perspectives. It's a long narrative that is only used internally but becomes the backbone for most campaign materials and future grant applications. It details the nonprofit's background, the need for the project, the benefit of the project, its budget and its vision. The campaign materials that grow out of your case for support include:

- [Campaign video](#)
- [Campaign brochure](#)
- Frequently Asked Questions insert
- Project renderings

Additional materials that are produced during the Family Phase include [gift charts](#), ask letters and naming opportunities.

In addition, your nonprofit should begin educating prospective donors by sending out monthly campaign newsletters. Mailing newsletters is still preferred, although emailing them is becoming more popular.

Once your campaign materials are complete, it's time to train your cabinet and solicit your nonprofit's internal family. This includes your staff, board members and volunteers. We ask for family support first for one simple reason: If the family does not financially support the project, then the community will not financially support the project.

*Family Phase Goal:
100% Prepared*

The participation of your internal family is important. In some campaigns the family has considerable wealth and can donate millions of dollars. In others, the family may only have the capacity to donate \$100,000 or less. Whichever the case, the goal is to ensure that the nonprofit's internal family has given to the best of their ability.

Avoid the Stall: Don't Get Bugged Down

There is a ton of work to get done in this phase. Many nonprofits don't have the staff to get all these steps done in a reasonable amount of time. Bring in experienced professionals to ensure this is completed within 4 to 6 months.

Your [campaign video](#) and brochure can be especially difficult to complete. Take care that the quality of your materials reflects your nonprofit's operating revenue and image. If you have a small nonprofit that is not well known, don't worry about professional lighting for your video or glossy paper for your brochure.

Capital Campaign Phase 1

Family Phase

Family Phase Checklist

- Prepare: Case for support and all campaign materials.*
- Train: Solicitation training for cabinet members.*
- Solicitations: Solicit internal “family” – board, staff and volunteers Develop prospect list.*
- Goal: Board participation at 100%; Staff participation at 30% - 50%.*
- Timeline: 4-6 months.*

Capital Campaign Phase 2

Quiet Phase

When we begin a capital campaign, we usually do so quietly; we don't want to tell the world about our plans until we have proven our ability to raise substantial funds.

The Quiet Phase focuses on lead gifts, which come from individuals, corporations or foundations who are willing and able to make substantive gifts to the campaign. So, in a \$10 million campaign, donors who you believe will give \$100,000 or more should be asked in this phase

This phase is populated by people who know and love your organization. They do not need to be educated or cultivated on the needs and benefits of your project. They want to give because they believe in your nonprofit and want you to succeed.

In addition, you have an established relationship with them. When you call, they will answer, or call you back soon. Lastly, these people have made gifts to you in the past, preferably large gifts relative to the size of the program or project.

Avoid the Stall: Only Pick Ripe Fruit

A successful Quiet Phase focuses its efforts on established donors. The problem that nonprofits run into in this phase is soliciting a lead gift before that donor prospect has any experience with the organization. Save the unestablished donors for the next phase. They will be more apt to give after they see other people supporting the campaign.

There are times when you don't have to wait to ask an unestablished donor prospect to join the campaign during the Quiet Phase. That's when the person participated in the feasibility study and specifically indicated a desire to be a lead-gift donor.

Quiet Phase Goal: Half the Funds

A good rule of thumb is to reach the halfway point or beyond within this phase. This phase should be easy because your donor pool is low hanging fruit. It is easy to reach and ripe! Your campaign plan should have a relatively small population of donor prospects within this phase, somewhere between five and fifty depending on their giving potential and the size of your campaign. Keeping the population small and the ask amounts high will help build momentum and credibility for the remaining phases of your campaign.

Capital Campaign Phase 2

Quiet Phase

Quiet Phase Checklist

- Solicitations: Face-to-face and peer-to-peer. Focus on lead gifts of 10% or more of your goal during Family Phase.*
- Communications: Monthly campaign newsletter to prospects only via direct mail reinforcing case for support and providing campaign updates. No mail or online solicitations.*
- Recruit: Add committee members from campaign donors giving at a level that represents their personal or professional capacity and who are passionate about the campaign.*
- Goal: Half of your campaign funds.*
- Timeline: 3-5 months.*

Capital Campaign Phase 3

Leadership Phase

Now the hard work begins. Your nonprofit's family has given, your true believers have given, and now you're left with donors who do not know you very well or who are only willing or able to make smaller gifts. This phase focuses on two important processes: strength and conditioning. Strength is reflected in your capital campaign committee's capacity. How many people can it properly solicit? The committee started small in the Family Phase, but in each subsequent phase, it is essential to add strength by recruiting additional members.

Otherwise, you will begin making asks of people who have no personal tie to your organization or your committee. People give to people. Therefore, your campaign committee needs continually to get stronger by adding respected community leaders and philanthropists who will solicit their friends, family and peers.

Conditioning shows up in your committee's tenacity. Capital campaigns are not sprints. They are marathons. A nonprofit's conditioning, good or bad, is reflected in its ability to passionately communicate its vision to donors over one or more years. People will make a gift to your campaign based upon the needs and benefits of your vision; however, your committee's endurance and success rest with how well conditioned it is to continually communicate your vision.

Avoid the Stall: Continue to Recruit

The most common reason a capital campaign stalls at this point is because its committee members can no longer make strong one-on-one asks. We can illustrate this by altering the saying, "people give to people" to "people give to people they know."

Avoid this by never stopping the recruiting process, and never forgetting the main tenet of the recruiting process: only recruit strong community leaders and philanthropists on to your campaign committee after they have made a personally significant gift to the campaign.

*Leadership Phase Goal:
75% of Campaign Goal*

A good capital campaign will reach 75 percent or more of the goal by the end of this phase. This phase is a good time to begin soliciting foundations and corporations. They will typically want to see strong community support prior to making a commitment, especially if they have never supported your nonprofit before. Foundation grants and corporate gifts can often provide a much-needed boost to campaigns that are experiencing a slowdown.

Capital Campaign Phase 3

Leadership Phase

Leadership Phase Checklist

- Solicitations: Face-to-face and peer-to-peer. Focus on major gifts, \$25,000 to \$50,000+ for most campaigns.*
- Communications: Continue monthly newsletters to prospects and donors.*
- Recruit: Continue adding committee members from among donors.*
- Extend: Begin foundation grant requests.*
- Goal: 75% of your campaign funds.*
- Timeline: 4-6 months.*

Capital Campaign Phase 4

Community Phase

In the Community Phase, your work continues as you focus on reaching donors who you do not know well or who are only willing to make smaller gifts. Strength and conditioning continue to be important as you near the finish line, and the need to recruit additional members onto your committee remains a priority.

Face-to-face and peer-to-peer solicitation seeking low five-figure gifts for most campaigns will be the focus.

Cultivation communications efforts will continue. Plan for tenacious follow up with all prospects who have been solicited but have not given you an answer. This may include personalized letters with pledge form, phone calls emails, and asking a different person on the committee to reach out.

Avoid the Stall: Don't Get Distracted

At this point, some committee and staff members begin to get distracted by thoughts of holding events to raise funds. They appear more "fun" than the process of educating, cultivating and soliciting donors.

Resist these thoughts. The return on investment from events is much lower than buckling down and following the process to raising major gifts. In the time it takes to plan an event you could have met with and closed the donors who will advance your campaign much more significantly.

*Community Phase Goal:
95% of Campaign Goal*

By the end of this phase, your plan should have you reaching 95 percent of your campaign goal. This may be a good time to present a match or challenge grant to highlight the urgency of making a decision for those prospects who have not finalized their gift.

Capital Campaign Phase 4

Community Phase

Community Phase Checklist

- Solicitations: Face-to-face and peer-to-peer. Seeking \$5,000 to \$20,000+ for most campaigns.*
- Communications: Newsletters continue to all prospect and donors. Be persistent in following up with pending prospects and test new ways to contact them to ensure they make a decision.*
- Extend: Present a match or challenge grant to highlight the urgency of making a decision.*
- Recruit: Continue to recruit committee members.*
- Goal: 95% of you campaign funds.*
- Timeline: 4-6 months.*

Capital Campaign Phase 5

Close Out Phase

If you think the hardest part of fundraising is asking people for money, you're not alone. But for some campaigns, the hardest part can actually be closing pending gifts.

The Close Out Phase isn't always part of the campaign process, but it is necessary when nonprofits cannot get people who have been solicited to return their pledge forms. There can be several reasons for this: poor follow-up by the nonprofit; no sense of urgency established by the nonprofit; waning interest and/or procrastination by the donor prospect.

The Close Out Phase is designed to give clients extra tools to close. These tools can be reassignment of the prospect to another campaign volunteer, letters of appeal, matching or challenge gifts, or a simple dose of courage to not give up.

Avoid the Stall: Move Quickly

We all have limited attention spans, that includes philanthropists. Successful fundraisers focus on four elements of professional capital campaign solicitations:

- *message (case for support)*
- *desire (a pledge)*
- *expectation (yes or no)*
- *deadline (decision-by date)*

They do this so they can move effectively and efficiently through the campaign. Successful fundraisers know that they can maintain the attention of a prospective campaign donor for only a few months after the ask, so they set a definitive deadline and follow-up. This is hard but essential to not stalling after the ask.

Close Out Phase Goal: Don't Take it Personally

A huge obstacle to closing is the feeling that a prospect is sick and tired of hearing from you. But the truth is this: The prospect took the time to sit with you and learn about your campaign; therefore, he or she is not ignoring out of spite. You asked an important question and you deserve an answer. Keep this in mind and closing gifts will become easier.

Capital Campaign Phase 5

Close Out Phase

Close Out Phase Checklist

This is not a phase in all campaigns.

- Communications: Continue tenacious follow up to close outstanding asks. Newsletters to donors and prospects.*
- Goal: Don't take this personally!*

Capital Campaign Phase 6

Public Phase

This is when you round-up all the prospects who have not been solicited or have not made a pledge, along with everyone else in your database or service area, and invite them to support your campaign.

Until this phase, the only way a person has been able to pledge to the campaign is by sitting down with a committee member for a one-on-one ask. Now you allow prospective donors to pledge however they like: by mail, online or over the phone.

Don't start this phase too early. It is designed to bring in small gifts from new and low-wealth donors.

The general rule regarding a Public Phase is to not enter into one until you are certain the campaign is going to succeed. We can determine this by comparing our funds gifted or pledged to our campaign total. For example, if your campaign goal is \$5 million and you have \$2 million in the bank and another \$2 million in future pledges, it's probably too soon to start the Public Phase. Why? Because the likelihood of raising another \$1 million during this phase is slim.

Avoid the Stall: Stay Energized

Almost all development professionals wear a lot of hats, and more times than not, they wear too many hats; they are trying to manage too many donors and/or programs to be fully effective. Capital campaigns pile even more hats on to the development staff, and after a few years of working on a campaign, they want it to be over.

The development staff's exhaustion is real, but that it is not sufficient reason to ignore the Public Phase. Staff have spent years educating and cultivating a campaign donor pool. Many people in that pool want to give but have not been given the opportunity. Give them the chance – go public by allowing people to give online or through the mail. The outcome will be more first-time donors who will make your nonprofit's future fundraising more successful.

Public Phase Goal: Top Off the Campaign

Wait until you have less than 10% of the goal to raise. This means, if you're raising \$10 million, that a minimum of \$9 million is pledged and you have sufficiently educated and cultivated prospects to raise the balance.

Capital Campaign Phase 6

Public Phase

Public Phase Checklist

- Solicitations: Online, social media, direct mail, campaign events, group asks, phone calls inviting everyone to give to the campaign.*
- Communications: Press releases, letters to the editor.*
- Goal: 100% (or even more!) of your campaign goal.*
- Timeline: As quickly as possible to wrap up your campaign.*