

Capital Campaign Approval Process

Archdiocese of Indianapolis

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Undertaking a capital campaign is one of the most exciting and important activities that an organization can take on. Whether it is to fund capital improvements, endowments, or new growth opportunities, a capital campaign is an opportunity for the entire community to become more deeply involved in the mission of the organization. Few endeavors are more life-giving to an organization because they require vision and commitment from the entire organization. Conversely, few endeavors are more disheartening to an organization and its leadership than a failed capital campaign. The Archdiocese of Indianapolis is committed to helping you achieve success. In the steps below we outline a proven process for managing a successful capital campaign. **Every parish, school and agency must seek formal approval before beginning a capital campaign whose goal will be 30 percent or more of the most recent three-year average budget for the organization.** The Office of Stewardship and Development will be happy to help guide you through this process.

Steps for approval of a capital campaign:

1. Confirm financial readiness

- a. Absence of operating debt
- b. An operating surplus in each of the two preceding fiscal years (regular income less operating expenses)
- c. For parishes, attainment of 75 percent or more, of the archdiocesan annual appeal (Christ Our Hope: Compassion in Community)

2. Develop a preliminary case for support and campaign goal

- a. The case for support is a communication tool that presents the rationale, features and benefits of the campaign in a clear, concise and compelling fashion.
- b. The case must provide for ongoing financial support of the project and include one of the following:
 - i. At least three years of projected new funding to maintain and operate the new or renovated facility (includes utilities, supplies, insurance, personnel costs, etc). These funds will be held in an ADLF account restricted for facility operations.
 - ii. Endowment funds of at least 10 percent of the estimated project cost. These funds will be held in an endowment account at the Catholic Community Foundation.

- c. For parishes, the case must include a strategy to ensure ongoing support of the archdiocesan annual appeal by contributing the most recent two-year average of donations pledged towards the goal during the duration of the parish campaign.
- d. The case must be approved by a majority of the organization's finance council or committee.

3. Secure preliminary approval

Case is presented for preliminary approval by a committee comprised of the Moderator of the Curia, the Chief Financial Officer and the Executive Director of the Office of Stewardship and Development (and a representative of the Office of Catholic Education when any archdiocesan school is involved).

4. Enlist campaign leadership and outside counsel

- a. After the case, campaign leadership is the most critical component of a successful campaign.
- b. Outside counsel is strongly recommended. The Office of Stewardship and Development maintains a list of recommended consultants.

5. Solidify campaign case and goals through a feasibility study and the creation of a communication plan.

- a. Outside counsel must be retained to conduct the feasibility study if the campaign's financial goal exceeds the most recent year's operating budget. For smaller campaigns, a feasibility study may be conducted by the organization's leadership. However, outside counsel is strongly recommended.
- b. The creation of the communication plan involves the finalization of the construction plans. The archdiocesan Office of Management Services should be consulted to make sure that proper construction or renovation guidelines are being observed.

6. Request written campaign authorization from the Chancery.

- a. Final campaign approval requires the following documentation:
 - i. Campaign case for support and goals
 - ii. Executive summary of the feasibility study
 - iii. Project approval from the archdiocesan Office of Management Services.

The above policy is based on best fundraising practices and designed to help ensure an organization's success. However, we understand that each situation is unique and encourage you to contact the Executive Director of the Office of Stewardship and Development to seek exceptions to policy.