



What is a capital campaign?

Let's start with a quick definition:

Capital campaigns are intense fundraising efforts designed to raise a specific amount of money within a defined time period to build an organization's assets and capacity. They typically raise much more than an organization has ever raised in a single campaign.

You can use a capital campaign to renovate or build new facilities, fund special projects requiring capital investment, build capacity, and increase endowments. Campaigns invite donors to make special gifts over and above the recurring, annual operating gifts they make to an organization. Most nonprofits conduct a capital campaign every 10 to 15 years.

Capital Campaign FAQs

What do capital campaigns accomplish?

Successful capital campaigns move an organization to the next level of operation. They raise funds for specific investments that will increase the organization's capacity and ability to pursue its mission. These investments could include some or all of the following assets:

- New buildings or renovations
- New or upgraded equipment
- Start-up funds for new programs
- Funds for increased staffing
- Endowment funding

How much money do capital campaigns raise?

- A capital campaign's goal depends on its objectives — the key investments and changes that it will enable. This means many different things to different nonprofits depending on their current priorities and capacities.
- A small survey of nonprofits conducting campaigns by GivingMatters.com found a wide distribution of goals between \$25,000 or less to \$50 million or more. Most campaigns fell into the ranges of \$100,000 to \$999,999 and \$2 million to \$9.99 million. This diversity of goals highlights the flexibility of capital campaign fundraising for nonprofits of all sizes.
- Whether you're raising several thousand or many millions of dollars, it will almost certainly be more than your organization has ever raised before, and it will fund improvements that will take your nonprofit to the next level of growth.

What are capital campaigns not well suited for?

- Capital campaigns are not intended to raise unrestricted money to support long-term operations. And while we have included endowment in the list above, it should be included as a secondary item in a capital campaign. Endowment funds are better raised through planned giving than through capital campaigns. There are also several red flags that can indicate you're not yet ready for a capital campaign.

The Seven Phases of a Capital Campaign

Phase 1: Pre-Campaign Planning

During this phase of the capital campaign, you'll determine its objectives and settle on the preliminary dollar goal needed to reach those objectives.

Phase 2: Feasibility Study

During the feasibility study, you will test the plans you developed in phase one. Some organizations engage a consultant to interview their top donors to assess their willingness to support a campaign and then develop recommendations about the potential of the campaign.

At Capital Campaign Pro, [*we recommend a different process*](#). We prefer to guide the organization's leaders to conduct their own donor interviews, and then we help develop recommendations based on that process. This is a more cost-effective approach that further builds the relationship between the organization and its top donors.

Phase 3: Campaign Planning

After the feasibility study is complete and the board approves a capital campaign, you will assemble a campaign planning committee to review and finalize a complete plan. The campaign plan includes items like a campaign budget, timetable, policies, donor recognition plan, and a communications strategy.

Phase 4: Quiet Phase

During this phase of the campaign, you will solicit the largest gifts to the campaign, as well as gifts from board members and other key stakeholders. This phase of the campaign is conducted without publicity or fanfare. Organizations should raise at least 75% of the campaign goal during this phase of the campaign. Learn more about this critical phase with [*our tips for the campaign quiet phase*](#).

Phase 5: Kick-off

By this point, you will have solicited most if not all of the largest gifts and every one of your board members. The actual results of those solicitations will give you a realistic assessment of what your final campaign goal should be. You may adjust the goal from the initial number either up or down, but you'll now know precisely how much money you'll be able to raise. *That's* the goal you will announce at your campaign's public kick-off. The kick-off of your campaign is a celebration, an opportunity to recognize campaign leaders and donors, and a press event all rolled into one.

Phase 6: Public Phase

The public phase of your campaign is short, intense, and full of energy. This is the time when you spread your campaign message as widely as possible and invite everyone in your extended community to give. By the end of the public phase, you should reach or exceed your campaign goal.

Phase 7: Post-Campaign

While you may imagine that the campaign is over once you reach your fundraising goal, that's far from the case. You will have many loose ends to tie down, donors and volunteers to thank, reports to prepare, and pledges to bring in. The long-term success of your campaign depends on how well you complete this final follow-through!

What is Required for a Successful Capital Campaign?

A High Functioning Board

- A fully committed board that actively fundraises is critical to the success of your campaign. Do all of your board members currently make meaningful contributions?

If your board members aren't committed enough to make personally meaningful annual contributions to your organization, chances are good they won't be committed enough for a major campaign.

- In these cases, *improving board engagement* would be essential prior to committing to a campaign. Many nonprofits also choose to reorganize or expand their boards with more engaged members in preparation for major campaigns. Early in the campaign planning period is a good time to encourage uncommitted board members to step off the board, leaving room for new people.

Effective and Willing Leadership

- Can you identify influential leaders in your community who might be willing to serve in a leadership capacity for your campaign? The right people chairing your capital campaign can make your success just about inevitable. Start identifying and recruiting a strong leadership team very early in your campaign planning process.

Involved Leadership Level Donors

- If you can identify a donor who is likely to make a gift of 20% or more of your campaign goal and at least 20 other donors who have the ability and inclination to make a large gift, you are on track for a successful campaign.

A Well-Organized Development Office

- Your development office will have to be equipped to handle a capital campaign. You'll need experienced development staff and effective systems before you begin your campaign. Make sure that you budget adequately for the additional staff you will need for your campaign, as well.

A Clear Plan and Compelling Case

- Every capital campaign is based on a clear and specific set of campaign objectives that outline what you will raise the money for. Those objectives must then become the basis for a clear and compelling case for support that will convince donors to give.

A positive image in the community

- Your organization does not need to be extremely prominent, but you *do* need a strong positive reputation in the community you serve. Are you seen as a leader in your service area? Do people in your community have confidence in your work? Your campaign will build on the sense of trust you have created in your community.

Pre-Planning

STEPS:

1. Develop a working goal.
2. Draft an early case for support.
3. Create a gift range chart.
4. Develop a list of lead donors.
5. Engage prospective lead donors.
6. Educate and inform your board.
7. Hire a consultant or advisor.

Creating the Plan

STEPS:

8. Create a planning committee.
9. Plan and execute a feasibility study.
10. Adjust and revise your campaign plan.
11. Hire additional staff as needed.
12. Create supporting plans and documents.
13. Recruit your campaign chairs.
14. Prepare to solicit gifts.

Part 1: Pre-Planning — Laying the Foundation for Your Campaign

1. Develop a working goal that includes *all of the expenses/costs* related to your campaign.
2. Draft an early case for support.
3. Create a *gift range chart* that reflects the number of gifts you need at each giving level.
4. Develop a list of potential lead donors and supporters, including board members.
5. Engage prospective lead donors in visioning conversations to secure their buy-in.
6. Educate and inform your board members about their roles in the campaign, its plans, and the overall strategy.
7. Hire a *capital campaign consultant* or *campaign advisor*.

Part 2: Creating the Plan — Building the Framework for Your Campaign

1. Form a campaign planning committee (*learn more about campaign committees here*).
2. *Plan and conduct a feasibility study* to test your campaign's working plans and goal.
3. Adjust and revise your campaign plan based on the study's feedback.

4. Hire additional staff to assist with your campaign as needed.
5. [Create a budget](#), timeline, campaign policies, communication strategy, and a donor recognition plan.
6. Recruit your campaign chairs.
7. Prepare to have conversations with lead prospects and eventually solicit gifts.

Want a deep dive into all the steps listed above? Review our [complete guide to capital campaign planning](#).

Extra Capital Campaign Ideas to Boost Your Results

Once you've outlined the core plan and timeline for your campaign, think about incorporating extra ways to boost your revenue and donor engagement.

You'll have plenty of flexibility as your campaign progresses to build in new outreach strategies and public phase promotional tactics, but some ideas need upfront coordination. Consider these examples:

- **Special events.** Walkathons, auctions, large galas, and lavish groundbreakings will require extra planning. Sketch out your initial event strategy and timeline, then plan ahead to devote time to organizing your events several months ahead.
- **Matching challenges.** Challenges in which a sponsor or major donor will match donations received within a certain timeframe need to be agreed upon beforehand.
- **Sponsor arrangements.** Other sponsorship agreements, like event support and commercial co-ventures, will also need to be worked out in advance.
- **Additional giving initiatives.** Depending on the scope of the campaigns, some nonprofits choose to launch extra initiatives to [boost their planned giving programs or endowments](#). If there are other giving programs you'd like to promote, think through how you'll do it while keeping the main emphasis on the campaign itself.
- **Ambassador campaigns.** Recruiting high-profile donors to serve as ambassadors, host small gatherings, and help promote the campaign can be a winning strategy in both the quiet and public phases. You'll need an initial plan and recruiting timeline.