

Capital Campaign Approval Process Required for All Parishes, Schools and Agencies

May 2014

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 must seek formal approval before beginning a feasibility study and/or capital campaign whose goal will be 30 percent or more of the most recent three-year average of actual Sunday & Holy Day collections.

Every school and agency must seek formal approval before beginning a feasibility study and/or capital campaign whose goal will be 30 percent or more of the annual operating expenses.

The Office of Stewardship and Development will be happy to help guide you through this process. The policy below is based on best fundraising practices and is designed to help ensure your organization's success. However, we understand that each situation is unique and encourage you to contact the Director of the Office of Stewardship and Development on specific situations.

Contact Information for Project Assistance		
Chief Financial Officer Brian Burkert, bburkert@archindy.org	317-236-4000	800-382-9836, ext. 4000
Director of Management Services Eric Atkins, eatkins@archindy.org	317-236-1453	800-382-9836, ext. 1453
Director of Stewardship and Development Jolinda Moore, jmoore@archindy.org	317-236-1462	800-382-9836, ext. 1462

Capital Campaign Approval Process

Please complete the steps below to gain appropriate approvals.

Preliminary Assessment of Financial Readiness (Internal review completed by the requesting Parish, School or Agency)	
	Absence of operating debt
	Must be current on all parish financial filings with the Office of Accounting Services
	An operating surplus in each of the two preceding fiscal years (regular income less operating expenses) must exist
	Attainment of 75 percent or more of the archdiocesan annual appeal, United Catholic Appeal (for parishes only)

Preliminary Case for Support and Campaign Goal (Internal review completed by the requesting Parish, School or Agency)	
	A case for support must be developed for review. A case for support is a communication tool that presents the rationale, features and benefits of the campaign in a clear, concise and compelling fashion.
	The case must provide for ongoing financial support of the project and include one of the following: <ol style="list-style-type: none"> 1. At least three years of projected new funding to maintain and operate the new or renovated facility (including utilities, supplies, insurance, personnel costs, etc.). These funds will be held in an ADLF account restricted for facility operations. 2. 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 with the purpose and intent of covering proposed project operations (including utilities, supplies, insurance, personnel costs, etc.).
	The case must ensure ongoing support of the United Catholic Appeal (for parishes only) including: <ol style="list-style-type: none"> 1. A strategy to ensure ongoing support of the archdiocesan annual appeal during the duration of the capital campaign. 2. Guarantee one-year of support by building this into the case for support. The one-year guarantee is calculated as the most recent two-year average of a parish's United Catholic Appeal contributions.
	The case must be approved by a majority of the organization's finance council or committee.

	<p>A request to present the case for support is scheduled.</p> <p><i>To seek preliminary approval for the case, please contact the Director of Stewardship and Development to schedule your meeting. Meetings are typically scheduled within 4–6 weeks of your request.</i></p> <p><i>Next steps should not be taken until written permission is granted by the Moderator of the Curia or Vicar General.</i></p>
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Secure Preliminary Approval of the Case	
	<p>A case is presented by the parish, school or agency to seek preliminary approval for the case. The approval committee is compromised by the Moderator of the Curia or Vicar General, Chancellor, Chief Financial Officer and the Director of Stewardship and Development (and a representative of the Office of Catholic Education when any archdiocesan school is involved).</p>
	<p>The Director of Management Services is consulted to make sure that proper construction or renovation guidelines are being observed as outlined in the Archdiocesan Procedures for Building and Renovation Projects.</p>
	<p><i>After your case is submitted for preliminary approval, feedback will be provided by the Moderator of the Curia or Vicar General.</i></p> <p><i>Next steps should not be taken until written permission is granted.</i></p>

Feasibility Study	
	<p>Outside counsel must be retained to conduct a feasibility study if the proposed campaign’s financial goal exceeds the most recent year’s operating budget. For small proposed capital campaigns, a feasibility study may be conducted by the organization’s leadership upon review and approval by the Director of Stewardship and Development.</p> <p>The Office of Stewardship and Development maintains a list of recommended consultants for your consideration.</p>
	<p>After narrowing your search for feasibility consultants, your final contract must be sent to the Office of Stewardship and Development for review and approval. Please allow 2 weeks for the information to be reviewed and a response provided.</p>
	<p>Feasibility study is conducted and results are presented to the parish, school or agency by the consultant for review and consideration.</p>
	<p>The parish, school or agency will then solidify the capital campaign case and goals based upon the recommendations of the consultant and a communication plan will be created.</p>

	<p>A request to present findings of the feasibility study is scheduled.</p> <p><i>To schedule time to present the results of a feasibility study, please contact the Director of Stewardship and Development. Meetings are typically scheduled within 4–6 weeks of your request.</i></p> <p><i>Next steps should not be taken until written permission is granted by the Moderator of the Curia or Vicar General.</i></p>
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Request for Capital Campaign Approval	
	<p>The parish, agency or school will present findings and request approval to begin a capital campaign through the approval committee comprised of the Moderator of the Curia or Vicar General, Chancellor, Chief Financial Officer and the Director of Stewardship and Development (and a representative of the Office of Catholic Education when any archdiocesan school is involved).</p> <p>In preparation for the meeting, please submit the following documents for review and consideration:</p> <ol style="list-style-type: none"> 1. Campaign case for support and goals, including a priority ranking of how funding will be used if the entire campaign goal is not achieved 2. Executive summary of the feasibility study 3. Project approval from the archdiocesan Office of Management Services
<p><i>Next steps should not be taken until written permission is granted by the Moderator of the Curia or Vicar General.</i></p>	

Provide Annual Accountability Reports	
	<p>The parish, agency or school is responsible for providing project updates to the Director of Stewardship and Development on at least an annual basis.</p>