

Capital Fund Drives and Debt Reduction Programs

Some thoughts on what to look for and what to expect
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Capital Fund Drives and Debt Reduction Programs are worthwhile projects. It is my hope, however, that the focus would be on *spiritual growth*, not just gathering monies. The following information will be useful only if your *primary* intention is to help people grow spiritually.

1. Your congregation *can* raise significant amounts of money in addition to your annual budget. You will need to make a good case for this additional money. You will need to plan wisely. You will need to work hard.
2. Often congregations are able to raise two to three times their annual budget over a three-year period. Thus, if the annual budget is \$100,000, a congregation can raise \$300,000 over and above the budget during a three-year period. Some congregations are able to raise more, some less.
3. Most congregations will benefit greatly from having a good outside resource come in to do the fund raising program. Why is this so?
 - A. Because professional fund raisers know their business, they know what has to be done, and
 - B. They will make you work harder and smarter than your "in-house" leadership is able to.
4. Some congregations object to paying a fee to an outsider "when we are able to do it just as well ourselves." You *may* be able to do it just as well yourselves, but it is *more likely* that an "in-house" program will cost more in the long run.

Most congregations hire a good electrician when they have a major rewiring job to be done in the church building, most congregations hire an organ builder when they want a new instrument, and most congregations don't use volunteers to put new copper sheathing on the steeple spire ... they contract with somebody who has done it before. Consider what is really required to do a fund drive well. And consider whether your "in-house" best is going to be good enough.

5. What should you look for from a fund-raiser?
 - A. **Background** — Does this person have experience working in the church? Has he/she been a pastor, led a congregation, worked in the church? Does this person understand your theology and the culture of your church? (It is not necessary for this person to be from your denomination, but it is necessary that the fund raiser understand and respect your teachings and traditions. Good fund raisers often have a solid track record working in several denominations.)
 - B. **Availability** — Is this person able to come to your location easily? In other words, is he/she "from the area," local, in tune with the culture? The more local the person, the more likely you will have a longer/stronger commitment from that person.
 - C. **Fee** — How much will it cost? What is the payment schedule? Will there be financial incentive for your fund raiser to continue to work with you until the program is completed?

- D. **Activity** — What exactly will the fund raiser do? You should be able to see a detailed schedule. You should know how often the person will be with you and what they will do with you during those times. What are you getting for your money?
 - E. **Ability** — Can the person preach? Teach? Communicate? Encourage? Work in large groups and one-on-one? Organize workers? Be sensitive to varieties of people and their needs?
 - F. **References** — A fund raiser should provide references from previous campaigns. You should call and speak with those references. Ask pertinent questions and listen carefully to the answers.
 - G. **Initial Presentation** — Most fund raisers will give an initial presentation free of charge. You should listen to three to five such presentations.
 - H. **Feasibility Study** — Some fund raisers will do a pre-campaign feasibility study with no cost or obligation. This study might include the church's history of giving, local socio/economic factors, a meeting with the entire congregation, questionnaires, giving profiles, etc. The feasibility study should determine:
 - (1) The *willingness* of the congregation to proceed, and
 - (2) The *potential* in the congregation for giving over and above the annual budget.

If, after such a study, your congregation believes it is ready to proceed, you have a moral obligation to go forward with the firm which has done your feasibility study. In other words, don't have someone give you a free feasibility study and then go and sign a contract with some other firm.
 - I. **Chemistry** — After all is said and done, you have to "feel good" about working with the fund raiser. If the chemistry isn't there, don't do it.
6. Whom do I recommend? At the end I have included a number of names. You can contact any of them and see what you think.
7. Finally, please don't leap into a major fund-raising campaign with nickel and dime plans. Fund raisers know that you don't raise \$100,000 selling pies for \$5 each. A significant percentage of that \$100,000 will come from a small group of people ... one or two people who give \$10,000 each, six more who give \$5,000, a dozen who give \$2,500, etc. Yes, there is a place for the \$5 gift, and it is important to thank the ones who give it; but 40 to 65 percent of the total will come from ten percent of your donors.

Possible Fund-Raising Consultants

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