



Are We Ready for a Capital Campaign?

As you begin consideration of a capital campaign the most important question is NOT what, or how much will it cost. The single most important question is the question WHY? First let's offer some reasons NOT to do a capital campaign:

1. The Field of Dreams rationale for a capital campaign answers the why question with the statement, *Build it and they will come*. If you are building to attract new members to a stagnant or dying church than you need to go back to the drawing board or preferably the prayer room. People may come and see a new building out of curiosity but they stay because of ministry.
2. Don't do a capital campaign simply because the Methodist or Baptists just built something new and you don't want to be left behind. This is really just another variation of number 1.

Here is an excerpt from a blog written by Kristine Miller, Vice President of Horizons Stewardship that helps answer the question why:

Currently many sessions are contemplating whether or not the time is right to launch a capital campaign. Having delayed campaigns due to the downturn of the economy, changes in leadership or timing as it relates to the annual campaign, church leaders are beginning to ask themselves, "Is now the time?" Knowing when and how to launch a capital campaign is vital to its success. However, the "right time" has much less to do with the aforementioned issues than you might think. For most churches, the decision on timing depends first and foremost on clarity of vision.

When meeting with potential capital campaign clients, one of my first questions is "What ministry will be enabled (or enhanced) if you proceed with this campaign?" Many churches spend hours and hours drafting plans and communicating WHAT the project is, but fail to articulate WHY the project is important to their ministry objectives. In some cases, particularly debt reduction or building maintenance, articulating the WHY can be a challenge. In cases of debt, often the church has been limited in its ability to do more than the status quo because of the amount of resources devoted to debt service. For campaigns for building maintenance, for example, it may be challenging to state WHY it is important to raise substantial funds to refurbish stained glass windows or replace a failing HVAC system. In these cases, a project is necessary for the general upkeep of the church, but does not (at least on the surface) seem ministry-centered. It is important to be mindful of the "ministry of presence." Located at a busy intersection, or near a school, your church actually provides witness to the gospel by its very presence.

Community groups who use your facility are extended the kind of hospitality Jesus spoke of during his ministry on earth. Your building welcomes newcomers and those who seek God's grace. A case for tending to the upkeep of your building can be very compelling when viewed from this perspective. Before launching your campaign, be sure you can clearly state: WHY is the project important to your ministry? WHO will be impacted by your faithful response?

Do We Need Professional Counsel?

Here are some guidelines for whether or not you need professional counsel for your capital campaign:

1. If the cost of the project exceeds 100% of your annual budget, then you would benefit from professional counsel.

Example: Church budget is 400,000 dollars and the project is 401,000 dollars or higher, professional counsel would be beneficial.

2. If the amount of your debt payments is higher than 15% of your annual budget, then you would benefit from a debt retirement campaign.

Example: Church budget is 400,000 dollars and your principal and interest payments are 60,000 dollars a year, professional counsel would be beneficial. (400,000 x .15)

Why Use Professional Counsel?

Churches will often spend thousands of dollars on plans and studies but balk at hiring professional counsel to help make those drawings a reality. Here are reasons why professional counsel is worth the cost. (Adapted from Dr. Clif Christopher's workshop *Not Your Parents' Offering Plate*. Dr. Christopher is a best-selling author and President of Horizons Stewardship Co.)

1. From a strictly financial standpoint most churches will raise more money with professional counsel. Indicators are that professional led campaigns raise on average 2 x more than self led campaigns.
2. Many pastors and staff are already overworked. Professional counsel allows your pastor and staff to do what they do best, their jobs. Let your pastor be the pastor.
3. Professional counsel has the expertise to deal with the "surprises" that almost always occur in any campaign. Campaigns never run "according to the book." You deserve someone who does this full time.

4. A self led unsuccessful campaign can easily divide a congregation and insure that no capital campaign will be attempted in the near future. Having outside counsel can insure the congregation stays unified.

5. A well run faith based campaign will improve over all stewardship because you are learning foundational principles of stewardship and not fund raising tactics. Doing otherwise can lead to persons “robbing Peter to pay Paul”.

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