



ARCHDIOCESE
OF INDIANAPOLIS
The Church in Central and Southern Indiana

Memo

Date: November 9, 2022
To: Pastors, Presidents, and Executive Directors
From: Capital Projects Committee
Subject: Process for Approving the Request for a Feasibility Study and Capital Campaign

Dear Pastors, Presidents, and Agency Directors:

The most important component of a capital campaign is ensuring that the organization is ready to engage in conversations around how the project will support the mission and be used to meet the vision and strategic goals. A feasibility study, if done correctly, will establish stronger donor relationships, build relationships with key leaders, and allow for authentic and insightful conversations.

The goal of the self-assessment is first to allow your entity to come to an understanding of what you are trying to accomplish and why. It will also allow you to begin to think through the nuances of building a budget for a potential capital campaign. Secondly, the assessment will assist any feasibility study consultant in understanding the project you are looking to undertake.

When the phrase “capital campaign” is used throughout this document, it means a collective fundraising effort that could be used for an array of projects such as deferred maintenance, new ministry, endowment, or new spaces. Any project that tracks into one or more of the following categories should seek and receive the approval of the Capital Projects Committee before proceeding:

1. Parish whose campaign goal will be 30% or more of the most recent three-year average of actual Sunday and Holy Day Collections,
2. School or agency whose campaign goal will be 30% or more of the annual operating expenses,
3. The initiative involves pursuing pledges over a multi-year period,
4. New Construction, and/or renovation work that changes the use of the current space(s), especially worship spaces, and requires State of Indiana approval; Consult with Director of Capital Projects for compliance with the current Indiana Building Code.

Members of the Capital Projects Committee include the following members, and we are inviting a pastor(s) to serve on the committee:

1. Chris Walsh, Chancellor
2. Brian Burkert, CFO

3. Brian Disney, Superintendent of Catholic Schools
4. Eric Atkins, Director of Capital Projects
5. Jolinda Moore, Executive Director of Stewardship and Development

All parishes, schools and agencies of the Archdiocese of Indianapolis are required to receive written approval from the Capital Projects Committee before any funds are raised or project rolled out to a large number of constituents. An updated process, which we feel will streamline approval times, for a feasibility study and capital campaign follows on the next page.

In addition to the approval process for capital campaigns, please be mindful of the *Archdiocesan Procedures for Building and Renovation Projects* and *Procedures for Approval of Major Building/Renovation of Churches*, both available on the Finance and Administrative Services website at <https://www.archindy.org/finance/building.html>. When conducting a capital campaign or any fundraising events, the Gift Acceptance Policy of the Archdiocese must be followed.

Steps in Seeking Approval for Capital Campaign Feasibility Study

1. The first step of approval is completion of the *Self-Assessment of Feasibility Study Readiness*.
2. The assessment, completed in its entirety, should be emailed to Jolinda Moore, at jmoore@archindy.org.
3. The file will then be shared with the entire Capital Projects Committee who will review the document to pose additional questions as needed. Questions could come in the form of email or follow up phone call.
4. Upon review of the documents, a 20-minute meeting (most likely remote via TEAMS) will be scheduled for further discussion on the project.
5. Following the meeting, a letter will be mailed and emailed from the Chancellor providing approval to proceed or documenting next steps required in seeking approval.
6. Should approval be granted, a meeting will be scheduled with the Office of Stewardship and Development to discuss the process of selecting a feasibility consultant.

Self-Assessment of Feasibility Study Readiness

Entity Name:

Pastor/President/ Executive Director:

Address:

Current Giving Review:

Please answer the questions below.

	Dollars	Comment
Total Sunday Collections this Fiscal Year <i>For Schools/Agencies: Total Fundraising Income this Fiscal Year</i>	\$	
Total Sunday Collections last Fiscal Year <i>For Schools/Agencies: Total Fundraising Income last Fiscal Year</i>	\$	

	Yes/No/Unsure	Comment
Does your entity know the names and giving history of the top 10% of your donors?		
Does your entity communicate regularly with the top 10% of the donors?		
Does your entity currently promote planned giving?		
Does your entity conduct a parish stewardship renewal or annual giving appeal?		

General Operations:

Please answer the questions below.

	Yes/No/Unsure	Comment
Is there an absence of operating debt? <i>Please note, if operating debt exists, a conversation with the Chief Financial Officer, Brian Burkert, should occur before proceeding with this application.</i>		

Is the parish current on all financial filings and any compliance related items with the Secretariat of Finance and Administration, Human Resources, or General Counsel?		
Has there been an operating surplus in each of the two preceding fiscal years (regular income less operating expenses)?		
Is there a cash reserve of 90- to 120-days operating expenses?		
Parishes only: Do you actively promote the United Catholic Appeal and strive to meet the assigned parish goal?		

Facilities Assessment:

Please answer the questions below.

	Yes/No/Unsure	Comment
Has a Master Plan been created in the last 10 years by a professional consultant?		Year completed: If less than 10 years old, please attach a copy of master plan to your assessment.
Has your entity conducted a detailed facility assessment by a professional consultant in the last 5 years? Key elements outlined as needing immediate attention:		Year completed: Please attach a copy of facility assessment to your assessment.
Are there immediate facilities needs that must be addressed?		Attach copy of the immediate facility needs.
Are there any needs that are considered liability issues that must be addressed immediately?		Attach copy of liability issues that require immediate attention.

Consultative Groups:

Please answer the following questions in the space below or in a separate document.

- Which groups have you consulted on the plan to proceed with a feasibility study?
- Which groups have you consulted on the case statement presented below?
- What feedback did these groups offer on the case statement presented below?
- What percentage of individuals consulted were in favor of you moving forward with the case statement presented below?

Case Statement:

Please insert your case statement in this section or attach as a separate document.

Please provide the case statement for this project. What are you looking to do? Why do you feel this is important? Which areas of your work will be impacted once the project is complete?

A case statement should:

- Provide a clear and compelling idea
- Define the problem
- Show how you solve the problem
- Outline your intended results

Project Costs:

To share a vision and have tools for cost estimates, it will be important that one of the following be submitted with the Project Construction Worksheet:

1. *Master Plan*
2. *Facilities Condition Assessment*
3. *Conceptual Design/External Rendering*

Also complete the Project Construction Cost Worksheet to capture project costs. This is a separate Excel document that should be downloaded and completed. It is available at <https://www.archindy.org/finance/building.html>.

What budget is anticipated to complete this project? Key areas of consideration include:

- Project costs:
 - Construction/renovation costs
 - Soft costs including:
 - Design fees
 - Surveys

- Asbestos Abatement
- Furnishings/equipment
- Unforeseen conditions
- At least 10% contingency per year for increased building costs
- At least 8% uncollectible rate for pledges
- All new construction should include at least a 10% endowment investment line-item to create a new operations endowment fund or add to an existing endowment fund.
- Guarantee of one year of the parish's most recent United Catholic Appeal goal (parish only)

The last several years have proven that project costs and contingency plans are extremely important. While the numbers might seem high, the costs end up being real. As Church, we are in a unique situation, if the monies are not raised and spent wisely then funds are not available for the projects. We must be good stewards in our planning process.

Questions for the Capital Projects Committee

What questions do you have for the Capital Projects Committee? Please prepare a list so we can best serve you.

Submission of Files and Next Steps

The assessment, completed in its entirety, along with the supporting documents should be emailed to Jolinda Moore, at jmoore@archindy.org. Upon receipt and initial review of the documents, the file will be shared with the entire committee who will review the document to pose additional questions as needed. Questions could come in the form of email or a follow up phone call.

Upon review of the documents, a 20-minute meeting will be scheduled for further discussion on the project.

Once the meeting is complete, a letter will be mailed and emailed from the Chancellor providing approval to proceed or documenting next steps required in seeking approval. Please do not proceed with any work until the letter is received.

If Approved to Conduct a Capital Campaign Feasibility Study

Should approval be granted, a follow meeting will be scheduled with the Office of Stewardship and Development to discuss the process of selecting a feasibility consultant. Donor Relations Coordinator, Jeri Friel, can be contacted at jfriel@archindy.org or 317-236-1415 to schedule a meeting time.

Feasibility Study Results

After a capital campaign feasibility study is conducted, it is time to closely review the study results and prayerfully discern over next steps. Please reflect on the information through an internal assessment process.

Internal Assessment Following Receipt of a Feasibility Study:

1. The Feasibility Study results should be closely reviewed and discussed by parish key leaders, and changes to the case statement should be drafted.
 2. Next steps drafted by the feasibility study consulted should be reviewed, and parish leaders should consider their ability and desirability in completing the proposed steps.
 3. The tested case statement should be (re-)prioritized based on the feedback received from the feasibility consultant and key parish leaders.
 4. The *Project Construction Cost Worksheet* should be re-evaluated and updated based on feedback received.
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Gaining Approval for a Capital Campaign

Once the Internal Assessment Following Receipt of a Feasibility Study is completed, the following steps can be taken for approval of a Capital Campaign.

Steps for Approval of a Capital Campaign:

1. Three documents should be submitted to the Capital Projects Committee for consideration via jmoore@archindy.org:
 - a. Results of the Feasibility Study
 - b. Highlights of changes to the case including prioritization of the work
 - c. Revised cost estimates
2. The Capital Projects Committee will ideally meet in person with the pastor/president/executive director, and up to 3 other committee members to discuss the findings.
3. Once the review is complete, a letter will be mailed and emailed from the Chancellor providing approval to proceed or documenting next steps required in seeking approval.

4. Should approval be granted, a follow meeting will be scheduled with the Office of Stewardship and Development to discuss the process of selecting a capital consultant and readiness of the database and receipt of funds. Donor Relations Coordinator, Jeri Friel, can be contacted at jfriel@archindy.org or 317-236-1415 to schedule a meeting time.

Capital Campaign Annual Report

If a capital campaign is conducted, the entity will be required to conduct an annual detailed review of project costs, collects, pledges and cost adjustments. The finding of the annual review will be submitted to the Capital Projects Committee with a review meeting scheduled.

Additional Resources

The most recent version of this document and other materials can be found online at <https://www.archindy.org/finance/building.html>.