Preparing Staffing and Operations for Capital Campaigns of One Billion Dollars or More

Advancement Forum

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1) Executive Overview

Key Observations

In order to prepare for a capital campaign of one billion dollars or more, university leaders assess the organizational structure and staffing of all external relations offices to clarify advancement operations. At three of five profiled institutions, university leadership centralized disparate development, alumni relations, and communication staff into a single advancement division. Contacts explain that these reconfigurations facilitate consistent messaging with donors, volunteers, and leadership.

Most profiled institutions appoint a capital campaign director to orchestrate all campaign-related operations, but only *Institution C* established a standalone campaign office. Typically, a current assistant or associate vice president for development (in charge of either leadership of the major gift officer corps or advancement services and development operations units) or a vice president for development is responsible for campaign direction. This individual may formally add "campaign director" to his or her title and be assisted by one or two staff members. Establishment of a separate campaign office reportedly diffuses a sense of responsibility for achievement of campaign goals outside the rest of the staff. However, contacts also acknowledge that it can bring much-needed discipline and coordination to a decentralized advancement function. Campaign directors' chief responsibilities include:

- Campaign-related event planning, communications, and messaging;
- Goal tracking and reporting;
- High-capacity prospect management and special or strategic development research initiatives; and
- Volunteer recruitment, management, and engagement.

Chief financial officers and chief advancement officers develop a campaign budget whose one-time expenses are at first separated from the advancement budget, but whose permanent staffing costs are eventually migrated to unit budgets. The bifurcated budgeting structure helps to clarify which expenses are one-time costs versus ongoing unit costs. At profiled institutions, the capital campaign budget includes central campaign costs (e.g., print communications, branding), volunteer expenses (e.g., volunteer training sessions, staff travel expenses), and campaign events (e.g., campaign launch event, regional event). **Institution B** and **Institution D** leveraged the creation of their campaign budget to address longstanding advancement underfunding and dramatically increase staffing across the division.

Advancement leaders grow the number of development officers by at least 30 percent but up to 50 percent; they also invest in staff across stewardship and donor relations; prospect research and development; advancement communications; and other functions. Advancement leaders utilize prospect research to determine the allocation of fundraisers to academic units or geographic regions with untapped donor capacity. Due to the competitive nature of development officer recruitment, contacts across institutions struggled to fill vacant roles well into the public launch of the campaign.

Most profiled capital campaigns of one billion dollars or more conclude after seven to ten years; they comprise a silent phase, a public phase, and a closing phase. Advancement leaders aim to raise at least 30 percent of the total campaign goal during the 18 to 36 month silent phase. All institutions mark the public launch of the campaign with an on-campus event and a series of regional launch events.

Organizational Alignment

Centralize Disparate Development and Alumni Relations Divisions or Clarify Advancement Staff Roles and Reporting Structures

Before launching a capital campaign of one billion dollars or more, contacts recommend that university leadership (i.e., president, chief financial officer, senior vice president for development) conduct a thorough examination of external relations offices. While campaign operations allow development offices to boost giving, they also offer opportunities for allied alumni relations and communications units to meet their own strategic goals (e.g., expand base of giving alumni by 10 percent, enhance donor engagement and affinity through publications).

Three profiled institutions capitalized on the momentum of planning for their $1 billion campaigns to centralize disparate development, alumni affairs, and communications staffs into a unified advancement division for the first time. Contacts stress that integrating development, alumni affairs, and communications operations ensures consistent messaging and communication with donors, volunteers, and institutional leadership (i.e., members of president cabinet, board of trustees), and clarifies unit roles.

Other institutions reconfigured their organizational structure ahead of the campaign in other ways:

- **Relocating communications teams**: In order to ensure consistent messaging to donors, contacts at **Institution E** relocated the separate communication teams that existed for development and alumni relations into a single advancement communications team**. To support the latest campaign, senior administrators at **Institution C** relocated communications staff to the office of development and alumni relations, and tripled the number of communication roles within the division.

- **Adding dual reporting lines to unit-located gift officers**: In order to increase campaign fundraising success, advancement administrators at **Institution A** adjusted reporting structures so that development officials in individual academic units report dually to their unit leader and to the central advancement office. Contacts explain that development officials' reporting to the central office facilitates coordination and maximizes the donor base without fatiguing donors with multiple separate asks.

- **Centralizing research and processing services**: Contacts recommend that development officials in the central advancement office provide services such as gift planning, research, and gift processing and acceptance. The central advancement office coordinates outreach to donors and maintains consistent branding across development and fundraising materials.

Conduct an Internal or External Readiness Assessment Prior to Beginning a Campaign

Whenever possible, advancement leadership at contact institutions employ external consultants to conduct a campaign readiness assessment; assessment results provide leadership with important information on donor capacity and institutional preparedness and benchmark against other institutions. Advancement staff at **Institution A** are currently conducting an internal readiness assessment. Contacts at **Institution B** note that due to limited resources and the brief gap between campaigns, the university will not conduct a readiness assessment before launching a campaign of over 3 billion dollars.

Directing Campaign Operations

Assign Responsibility of Campaign Coordination to Single Individual

The long timeline, intensive level of donor engagement, and high integration of decentralized staff and unit activities that characterize $1 billion campaigns necessitates assignment of a single individual to assume responsibility for orchestrating campaign operations. Most profiled institutions task a current assistant or associate vice president for development or a vice president for development to direct the campaign; this individual adds "campaign director" to his or her title. In addition to a campaign director, some institutions hired or appointed one to two assistant campaign directors.

Responsibilities of Capital Campaign Director

Capital Campaign Director

Manage volunteer engagement, campaign event planning, and prospect research

- Coordinate all communication with campaign volunteers; recruit volunteers
- Assist volunteers to plan campaign-related events
- Plan campaign-related events (e.g., launch festivities, regional luncheons with donors)

Facilitate campaign goal tracking and reporting

- Provide oversight for special, strategic, or high-capacity donor prospect research initiatives
- Conduct capital campaign goal tracking
- Produce monthly reports detailing donations (including amount and designated program)

Coordinate campaign-related communication and messaging

- Collaborate with communication staff to produce all campaign-related communication
- Oversee all campaign-related messaging across university divisions and for senior leadership

Commonly Assigned Capital Campaign Responsibilities
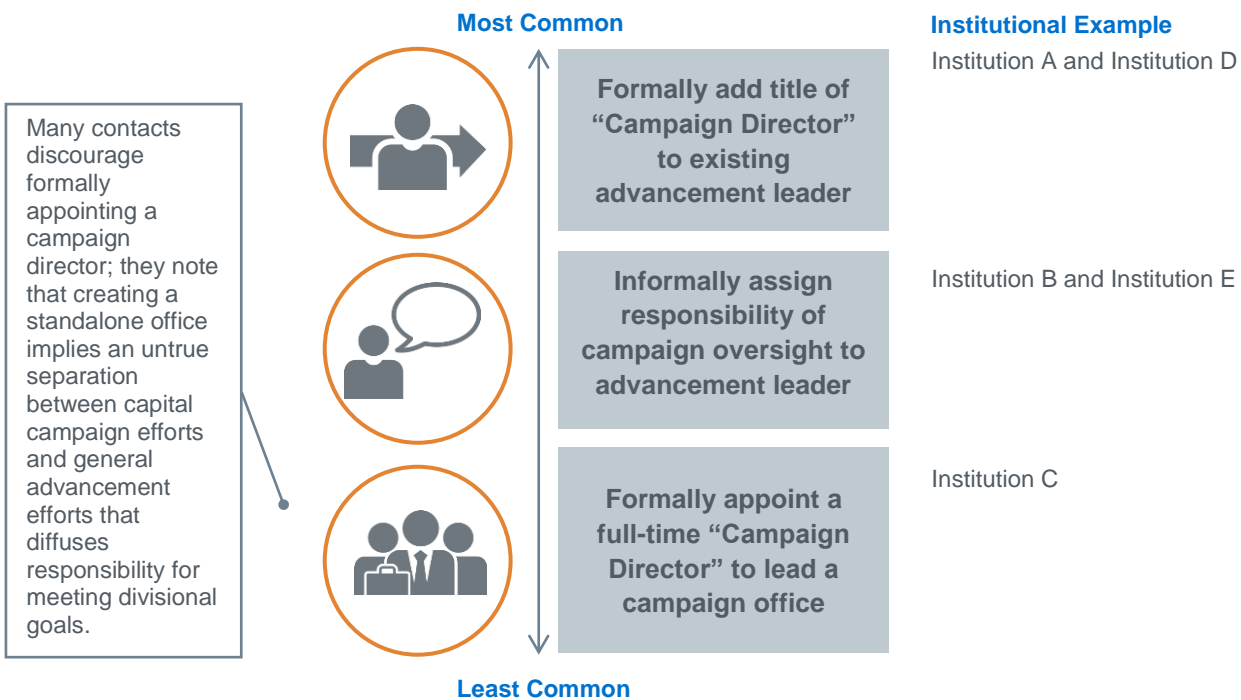
Many contacts discourage formally appointing a campaign director; they note that creating a standalone office implies an untrue separation between capital campaign efforts and general advancement efforts that diffuses responsibility for meeting divisional goals.

Most Common

Institutional Example

Formally add title of "Campaign Director" to existing advancement leader

Institution A and Institution D

Informally assign responsibility of campaign oversight to advancement leader

Institution B and Institution E

Formally appoint a full-time "Campaign Director" to lead a campaign office

Institution C

Least Common

Consider Creating a Standalone Campaign Office

At **Institution C**, the capital campaign director for the current campaign oversees a small capital campaign office, housed within university development. The capital campaign office employs four full-time staff:

- Campaign director
- Analyst
- Coordinator of Volunteer Engagement
- Administrative Assistant

Contacts at Institution C and at **Institution A**¸ where advancement leadership plan to create a standalone capital campaign office to support the institution's next campaign of over one billion dollars**,** explain that creating a standalone capital campaign office facilitates campaign planning, coordination, and communication.

3) Staffing and Budgetary Resources

Campaign Costs and Expenses

Develop Separate and Standalone Campaign Budget

Chief advancement officers (i.e. senior vice president for advancement, vice president for development) develop capital campaign budgets in collaboration with the chief financial officer and other senior stakeholders. Institutions develop bifurcated "campaign" and "advancement organization" budgets to clarify what are one-time costs versus permanent ongoing costs, and to simplify administrative processes within the advancement unit (i.e., campaign budget is classified as its own account from which the director can draw funds).

High-Cost Elements of a Campaign Budget

Capital Campaign Budget

Central Campaign Costs

- Stationary and mail
- Print communications
- Branding (e.g., campaign video)
- Campaign readiness assessment consultant

Volunteer Expenses

- Staff travel expenses (e.g., officers travel to meet with donors, volunteers, etc.)
- General volunteer expenses (e.g., volunteer training sessions)

Campaign Events

- Campaign launch events and activities
- Regional events
- Other campaign-related events on campus and across the country

Benefits and Drawbacks of Procuring Capital Campaign Budget from Central Institutional Budget

Benefits

✓ Ensures all donor dollars contribute to university programs and benefit students; this facilitates marketing efforts
✓ Situates advancement as an institutional priority
✓ Increases budget predictability
✓ Sustains advancement operations following the campaign

Drawbacks

✗ Places pressure on senior administrators to accommodate advancement over competing needs (e.g., providing funding for research, student activities)
✗ Discourages advancement office staff from seeking alternative funding sources

Planning for Staff Investments

Demonstrate Need for Supplementary Resources to Fund Staff Additions

Senior advancement administrators at contact institutions advocate for supplementary resources to fund staffing additions during meetings with the university chief financial officer. Across profiled institutions, senior advancement administrators emphasize that institutions must make a commitment to investment in order to successfully complete such an ambitious campaign. In particular, contacts rely on the analysis of prospect researchers to demonstrate the extent to which understaffing will leave potential major gift prospects unassigned to or unsolicited by development officers. In contrast, to demonstrate how many development officers they will need to reach their goal, some institutions calculated the amount of revenue they would estimate that each new development officer would bring.

Prioritize Both Frontline Fundraisers and Sufficient Advancement Services Staff to Support Them

Unlike other profiled institutions, **Institution A** did not make any additions to frontline staff during "latest campaign. Contacts explain that the majority of campaign giving came from friends and foundations rather than alumni due to the relatively young age of their alumni base.

All contact institutions except **Institution A** supplemented frontline fundraising staff to support the success of recent campaigns. However, contacts stress the campaign also requires greater numbers of advancement services specialists to facilitate and streamline their work and address other campaign needs (e.g., stewardship officers, communications writers, prospect researchers).

"It is critical to have enough prospect researchers to be able to accurately estimate donor prospects, capacity, income, wealth, and fitting ask amounts. The prospect team guides and facilitates the work of gift officers – they provide them with the tools necessary to be successful."

-Forum Interview

Leadership at **Institution C** explain that prior to the launch of the latest campaign, university advancement increased the number of prospect development researchers; the capital campaign director sought to double the number of prospects and created a "Discovery Team" to track donors with a $25,000 to $100,000 gift capacity. Of the approximately 50 positions that **Institution C** added, about 20 were not major gift officer or development officer roles. The advancement office at **Institution D** increased the number of staff in *all* areas by 50 percent; **Institution B** also added at least one staff member to every function or unit within advancement.

Supplement Development Officers by at Least 30 Percent with Strategic Focus on High-Capacity Donor Bases

Almost all profiled institutions increased the number of frontline gift officers hired to represent academic units or to target specific geographic regions by 30 to 50 percent; the average number is 30 percent. Advancement leadership determines the geographic and academic school or college allocation of major gift officer assignments based on prospect research of which offer the most untapped donor capacity (e.g., size of alumni base, typical engagement of donor base, relative wealth).

Contacts across profiled institutions note that due to the difficulty of recruiting qualified candidates, advancement units continue to add development officers after the public launch of a campaign. Advancement leaders at one institution noted they were not fully staffed until halfway through the campain; contacts at other institutions add that they contended with vacant development officer roles well into the public phase of the campaign. This creates a challenging climate for newly-hired development officers, who often do not have sufficient time to build relationships with donors before solicitation to contribute.

Contacts at **Institution E** stress that frontline gift officers hired to support the campaign are typically external; senior administrators seek individuals with expertise in geographic areas (e.g., Silicon Valley, New York City) and academic unit fundraising (e.g., engineering) who can work fulltime. However, **Institution C** recruited five of its new major gift officers from within the university; they had been working in admissions and/or corporate relations for the business school.

Campaigns Offer Opportunity to Address Long-term Advancement Unit Underfunding

Contacts at **Institution B** and **Institution D** characterize their first $1 billion campaigns as coinciding with the renaissance and professionalization of their entire advancement division, including recruitment of new transformational leadership, major increases in staffing levels across almost all functions, upgrades to antiquated software systems, etc. Administrators at Institution D in particular were responding to benchmarking study that showed that their division was underfunded by 60 percent relative to peer institutions.

In contrast, mature advancement divisions require less additional staffing for each campaign. As Institution B approaches its next campaign (with a $3 billion goal), contacts expect to still hire several new major gift officers, but fewer proportionately than they did with their past campaign.

**Staffing Additions Across Advancement Division**

Institution B

Advancement Division	Number of new front-line fundraiser positions added	Number of new administrative support positions added
Annual Fund	4	1
Annual Leadership Giving	7	0
Principal Gifts	1	1
Major Gifts	7	3
Class Campaign Officers	2	0
Corporate and Foundations	2	0
Total	23	5

Institution E

School or Region	Number of Previous Fundraisers	Number of Fundraisers Added	Total Fundraisers
Academic schools	8	7	15
Public Policy Institute	1	0	1
Athletics	1	0	1
Statewide Development Officer Team	4	1	5
Northeast and West Coast Development Officer Team	1	1	2
Total	15	9	24

Institution D
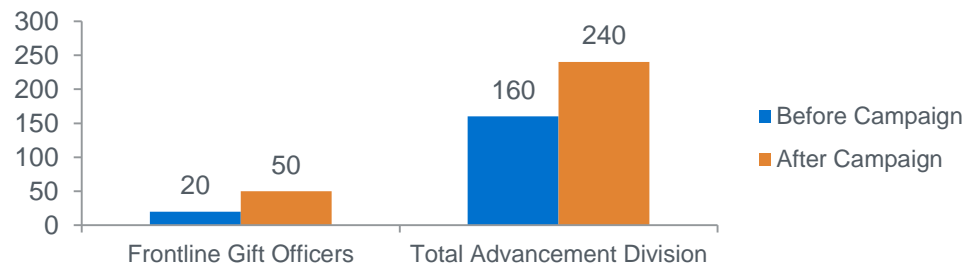
"At the end of the day, the money that you're spending [on salaries for added campaign staff] comes back to you. Campaigns won't succeed unless we can obtain and retain talent."

- Forum Interview

Transition Campaign Support Staff Salary Expenses to Advancement Unit Staffing Budget

Senior advancement administrators seek to make permanent staff additions to sustain fundraising momentum after the conclusion of a one billion dollar campaign. At all but one profiled institution, campaign support staff salary expenses are initially drawn from the capital campaign budget but eventually transitioned to the advancement unit staffing budget (the topic is still in discussion at **Institution C)**.

Rationale for Maintenance of Added Campaign Staff Positions After Campaign Conclusion

Capital campaigns represent a permanent increase in institutional fundraising efforts.	Development offices must retain added staff in order to maintain the higher levels of fundraising initiated through the campaign.
Additional development staff attract new funding sources.	New funding sources increase the institution's operating budget and make it easier to fund salaries for those added positions.
Releasing added fundraisers may sever key relationships with donors.	Contacts note that campaign fundraisers often establish relationships with new donors. By releasing those staff after the campaign concludes, administrators risk losing valuable donor relationships that may continue to generate funding.

3) Structuring the Campaign Timeline

Planning Phase

Incorporate Institutional Goals into Campaign Platform

Planning for a capital campaign of more than one billion dollars requires a highly deliberative process involving top institutional and academic leadership, members of the board of trustees, and key university donors. Contacts note that establishing clear campaign goals (e.g., dollar goal, themes) during initial campaign planning simplifies communication and outreach efforts, and ensures that the campaign goals mirror and support strategic institutional goals.

Capital Campaign Planning Members
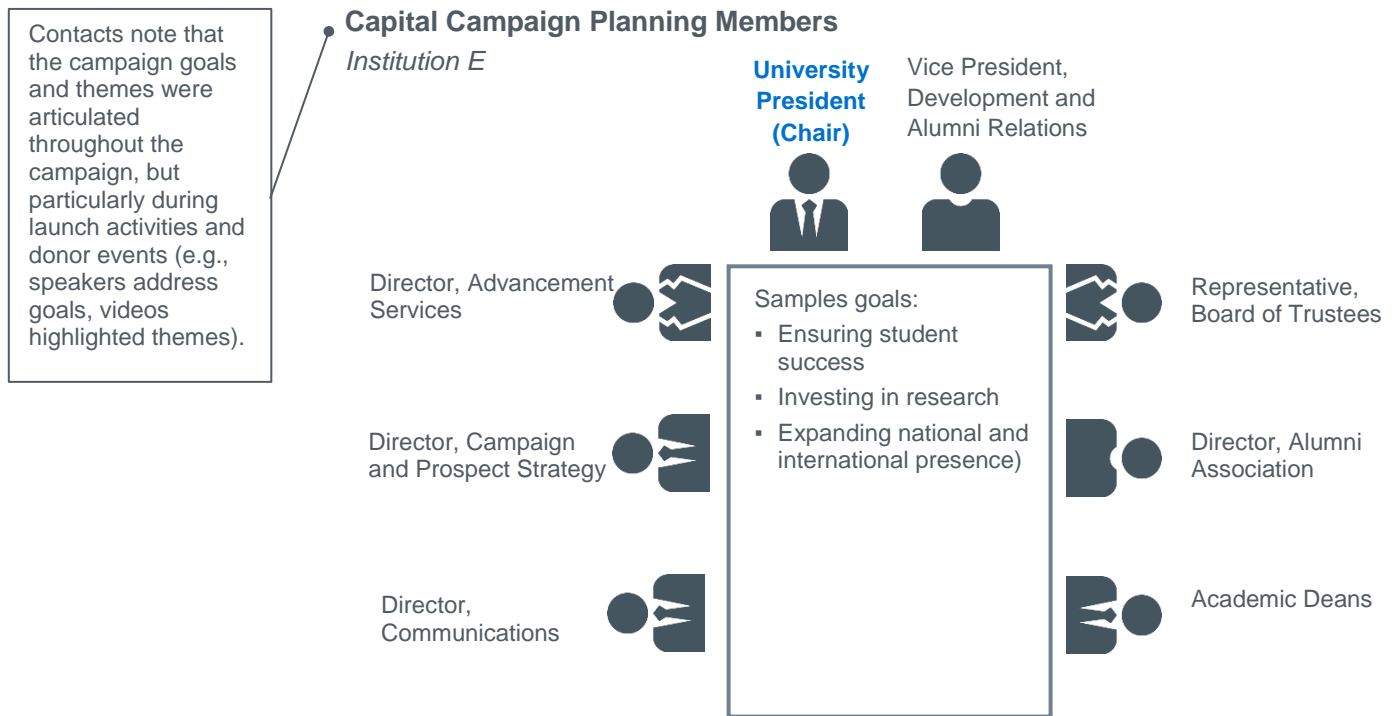
Institution E

Contacts note that the campaign goals and themes were articulated throughout the campaign, but particularly during launch activities and donor events (e.g., speakers address goals, videos highlighted themes).

University President (Chair)

Vice President, Development and Alumni Relations

Director, Advancement Services

Samples goals:
- Ensuring student success
- Investing in research
- Expanding national and international presence)

Representative, Board of Trustees

Director, Campaign and Prospect Strategy

Director, Alumni Association

Director, Communications

Academic Deans

Begin to Project Campaign Costs and Timeline

In addition to determining capital campaign goals and themes, senior advancement administrators utilize the campaign planning phase to determine approximate campaign timeframes (e.g., length of campaign, possibility of extensions) and to project the total cost of campaign operations. During this process, senior advancement administrators consult with leadership in financial affairs and alumni engagement to determine an appropriate campaign length and an approximate budget. Contacts note that they also rely on prospect research to inform campaign length and exact dollar goal. Campaign feasibility studies are conducted during the planning phase of a capital campaign.

Silent Phase

Solicit Leadership Donors for Eighteen Months to Three Years to Raise 30 to 40 Percent of Total Goal

Advancement leaders aim to raise at least 30 percent of the total campaign goal during the "silent," "nucleus," or "leadership" phase; contacts note that they rely on this phase to determine whether or not a campaign will be publicly launched and to secure gift leads.

Senior advancement administrators at **Institution E** raised 50 percent of the total goal for the latest campaign during a three year silent phase; contacts at **Institution A** and

Institution B note that for the next capital campaign, advancement leaders will aim to raise 40 percent of the total dollar goal.

At all contact institutions, the silent phase of the last or current one billion dollar campaign lasted approximately eighteen months to two years. Senior leadership changes (turnover of the university president or chief advancement officer) or economic events (e.g., financial crisis of 2008) can lengthen both the silent phase and/or overall campaign.

Silent Phase Duration

Profiled Institutions

Contacts at **Institution C** explain that significant changes to advancement operations and a long silent phase have characterized the current campaign.

Institution	Months
Institution a	18
Institution B	24
Institution D	36
Institution E	36
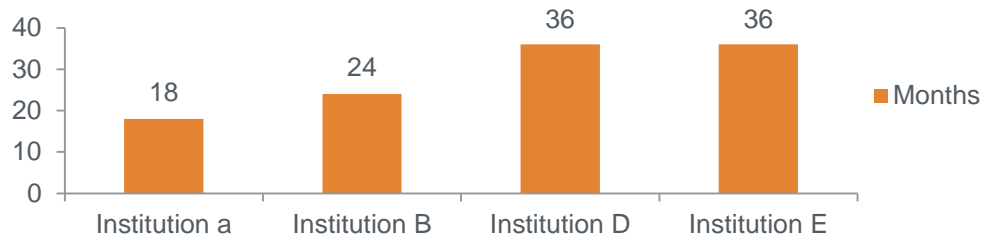
Mark Public Launch with On-Campus Event

At all profiled institutions, an on-campus gala event hosted by the university president marked the public launch of the campaign, but other events followed:

- At **Institution D,** approximately 700 members of the board of trustees, distinguished guests and high-end donors attended a $1.1 million gala event that featured performances that corresponded to various campaign goals. Contacts note that in addition to the gala event, the university marked the launch of the campaign with events for the alumni association, faculty and staff, and students. The campaign launch event cost approximately 5 percent of the total campaign budget.

- At **Institution E,** capital campaign launch activities spanned an entire weekend and coincided with a weekend when alumni were invited back to campus (e.g. donor weekend, homecoming). The events cost approximately $500,000. Event speakers discussed the campaign themes, which were also incorporated into promotional videos.

- Advancement staff at **Institution C** organized two sessions the Saturday following the gala, during which students and visitors to campus (e.g., members of the board of trustees, alumni) could engage in intimate intellectual conversation with faculty members across a variety of disciplines. Contacts explain that the sessions aimed to demonstrate the campaign goal of lifelong commitment to education.

Contacts complain that the cost of events and catering has inflated in recent years; contacts at **Institution B** estimate that their 2005 campaign launch would today cost approximately $300,000.

While blow-out galas generate excitement and momentum, contacts also express some concern over the optics of an overly lavish and glamorous event; they ensure that all camping launch events are not financed using public or tuition dollars. In retrospect, contacts at two institutions believe they overspent on their opening event. Contacts at **Institution B** express that for the next capital campaign launch, advancement staff will invest in smaller programmatic events on campus; they note that a more "soft" launch is more desirable given the high cost of a large-scale gala and the higher level of donor engagement possible in smaller events.

Conduct a Series of Regional Campaign Launches

Contacts also emphasize the importance of marking the public with a series of regional "mini launches" for top donors across the country that replicate campaign launch activities held on campus. During regional launches, advancement staff work with campaign volunteers to host both formal regional events (e.g., smaller galas or receptions) and intimate salon-style gatherings that allow for substantive conversations between leadership and donors. Contacts at **Institution A** and **Institution B** note that regional launch events are crucial to engaging young alumni. To mark the launch of the latest campaign, advancement staff at **Institution C** will host a total 15 regional launches; six are planned for the next 24 months.

Build on Outcomes of Campaign to Increase Volunteer Base

Senior advancement administrators build on the outcomes of the capital campaign to enhance the volunteer base. Contacts note that such large scale campaigns are an important long-term opportunity to create an active and engaged volunteer group, and to begin to outreach to young volunteers. Additionally, a strong volunteer base ensures that advancement units have a regional presence and are able to connect with alumni and donors all over the country.

Campaigns Last Seven to Ten Years

Capital campaigns of over one billion dollars typically last seven to ten years; contacts at profiled institutions note that the fourth and fifth year of a campaign are the most challenging for advancement units given that launch momentum has been lost and the majority of fundraising still needs to occur. Contacts note that while a camping timeline is determined in the planning stages, leadership turnover and an increase in dollar goal can lengthen the time of a campaign.

Campaign Timeframe

Institution E

One Billion Dollar Campaign Timeline: Eight Years

Silent Phase: The silent phase of the campaign began in 2005.

Campaign Launch: The campaign launched in 2008.

Campaign Conclusion: The campaign closed in 2013.

All Profiled Institutions Include a Closing Phase to Re-Solicit Early Donors

Contacts at all profiled institutions note that as a campaign concludes, advancement officers typically "reach-back" to re-solicit early donors, collect additional funds, or ensure some early donations are appropriately counted. At most profiled institutions, funds collected during "reach-back" amounted to a very small percentage of the total funds raised, though one profiled institution raised 2 percent of their final campaign receipt total during this "closing" phase.

3) Research Methodology

Project Challenge

Leadership at a member institution approached the Forum with the following questions:

- How does advancement leadership reorganize staffing and structure to prepare for and support a one billion dollar capital campaign?

- What number and type of staff officers do advancement leaders add to support the capital campaign? What is the timeframe for advancement staff augmentation?

- To what extent did institutional leaderships grow the number of total gift-officers (e.g., full time employment, percent increase)? How were gift officers members allocated to different priorities or units?

- How does advancement leadership develop a campaign staffing budget? How does advancement leadership advocate for increased resources for a capital campaign and what sources (e.g., increased gift fees or endowment taxes, foundation budgets, new central appropriations) fund these new staff?

- What was the organizational, reporting, and staffing structure of the campaign office and how do contacts rationalize or explain these choices?

- What were the functions and responsibilities of the campaign office? How or to what extent did this change as the campaign progressed?

- How does the campaign office interact with staff in the rest of the advancement office? For which expenses is the campaign office responsible?

- How or to what extent did the themes and goals of the capital campaign help determine launch activities? What events or activities marked the launch of the campaign?

- What was the budget for the campaign launch? How was this determined?

- What were the distinct phases of the campaign (e.g., silent and leadership phase, public phase, closing)? How long did each last and how much money was raised during each?

Project Sources

The Forum consulted the following sources for this report:

- EAB's internal and online research libraries (http://eab.com)

- The Chronicle of Higher Education (http://chronicle.com)

- National Center for Education Statistics (NCES) (http://nces.ed.gov/)

- Institutional websites

Research Parameters

The Forum interviewed capital campaign directors or assistant directors at very selective, private universities that had recently completed a campaign of one billion dollars or more.

A Guide to Institutions Profiled in this Brief

Institution	Location	Type	Approximate Institutional Enrollment (Undergraduate/Total)	Classification
Institution A	Northeast	Private	3,600 / 5,800	Research universities (very high research activity)
Institution B	Northeast	Private	6,300 / 8,700	Research universities (very high research activity)
Institution C	South	Private	6,700 / 15,000	Research universities (very high research activity)
Institution D	South	Private	7,200 / 13,400	Research universities (very high research activity)
Institution E	South	Private	3,500 / 5,900	Research universities (very high research activity)