



**Episcopal Diocese of California  
Capital Campaign Policies**

## Introduction

This document serves as a guide for the leadership of the Diocese of California to implement the Expanding Horizons capital campaign. It is important that all members of the Diocese of California have a shared understanding of campaign policies and procedures. The Campaign Policies provide a framework for the way in which gifts to the campaign will be requested, recorded, recognized and attributed to the needs of the Diocese of California.

It will be the express desire of the Diocese of California to adhere to these policies in all cases. The Bishop of California and the Director of Development, shall approve any necessary deviations from the policy.

Members of the Policies & Practices Committee:

Davey Gerhard, *Director of Development*, DioCal  
Scott Richardson, *Rector*, St. Mary the Virgin, San Francisco  
Melanie Donohoe, *Rector*, Epiphany, San Carlos  
Brad Barber, *Vestry*, St. Stephen's, Orinda  
Maria Hjelm, *Board Member*, St. Dorothy's Rest  
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## 1. Voluntary Congregation Participation

- a) While every congregation will be encouraged to participate, participation in the campaign will be voluntary. Congregations can participate in the diocesan effort in an appropriate phase of campaign activity between Winter 2016 and Spring 2017. Congregations will conduct their activity within the diocesan timetable and its pilot and phase format. This format provides flexibility and should accommodate all parish and mission situations.
- b) Every congregation will be given the opportunity to participate in one of four fundraising plans:
  - 1) **A Collaborative Campaign:** Supported by the diocese, this campaign will offer a dual financial benefit. See Policy 3: **Formula for Sharing Funds Raised up to Congregation Goal for a Collaborative Campaign.**
  - 2) **In-Pew Collections:** A focused in-service educational effort, supported by a mailing and phone outreach and culminating in an in-pew pledge drive for the exclusive financial benefit of the diocese.
  - 3) **Congregation Pledges:** Congregations that will provide a sum of money to the diocesan campaign.
  - 4) **Congregation-run Campaigns and Tithes:** Congregations that run their own campaign but still include as part of their case objectives significant proceeds to benefit the diocesan comprehensive campaign. See Policy 7: **Coordination of Congregation-run Campaigns and Tithe Campaigns.**
- c) Every Episcopal household that is part of a participating congregation in the Diocese of California will be asked to support the campaign.
- d) Funds will be requested over and above current giving to ensure that the future ordinary income is not jeopardized. All funds raised in the campaign will be used only for the objectives and programs outlined in the Case for Support.

## 2. Adherence to the Campaign Plan

- a) Every congregation collaborative, in-pew, and pledge campaign is expected to adhere to the campaign plan, which involves a phase-by-phase approach to fundraising as well as proportionate and specific gift and pledge requests payable over five years.
- b) The role of the Priest and/or lay Chairperson in the campaign is crucial. He/She/They will be asked to provide spiritual guidance and leadership, conduct personal visits with projected large donors (major gift requests), and recruit leadership committees for each phase of the campaign. The Priest

and/or lay Chairperson should espouse a positive attitude regarding the campaign and strongly encourage member-to-member contact throughout the congregation.

- c) Congregations should make use of operative materials, which include personal letters to all congregants, pulpit announcements, and bulletin inserts from clergy or lay leaders, and appropriate recognition of all individuals or families who make gifts to the campaign.
- d) A memorandum of understanding (MOU) between the congregation and the Diocese of California will be drafted and signed by the Priest and Senior Warden and Bishop Marc Andrus. The MOU will provide a written agreement regarding fundraising activities, collaboration for solicitation of gifts, gift crediting, and share allocation. The Development Office will provide a draft of the MOU for each type of campaign.

### **3. Formula for Sharing Funds Raised up to Congregation Goal for a Collaborative Campaign**

- a) Each congregation implementing the collaborative campaign plan will receive a portion of the proceeds from its campaign for projects outlined in its approved Case for Support.
- b) The proceeds of each congregation campaign will be shared 70% to the congregation and 30% to the Diocese, as cash payments are received on pledges up to the congregation's established goal.
  - a. **Example:** If a congregation's goal is \$500,000, the congregation would receive \$350,000 (70%) for its purposes, and the Diocese of California would receive \$150,000 (30%) for its objectives, assuming all cash on pledged commitments is realized.
- c) Sharing of funds will be made on the basis of actual cash received throughout the pledge redemption period. See Policy 11: **Disbursement of Congregation Funds.**
- d) Congregations that are unable to reach their financial target will share in 70% of the funds contributed by their congregants. The Diocese of California will receive 30% of the funds raised in this scenario.
- e) All requests at a parish or mission should be comprehensive in nature.

### **4. Congregation Over-Goal Sharing for a Collaborative Campaign**

- a) Congregations that exceed their assigned target will receive a greater share of the funds raised over goal. All funds raised over 100% of a congregation's goal will be shared 95% to the congregation and 5% to the Diocese. The 5% portion over goal will help offset the Diocesan cost of pledge processing, tracking and donor communications.

**Example:** A congregation has a goal of \$600,000 and raises \$700,000. For the initial \$600,000 raised, the congregation would receive 70% of the funds, or \$420,000, and the Diocese would receive 30%, or \$180,000. The additional \$100,000 over goal would be shared 95% to the congregation, or \$95,000, and 5% to the Diocese, or \$5,000.

- b) Sharing of funds will be made on the basis of actual cash received throughout the pledge redemption period.

#### **5. Congregation Target Setting Formula for Collaborative Campaigns**

- a) Each congregation will assume a financial target. This target will be based on a *target formula* as a percentage of annual plate and pledge giving.

- b) To determine each congregation's goal, its three-year average plate and pledge for the fiscal years 2012- 2014 will be multiplied by a minimum of 225%.

**Example:** A congregation collected an average of \$200,000 in pledge and plate for the fiscal years 2012- 2014. This number is multiplied by 225% making the congregation target \$450,000 to be paid through gifts pledged over five (5) years.

- c) Congregation targets are rounded to the nearest \$5,000.

#### **6. Coordination of Bishop-Level Requests with Congregants**

- a) The Bishop, along with other volunteers, will visit with prospective donors to discuss supporting the campaign.
- b) The priest at the prospective donor's congregation will be consulted prior to the solicitation and kept informed of the visitation.
- c) The Bishop or volunteer will mention to a prospective donor if the prospective donor's congregation has intentions to proceed with a collaborative campaign, so the donor knows that the congregation will also be asking for a gift.
- d) If a congregation is involved with a collaborative campaign at the time of a visit, the donor can choose to support the Diocesan case exclusively or make a standard contribution through their congregation's campaign efforts. In such a case, the donor's gift will be allocated to support the campaign with the standard formula. The percentage share to the diocesan needs will not be below 30%. See Policy 3: **Formula for Sharing Funds Raised up to Congregation Goal for a Collaborative Campaign.**
- e) Gifts of \$100,000 and above secured by the priest or congregation volunteer will be subject to the standard sharing formula (30% to the Diocese and 70% to the congregation up to 105% of the congregation's campaign goal).

- f) The campaign encourages unrestricted gifts to fully fund the priorities described in the case statement. Only gifts of \$100,000 more can be restricted to the campaign. Bishop Andrus and the Director of Development must approve the receipt of restricted gifts.
- g) The donor ultimately determines gift allocation to the congregation and Diocese.

#### **7. Coordination of Congregation-run Campaigns and Tithe Campaigns**

- a) Any congregation that chooses to run a campaign of their own will be asked to tithe a fair share (10%) of the funds raised to the Diocese of California for the shared diocesan needs.
- b) The coordination of a Congregations-run Campaign and Tithe campaign pertains to extraordinary or major fundraising efforts. It does not include such activities as auctions, raffles, or regular appeals for operating needs. The coordinated approach also does not apply to recent capital campaigns on which pledges are being paid.
- c) These Congregation-run Campaigns and Tithe campaigns will extend through Spring 2019. Based on the preliminary campaign timetable, the Diocesan campaign will be completed by Spring 2019.
- d) Congregations that conduct a Congregation-run Campaign and Tithe campaign are encouraged to create brochures unique to their effort and will be responsible for printing, mailing, campaign counsel and other costs associated with the combined campaign.

#### **8. Congregation Pledges**

Congregations that do not conduct a campaign will be asked to contribute a five-year pledge at a percentage of the congregation's pledge and plate in support of the Diocesan needs. The Policies and Practices Committee will determine the suggested percentage.

#### **9. Gift Acknowledgment**

- a) In order for a pledge to be counted in the campaign, the donor (or his/her designee) must formally document all gifts and pledges made to the campaign on a pledge card or personally in writing.
- b) The Diocese will acknowledge all gifts and pledges and handle tax receipting. Congregations should also thank their donors.
- c) Once the donor's pledge form has been received by the Campaign Office, a thank-you letter from Bishop Marc Andrus will be mailed within two weeks and include the Diocese of California's tax identification number.

- d) The collection of pledges will be the responsibility of the Diocese. The congregation's Campaign Executive Committee (clergy and lay campaign leadership as identified by the congregation) will be asked to review reports on the pledge processing and pledge redemption throughout the life of the campaign.

#### **10. Pledge Collection, Reminders, and Remittances**

- a) After the initial solicitation and collection of pledge forms at the congregation level, pledge follow-up will be administered centrally by the Diocese. Donors will be given the option of making payments annually, semi-annually, or quarterly. Regular reports documenting the status of their donor accounts will be made available to congregations.
- b) Campaign pledges may be redeemed on a schedule established by the donor, preferably within a three-year, and no more than five-year, period from the date of the pledge.

#### **11. Disbursement of Congregation Funds**

Funds raised will be returned no later than four (4) months after the congregation's final Commitment Sunday, based on the sharing formula and the cash received at the time of disbursement. These months will allow for proper auditing and accounting of funds raised. After the initial disbursement, funds will be returned to the congregations on a quarterly basis as cash payments are received on pledges.

#### **12. Diocesan Institutions Supported by the Capital Campaign**

- a) A portion of the funds raised in the campaign will support three DioCal institutions: Episcopal Charities, The Bishop's Ranch and St. Dorothy's Rest. A memorandum of understanding will be drafted to provide a written agreement between the Diocese and these institutions regarding fundraising activities, collaboration for solicitation of gifts, and gift crediting.
- b) DioCal institutions will not be prohibited from conducting their own fundraising activities during the course of the Expanding Horizons campaign.
- c) DioCal institutions should coordinate the solicitation of major gifts (\$100,000+) with the Development Office.

#### **13. Allocation of Campaign Funds**

~~Funds raised by the Expanding Horizons campaign will be administered and allocated based on the proportions as stated in the case. Final authority, on the use or allocation of the funds raised, lies with the Bishop of California.~~

Note: Item 13 was struck from the policies by the Expanding Horizons Subcommittee of the Finance Committee in November 2020.