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Capital Planning Readiness Assessment Results Summary

Minot Family YMCA

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Merely contemplating a capital development project is a sign that your YMCA is seeking to effectively meet the current and future needs of your community. A capital planning process is both exciting and challenging. It combines the opportunity to provide more impactful services to more people with the knowledge that there will be a lot of hard work ahead. Yet all of that work will be worthwhile when your project is completed, and you see firsthand how it helps further the cause of strengthening community and positions your Y to provide more impactful services to your community.

Undertaking a capital planning process can provide a unique and invaluable opportunity to take a fresh look at all aspects of your Y. A strong capital planning process will enhance member and community understanding about your Y's cause, current vision, and plans for the future;

- attract additional community participation and involvement with your Y;
- help raise the interest and giving levels of your Y's annual contributors;
- attract new donors and volunteers, most of whom have the potential to support your Y and stay involved long after their capital commitments have been completed; and
- energize existing leadership and attract new leadership.

The Capital Planning Readiness Assessment is intended to help your Y determine its readiness to embark on a capital development project. Its primary purpose is to define, at a high level, areas that may need strengthening as your Y proceeds with the capital planning process. Experience has shown that there are six stages of pre-campaign preparation that, if done correctly, will ensure a successful campaign. Assessing readiness in these stages will begin to inform the staff and volunteer leadership which strengthening strategies are necessary as you proceed through the capital planning process.

The Minot Family YMCA participated in the Capital Planning Readiness Assessment. Of the 20 board members, 18 took part in this self-assessment study representing a 90% response rate.

Overview

Strategy Area		
1. Influential and Committed Board	94%	●
2. Experienced and Respected CEO or Executive Director	89%	●
3. Positive Community Image	86%	●
4. Loyal and Committed Membership and Program Base	93%	●
5. Ongoing Strategic Planning	91%	●
6. Stable Financial Position	91%	●
7. Growing Annual Campaign	43%	◆
8. Compelling Case for Support	61%	△
9. Adequate Fundraising Infrastructure	89%	●
10. Leadership Passion for the Project	85%	●

Board Confidence Key

●	High	75% - 100%
△	Average	50% - 74%
◆	Low	0% - 49%

Detailed Summary

1. Influential and Committed Board

Your capital campaign will need a board of directors that includes, and has access to, influential community members and business people. It should include 5 of the top 25 community leaders and be composed of peers of potential major donors. If the board members themselves are not affluent, they should have access to those who are.

A successful campaign is dependent upon each board member demonstrating a belief in the project and making a strong personal commitment to the campaign before it is publicly launched.

Influential and Committed Board	Board Confidence	
The overall average of combined Agree & Strongly Agree statements is...	94%	
1. The board includes influential community and business leaders who have a passion for the project.	100%	
2. The board is composed of peers of potential major donors or has access to those who can contribute a lead gift to the campaign.	89%	
3. Board members are connected to leaders from key community partners that may be included in a future capital project.	94%	

Question		#	DK	SD	D	A	SA
1: Influential leaders		18	0%	0%	0%	61%	39%
2: Major donors		18	6%	0%	6%	61%	28%
3: Key community parters		18	6%	0%	0%	61%	33%

Comments:
Do you have any comments regarding an influential and committed board?

- One of the strongest Boards in our Community.

2. Experienced and Respected CEO or Executive Director

Crucial to the success of your campaign is an experienced and respected CEO or Executive Director who is willing to make planning for and conducting the capital campaign his or her top priority for two or three years. The CEO or Executive Director must have passion for the project, have a committed belief in the need for a capital campaign, and be willing to do what it takes, for as long as it takes, to achieve the goal. It is also essential that the CEO or Executive Director make a stretch gift to set an example for the board and staff.

Since the CEO or Executive Director must spend a minimum of 50 percent of his or her time assisting with soliciting and cultivating major gifts throughout the campaign, it is extremely important to have a reliable, stable staff who can assume some of his or her routine responsibilities for the duration of the campaign.

Ideally, the CEO or Executive Director will have held the position for at least two years and will commit to not taking another job until after the campaign is successfully concluded. Losing a CEO or Executive Director in the middle of a campaign will almost always cause a significant setback.

The CEO or Executive Director should be active in the community and be a member of at least one of the top service clubs; these invaluable connections will pay dividends during the campaign. He or she must also personify the YMCA character and mission. Confidence in the chief executive is often the deciding factor for donors who are contemplating a major gift.

Experienced and Respected CEO or Executive Director	Board Confidence
The overall average of combined Agree & Strongly Agree statements is...	**89%**
4. Your Y has an experienced and respected CEO or executive director willing to devote 50% or more of his/her time to capital planning and make it his/her top priority for two or three years. (Think about how long the CEO has been on the job and what has been his/her success in developing solid relationships with community leaders.)	**83%**
5. The CEO or Executive Director has a reliable and stable staff team in place to operate the Y while he/she devotes at least 50% of his/her time to the capital campaign and project responsibilities.	**94%**

Question	#	DK	SD	D	A	SA
4: Devote 50% of time	18	6%	0%	11%	**6%**	**78%**
5: Reliable and stable staff	18	6%	0%	0%	**44%**	**50%**

Comments:
Do you have any comments regarding an experienced and respected CEO or executive director?

- Roger May need to hire an additional staff person that can assist with the campaign or the day to day operations.
- Roger has been a good leader for our Y and has led us through many hills and valleys.
- We are blessed to have Roger in this position at this crucial time.
- The Y is not over staffed and may require an additional staff person to assist as the executive director will have significant campaign duties.

3. Positive Community Image

For a successful campaign, your Y needs a strong, positive community image and must be perceived as meeting vital community needs. Fortunately, most Ys have a positive image, thanks to the impact they make from the programs and services they offer. However, many Ys present an image that is incomplete. For instance, while most people can identify Y's wellness programs and facilities, many are not aware of the impact of the Y's community outreach through youth and family programs in youth development, healthy living, and social responsibility. Members of the community should understand how your Y addresses their needs today and how it plans to do so in the future.

In short, your case for support cannot focus solely on the facilities needed. Instead, it must encompass how the facilities provide the necessary tools, places, and spaces for programs that impact real human needs.

Your capital campaign will undoubtedly require a stepped-up community awareness program, so make sure you have a strong and active communications and cultivation committee in place. In addition, the capital campaign plan developed by your fundraising counsel should include a thoughtful cultivation and communication plan.

Of course, the best way to build a strong image is to have excellent programs. High-volume, high-visibility youth and family programs with measurable results, as well as subsidized programs, will be helpful in supporting your case.

Positive Community Image	Board Confidence
The overall average of combined Agree & Strongly Agree statements is...	86%
6. Your Y has a positive community image and top-quality services and programs upon which to build its case for support.	89%
7. Your Y demonstrates the impact that programs are making toward solving critical community issues in the areas of youth development, healthy living, and social responsibility in your community.	83%

Question	#	DK	SD	D	A	SA
6: Build case for support	18	11%	0%	0%	28%	61%
7: Programs solving community issues	18	11%	0%	6%	50%	33%

Comments:

Do you have any comments regarding a positive community image?

- We have many generations of programming and many of the community has had an experience with the Y. Swimming, the teen canteen, and from the down town move we have seen our Y grow tremendously. The Camp is our biggest youth program and the community support has been good but not what it could be. Maybe it's because it is 60 miles away.
- I agree strongly we have one.
- need to work on marketing the Y as far as image and programs provided for the community.
- The potential of partnering with PGAS is also a positive step.
- We need to get better at disseminating and conveying our message to the broader community. Our members "get it", but we need to be able to prove the effectiveness of our programming to anyone walking down the street. We need to prove that we have a broader impact than being "just a fitness center". Right now, we don't have this case developed.

4. Loyal and Committed Membership and Program Base

It is imperative that Ys have positive relationships with their members and participants. Your Y's retention rate should be 65 percent or higher. Membership satisfaction scores should be equal to or above the national average in all major areas. For a successful campaign, members must support the campaign effort, be involved, and see themselves as committed members of the Y community.

In addition to a strong membership base, your Y's programs provide the foundation for an effective case for capital expansion. Programs should be delivering high-quality experiences and growing in size. Y programs must be relevant and address identifiable needs in the communities they serve. Because there are innumerable needs in every community, your Y must be able to articulate why it has selected its particular offering of programs and services. The statement that the Y is for youth development, healthy living, and social responsibility is powerful, but you must be able to explain how that will be accomplished.

Loyal and Committed Membership and Program Base	Board Confidence
The overall average of combined Agree & Strongly Agree statements is...	93%
8. Your Y has a multi-year track record of growing and delivering high-quality programs with increasing participation rates, and/or a member retention rate of 65% or greater.	94%
9. Your Y's programs and its member engagement strategies are designed to promote relationships with staff, other members, and program participants.	94%
10. Your Y's programs are designed to address identifiable needs in the community.	89%

Question	#	DK	SD	D	A	SA
8: Growing high-quality programs	18	6%	0%	0%	44%	50%
9: Relationships with staff	18	0%	0%	6%	67%	28%
10: Identifiable needs	18	6%	0%	6%	61%	28%

Comments:

Do you have any comments regarding a loyal and committed membership and program base?

- We do meet community needs, but, again, we don't message this out very well to the public. We meet a broader community need than fitness. The Y is bigger than that, but people don't understand that.
- The younger generation seems to be less involved in the Y. They enjoy the services, but the volunteerism isn't what it used to be.
- We have a reliable staff.

5. Ongoing Strategic Planning

Since community needs determine Y programs, as well as the facilities required to deliver those programs, Ys need to regularly review and evaluate programs and services as part of an ongoing strategic planning process. You should also consider whether there are other community partners you could collaborate with to better carry out your strategic priorities related to programming and development and/or utilization of program space.

A good strategic plan should identify new program or service needs that can become an exciting part of your case for development. Capital campaign goals frequently include start-up costs for new programs or services or endowment funds to help ensure future sustainability for programs and facilities. Capital campaign donors want to see how the capital development project fits into your strategic plan.

Ongoing Strategic Planning	Board Confidence
The overall average of combined Agree & Strongly Agree statements is...	91%
11. You can easily describe how the capital project will support the association's strategic plan and its long-term objectives for community impact.	89%
12. The Y has investigated options for providing expanded programs through collaborative opportunities with other organizations to achieve higher quality community service. For instance, the Y has considered options such as program collaborations, renting, or sharing space.	89%
13. Key community leaders and representative stakeholders have played a part in the Y's planning process.	94%

Question	#	DK	SD	D	A	SA
11: Strategic plan, objectives	18	11%	0%	0%	50%	39%
12: Collaborative opportunities	18	11%	0%	0%	44%	44%
13: Planning process	18	0%	0%	6%	67%	28%

Comments:
Do you have any comments regarding ongoing strategic planning?

- We didn't involve broader community leaders (mayor, city manager, other key folks) in our planning process - just the board. Perhaps a missed opportunity?
- We have been through floods and economic swings that have made it tough on our community. The Y has weathered those situations, but growth and taking on new areas has been a challenge. We have identified many options, but we have chosen to hold tight at each turn to wait for a clear path forward. Our potential partnership with Prairie Grit could serve to be the energy we need to take on a project.
- Not at this time.
- Need to have a better working relationship with Minot Park District, Maybe quarterly meetings/conversations!

6. Stable Financial Position

People are usually reluctant to give to an organization in financial trouble. When planning a capital campaign, analyze the Y's financial health by reviewing the most recent financial statements and by evaluating how well the Y has met its budget for the last year and for the current year to date. If possible, also evaluate how well your Y met its forecasts and plans in the last capital project, making note of the areas where the actual results were significantly different from the forecast for at least the three preceding years.

Several helpful analytical tools are available that were developed specifically for Ys. One is the Financial Benchmarks Report (FBR), which is available in the fiscal management section of www.yexchange.org. Your Y should be able to articulate a strong Statement of Financial Position and demonstrate excellent operational performance and positive cash flow for at least the last three years.
It is not realistic to look at a capital campaign as a means of solving a Y's financial problems. While a larger and better facility usually means increased revenue, it also means increased operating costs. Community leaders often have a fairly accurate perception of the financial strength of your Y. They know whether the board and staff are good stewards of the Y's resources, and this knowledge will either help or hurt your campaign.

Before a campaign is launched, a Y requires sufficient operating cash flow to pay start-up costs. Certain steps that are essential to success involve costs at the planning stage, prior to the start of the capital campaign. Also, the cash flow of a capital campaign is usually negative for the first six to nine months, so you will need enough funds to cover costs for economic feasibility (membership and fundraising) studies, campaign materials, architects' schematics, campaign office activities/software, fundraising counsel, and such.

Stable Financial Position	**Board Confidence**
The overall average of combined Agree & Strongly Agree statements is...	**91%**
14. Your Y has been generating surplus funds for several years. (The ability to cover all operating expenses and still put some funds in reserve for future replacement and maintenance of facilities and equipment is a critical indicator of good financial stewardship.)	**94%**
15. The Y has sufficient cash flow to cover costs for feasibility (membership and fundraising) studies, campaign materials, architect schematics, campaign office activities/software, fundraising counsel, and such prior to starting a campaign.	**89%**
16. YMCA leaders are familiar with the Y's debt structure and understand the potential impact of a capital initiative on the Y's overall financial health.	**89%**

Question	#	DK	SD	D	A	SA
14: Generating surplus	18	0%	0%	6%	**50%**	**44%**
15: Sufficient cash flow	18	11%	0%	0%	**72%**	**17%**
16: Debt structure	18	11%	0%	0%	**61%**	**28%**

Comments:
Do you have any comments regarding a stable financial position?

- Cash flow has been tight the last couple of years, and now with the opening of Planet Fitness I am concerned that even more pressure will be placed on operations. Our cash reserve is dropping, and our 20-year-old building is needing more and more attention. That is why a campaign is needed at this time.
- We will see how the next 6 months go with the Planet Fitness opening

7. Growing Annual Community Support Campaign

In many ways, a capital campaign has components similar to an annual community support campaign, albeit with higher goals and campaigners asking prospects for larger gifts spread out over a longer period of time. The stronger your Y's annual community support campaign, the better your chances of a successful capital campaign. The strongest annual community support campaigns raise at least ten percent of their total operating revenue, with at least fifty percent of that money coming from major gifts. A strong annual community support campaign will have experienced significant financial growth each year for the past three years, with the number of campaign volunteers raising major gifts growing steadily. These successful campaigns use a personal board solicitation process in which 100 percent of board members make meaningful personal gifts, present the case for support, ask for a significant number of gifts on a face-to-face basis, request increased support when appropriate, and recognize donors with a meaningful recognition program.

Work toward having a high percentage of donors renew and increase their contributions each year, as the best prospects for major gifts to a capital campaign are those individuals, corporations, and foundations already giving to your Y. Assure donors that their previous investment in your Y was needed, was appreciated, and made an impact before asking them for another contribution.

Growing Annual Campaign	**Board Confidence**	
The overall average of combined Agree & Strongly Agree statements is...	**43%**	◆
17. Your annual campaign has shown significant growth each year for the past three years.	**33%**	◆
18. Your Y meets recommended practices such as the following: at least 50% of your annual campaign comes from major gifts; a high percentage of donors increase their contribution level annually; donor retention is at a high level, and the number of members enlisted as campaign volunteers grows each year.	**50%**	△
19. The board views philanthropy as one of its top priorities and leads by example. For instance, the board is formally solicited for personal gifts, 100 percent of board members make meaningful gifts annually, and board members are involved annually in two or more of the following activities: identifying prospects, cultivating prospects, asking for donations, thanking contributors, or reporting back on how donated funds made impact.	**44%**	◆

Question		**#**	**DK**	**SD**	**D**	**A**	**SA**
17: Significant growth, campaign	◆	18	28%	6%	33%	**28%**	**6%**
18: Meet recommended practices	△	18	33%	0%	17%	**44%**	**6%**
19: Philanthropy, top priority	◆	18	28%	0%	28%	**44%**	**0%**

Comments:
Do you have any comments regarding growing annual community support campaign?

- We, as a board, have let staff down here. This also speaks to the need to be able to communicate to the community just how needed the Y is and what its bigger impact is.
- It has been a struggle to push a sustaining campaign forward. The Y has the perception from the community that we are doing well and there are no real urgencies. Everyone

knows we should do an annual campaign, but we have struggled getting our fellow board members involved in making calls. Also, between the Rodeo, Camp, team sponsors and raffle tickets we are asking for contributions quite a few times already each year. Add a capital campaign on top of that, and I am not sure an annual campaign should be conducted while pledge dollars are paid each year to a campaign?

- 19. I believe 100% of Board Membership contributes annually to the Y. How meaningful those gifts are is a matter for their individual conscience.
- We have had some growth in the annual campaign, but I would not say it has been significant.

8. Compelling Case for Support

The case for support (often called a case statement by fundraisers) is like a file that contains answers to the questions that a variety of donors (foundations, corporations, and individuals) might be asking themselves prior to making a decision to donate. Your case must be compelling to prospective donors, so make sure it is valid and state it with a sense of urgency. Simply saying, it would be nice to have a new and larger swimming pool, will not command support. The need for that new swimming pool must be so compelling that it moves your campaign to the top of your prospect's list of philanthropic interests. Most major donors have many requests annually and decide to give only to those projects that match their vision and passion. They want to make impact with their gift.

Your case must justify how the needed facilities will meet expanding program requirements and, in turn, meet community needs. Clearly explain the ways new/improved facilities will further your Y's impact. Demonstrate how facility resources of the past and present are inadequate to meet future program needs. An effective case answers the question of why a donor should give and communicates how the gift will impact the lives of more children, families, and individuals in vitally needed ways.

While it is okay to describe your Y's rich historic past, build your case on a vision for the future and on your Y's role in nurturing the potential of every child and teen, improving the nation's health and well-being, and giving back and providing support to our neighbors.

Compelling Case for Support	Board Confidence
The overall average of combined Agree & Strongly Agree statements is...	61% ⚠
20. Your capital project case is so compelling that it will move your campaign to the top of donor prospects' list of philanthropic interests.	33% ◆
21. You can easily explain why this project is so important to the community, meets identified critical needs, and is vital at this time.	89% ●

Question		#	DK	SD	D	A	SA
20: Top of donors' lists	◆	18	50%	0%	17%	17%	17%
21: Important to the community	●	18	6%	0%	6%	67%	22%

Comments:

Do you have any comments regarding compelling case for support?

- I think we have a lot more framing work to do here. Right now, I don't think people will "get it".
- We need to be the family place to be. To offer solid family program opportunities is where we will separate from the other wellness facilities in Minot. And with a thought of inclusion and involvement from Prairie Grit, it will be a great match up for the Y.
- 20. I am not sure that the Y competes on the same level as the church, college, professional association, or family, nor am I certain it should.
- It will be up to the board to make the case compelling enough to move to the top of donor prospects' list.

9. Adequate Fundraising Infrastructure

A capital campaign is a major endeavor for any organization. There is a large amount of work that needs to be done behind the scenes to ensure success.

Conducting a capital campaign requires a significant allocation of time in the areas of campaign strategy and organization, cultivating and soliciting prospects, supporting volunteers, and providing administrative support. These are critical functions, and there must be adequate staff in place to carry them out effectively. While campaign consultants are helpful, and should be retained for a capital campaign, they will not usually perform these functions.

In many cases, when Y staff are preparing for a capital campaign, they will use this as an opportunity to build their fundraising infrastructure. This may take the form of hiring additional administrative and fundraising staff and refining fundraising policies and procedures. If adequate technological support does not exist, it will need to be enhanced to support the campaign effort.

Adequate Fundraising Infrastructure

The overall average of combined Agree & Strongly Agree statements is...	Board Confidence
	89%
22. Your Y has adequate staff, up-to-date fundraising policies and procedures, and sufficient technology to support conducting a capital campaign.	89%

Question	#	DK	SD	D	A	SA
22: Fundraising policies & procedures	18	11%	0%	0%	56%	33%

Comments:

Do you have any comments regarding adequate fundraising infrastructure?

- We are willing to add additional staff as required to make this, and future endeavors, successful.
- Roger may need an additional support person to assist in this campaign or help with the day to day operations.
- We have been through several campaigns over the years, and we should be capable of conducting a campaign without the expense of outside consultation.

10. Leadership Passion for the Project

Success requires that your CEO or Executive Director and the board all be 100 percent on board with the need for the project and be prepared to make the extra effort to help your Y achieve the objective. A capital development program involves many months of planning and implementation followed by stewardship once the project is completed. Enthusiasm from the staff and volunteer team provides the drive needed to stay focused on this important endeavor.

Charitable dollars cannot be secured if donors are not inspired by the urgent need for the project and the dedication of the Y leadership to the project. Potential major donors must be enthusiastic about what your project will do for the community.

Leadership Passion for the Project

The overall average of combined Agree & Strongly Agree statements is...	Board Confidence
23. You believe this project will support critical community needs.	85%
24. You are willing to make a stretch gift according to your personal means.	94%
25. You are willing work on the fundraising campaign in some capacity.	78%
	83%

Question	#	DK	SD	D	A	SA
23: Support community needs	18	6%	0%	0%	56%	39%
24: Stretch gift via personal means	18	17%	0%	6%	56%	22%
25: Willingness to work on campaign	18	6%	6%	6%	50%	33%

Comments:

Do you have any questions regarding leadership passion for the project?

- Again, for me, it comes down to our ability to communicate to the community our broader impact. I'm not confident we have this part down, yet.
- We will be able to find good leader leadership within our two organizations. Everyone feels the Y is due for a campaign, and they also feel Prairie Grit has a strong story to tell. Together we are a great cause.
- 25. My position prohibits me from engaging in solicitations for fundraising efforts.

Conclusions

Merely contemplating a capital development project is a sign that your Y is seeking to effectively meet the current and future needs of your community. A capital development project is both exciting and challenging. It combines the opportunity to provide more impactful services to more people with the knowledge that there will be lots of hard work ahead. Yet all of that work will be worthwhile when your project is completed, and you see firsthand how it helps further the Y's cause of strengthening community.

Capital development is a series of steps grouped into four logical phases – Planning and Prefunding, Funding, Design and Construction, and Operational Start-up – that lead you through the entire capital planning process. Your Resource Director can help the staff and board leadership of your Y step thoughtfully through your capital development program armed with knowledge and tools that have been tested over time by your Y colleagues.