

Together we dream

EXECUTIVE SUMMARY

prepared for

Central Christian School

Hutchinson, KS

November 16, 2020

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November 16, 2020

Mr. Mike Wyatt, Chairman
Board of Trustees
Central Christian School
1910 East 30th Avenue
Hutchinson, Kansas. 67502

Dear Mike and Fellow Trustees:

It has been a privilege for The Timothy Group to conduct a Pre-Campaign Study on behalf of Central Christian School. We have considered it a true honor to explore with you the possibilities of what the future might hold for the school.

The following report is based upon an objective analysis of the results of the study. The findings and recommendations contained herein also draw upon the professional knowledge and experience of our company gained from the hundreds of Christian schools we have served since 1990.

The primary purpose of this report is to focus attention on factors which affect Central Christian Schools' ability to undertake a major capital funds campaign.

We appreciate the many courtesies extended to us. We, in turn, extend our gratitude to you for helping with organizing the study, assisting in scheduling interviews, and providing follow up information.

Thank you again for partnering with The Timothy Group to conduct this study. The men and women of The Timothy Group have a great respect for you and the critical ministry to which you are giving leadership. Continue to implement your mission with passion!

Sincerely,

A handwritten signature in black ink that reads 'Patrick McLaughlin'.

Patrick McLaughlin
President/Founder

A handwritten signature in black ink that reads 'Dennis Bender'.

Dennis Bender
Consultant

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Foreword

The Timothy Group conducted this Pre-Campaign Study on behalf of Central Christian School (CCS) to determine its readiness, from a human and financial resource perspective, to conduct a comprehensive capital campaign for facility expansion.

Using the data collected, we have prepared the following three-part report.

The **EXECUTIVE SUMMARY** provides our Key Findings and Recommendations for the proposed capital campaign on behalf of Central Christian School.

The **STUDY AND ANALYSIS** provides a useful compilation of information about Central Christian School and examines the fundamental factors involved in readiness for a major fundraising effort.

The **DEVELOPMENT PLAN** represents what we believe to be the best and most efficient direction for Central Christian School to take in a capital fund drive.

During this study, we have come to recognize the quality of individuals who are involved in the ministry of Central Christian School. Their commitment and concern provide a foundation for the proposed campaign. The many comments in this report clearly indicate interest.

It is our belief and experience that the information provided in this Study and Analysis and Development Plan will be of assistance to Central Christian School's leadership, not only as you consider moving forward in the proposed campaign, but also in future decisions regarding Central Christian School's ministry.

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Introduction

PURPOSES:

While some might look to this Pre-Campaign Study principally for its findings relative to the probability of financial success for the campaign, there are actually five equally important key indicators evaluated in this study. We will answer these questions in this report:

1. Need:

Can Central Christian School present a strong and persuasive case for its mission and the funds needed for the capital campaign?

2. Financial Resources:

Are there adequate financial resources available to Central Christian School from which the required gifts can be sought?

3. Volunteer Support:

Is there a strong volunteer structure to provide fundraising leadership for Central Christian School's campaign?

4. Internal Organization:

Is the internal organization of Central Christian School sufficient to provide the support that is needed?

5. Campaign Timing:

Is the timing of the proposed Central Christian School campaign positive?

METHODOLOGY:

Process: The steps listed below were followed in preparing this report:

1. Objectives for the Pre-Campaign Study were established by Central Christian School Board of Trustees Chairman Mike Wyatt, Fundraising Chair Bart Kooiman and School Administrator Robert Ibarra, along with Timothy Group President Pat McLaughlin and Consultant Dennis Bender.
2. A case statement describing Central Christian School's history, present operation, and future plans was prepared, along with a survey questionnaire.
3. Two groups of participants were prepared by Central Christian School, one group to be interviewed personally and the other group to be surveyed online.
4. The results are listed in the table below:

	Completed	Prospects	Response Rate
Personal / Phone	25	20	125%
Online / Mail	131	300	43.7%
Total	156	320	48.8%

**This overall response rate exceeds our current normal benchmark for Christian schools (32.5%).*

5. All questionnaire data and comments were entered and tabulated.
6. Information from the questionnaires and the organization's resources was accumulated and analyzed objectively.

Demographics: A profile of the demographics of study participants is summarized below. The most common respondent to this survey would look like this: A parent of a current or former student, between 36 and 45 years old, who has been associated with the school for 16+ years, and who keeps in touch with school activities through email. All demographic information is shown in the tables below.

Relationship to Central Christian School

We asked respondents about their relationship to Central Christian School. Of those who answered, the top response was “Parent.”

Answer Options	Response Percent	Response Count
Parent of a current or former student	71.43%	85
Grandparent of a current or former student	10.92%	13
Current or former board member	12.61%	15
Staff/Faculty	31.09%	37
Community Leader	1.68%	2
Donor	28.57%	34
Other (please specify)		61
	<i>answered question</i>	119
	<i>skipped question</i>	37

Note: More than one answer allowed.

Source of Information

We asked study participants how they stay connected with what’s happening at Central Christian School. Email from Central Christian School was the top response at 71%. A review of communication methods including all of those listed below is imperative. Getting vital information organizationally from the inside out in an efficient and effective manner is very important to growing personal, business, and other relationships with the school.

Answer Options	Response Percent	Response Count
Family or parents	32.47%	50
Mail	64.29%	99
My church	1.95%	3
Email	71.43%	110
Word of mouth	33.12%	51
A board member	17.53%	27
Staff	34.42%	53
News media/newspaper	12.34%	19
Social Media	31.82%	49
Website	31.82%	49
Other (please specify)		18
	<i>answered question</i>	154
	<i>skipped question</i>	2

Note: More than one answer allowed.

Length of Affiliation

54% of study participants have been associated with Central Christian School for 16+ years.

Answer Options	Response Percent	Response Count
0-1 year	5.96%	9
2-5 years	18.54%	28
6-10 years	15.23%	23
11-15 years	5.96%	9
16+ years	54.30%	82
<i>answered question</i>		151
<i>skipped question</i>		5

Age of Respondents

The age range of the study participants is indicated in the table below, with 22% being between 36 and 45 years old, and 18% 76+ years old.

Answer Options	Response Percent	Response Count
18-25	1.92%	3
26-35	7.69%	12
36-45	22.44%	35
46-55	16.67%	26
56-65	14.10%	22
66-75	18.59%	29
76+	18.59%	29
<i>answered question</i>		156
<i>skipped question</i>		0

Executive Summary

KEY FINDINGS:

In many ways, Central Christian School resembles other Christian schools we work with around the country. It is a family of committed Christian parents and supporters, all rallying around the value of providing Christ-centered education for their children and the next generation. This common thread became apparent in the Pre-Campaign Study.

Parents want quality, but not at the cost of growth, new facilities or just getting bigger. They want the academic and spiritual components to stay strong even as the school grows and changes. They value good facilities but value the teachers and their impact even more. As far as donors are concerned, they want to make sure that their giving “makes a difference.” They want a good return on investment for their dollars. This would reflect what we found at Central Christian School.

Just as schools are similar, they are different as well. Each Pre-Campaign Study uncovers unique factors that influence the size and scope of a proposed campaign. These key findings were present at Central Christian School:

FACTORS SUPPORTING A SUCCESSFUL CAMPAIGN

1. Strong Participation and Interest

Of the nearly 300 stakeholders who were invited to participate in this Pre-Campaign Study on behalf of Central Christian School, a total response rate of 49% was achieved.

- This response rate significantly exceeds our normal benchmark for Christian school studies (32.5%).
- We believe this speaks to strong interest in the future of Central Christian School and bodes well for the proposed capital campaign. When interest is high at this stage in the process, it generally carries over.

2. High Appreciation for Mission and Spiritual Formation

In the eyes of its constituent community, Central Christian School is fulfilling its mission as a place of biblically-based Christian education. Is there opportunity for strengthening this reputation? Yes. Roughly one of four participants were unsure, but this could be attributed to former students or parents of graduates who lacked interaction with the school because they no longer live in Reno County. Academically, the school is seen as providing a solid, basic education but lacking in providing more rigorous opportunities for gifted students and advance placement credit. There is some evidence of families leaving CCS for schools with more challenging curricula.

- 74.7% of the study respondents believe the school is fulfilling its mission.
- 75.4% agree that the faculty and staff help the students grow spiritually.
- 53.2% believe that Central Christian School is providing rigorous and high-quality curricula and instructional materials.

These are factors that need to be factored into a capital campaign.

3. Solid Appreciation for Leadership and Faculty

A school is only as strong as its administrators, faculty, board and staff. Parents and friends at Central Christian School have high regard for the team that is serving there. The school's administrator and several teachers were commended by respondents for being strong disciple makers.

- 69% believe that faculty and staff challenge the students to excellence. 26% are unsure.
- 51% have confidence in the administration and board's ability to lead the school today and into the future; 40% are unsure, mainly from lack of direct interaction with these leaders.

4. Good Support for the Master Plan

In the Study, we asked several questions relative to the case statement that are designed to gauge stakeholder level of support. Although not "over the top," we believe the response to these questions points to a level of support that would be adequate to launch the capital campaign.

- When asked if the facility expansion described in the case statement is the right next step for Central Christian School, 60% indicated "yes," with 33% responding "unsure." We believe the higher than normal unsure response is more an indication of the uncertainty or complexity of the final plan than it is a question of the need for the expansion in one form or another. The need is present.
- In addition, 74% of all respondents answered, "the plans are good," when asked their reaction to the overall master plan as described. Only 13% said "too aggressive." This is a good indicator that people feel positively about the direction of the proposed campaign, even though they may not know the final plan or details.
- The school tested five focus areas in its "bold plan" to supporters. There was clearly a difference of opinion among respondents as to which area(s) should be pursued. For a successful campaign, Central Christian School will need to narrow its expectations to no more than three initiatives, perhaps facilities, indebtedness and the Central Fund based on preferences expressed.

5. Sense of Timing

There is a noticeable uncertainty about the timing for a capital campaign for Central Christian School. 13% of the respondents indicated "no" to the question of this being the right time for a campaign. A significant number, 40%, were unsure. There can be no doubt that COVID-19 was an influence in the hesitancy expressed by respondents. Still, a majority of supporters surveyed believed the school should proceed with a fund drive to solidify the school's future. Consider these sample comments from the survey:

- Do it now! 10 years too late.
- Need is real. God meets all needs that honor Him.
- Not as bad economy as media portrays.
- Plan development involved many people, all of whom were supportive. Now is the time to proceed.
- Should have already been done. Proceed with due haste.
- The mission of God is greater than any social or economic factors.
- There's never a perfect time. I am not sure how COVID is affecting people's ability to give, but if we dedicate our plans to God, God's resources are plentiful.
- Way late. Needed much earlier. So glad a campaign is being considered.
- We will always have economic and social factors that pose challenges. It's a good time to be promoting Christian education.

FACTORS WHICH MAY LIMIT A SUCCESSFUL CAMPAIGN

Just as there are positive aspects supporting a potential campaign, some limiting factors or concerns surfaced that need to be addressed before Central Christian School launches a capital campaign.

1. Staffing a Campaign

Though Central Christian School has a history of providing decades of quality Christian education, it has failed in recent years to cultivate its constituent base through targeted relationship building activities, namely communications and donor relations. A school of the size and budget of CCS needs a full-time staff person devoted to furthering ties with parents, graduates, churches, businesses and the Hutchinson community at large. Lacking this internal resource will be challenging for the implementation of a capital campaign. Volunteers will be recruited for various committees, but they will need supervision and resource support from school leadership.

2. Low Number of Major Donor Commitments

A significant amount of financial support in a capital campaign will typically come from a small percentage of the donors. Generally, the “80/20” rule will apply, where 80% or more of the donations come from 20% of your donors. In the Pre-Campaign Study for Central Christian School, respondents were asked what they might consider giving over a three-year period to a campaign. (Note: these are giving “estimates,” not actual pledges.) While we did identify at least one “lead” gift of \$250,000 (with a potential of more); the next largest gift indication was \$100,000. We only identified thirteen more potential gifts of \$10,000 or higher (a typical threshold for a major gift in a capital campaign).

While significant, this number of major gifts is not enough to drive a capital campaign in the \$5 million plus range. We would need at least one or two additional large, six-figure mega gifts and several more major donors to complete the campaign at the level desired. These donors may exist at Central Christian School; however, we did not identify this quantity of names or prospects in this study. It should be noted that we were not able to reach several individuals of means who would be major gift candidates.

3. Mixed Response to Giving in General

In the Pre-campaign Study, we were fortunate to identify approximately 85 potential donors, who estimated just under \$1,000,000 in giving potential. Overall, only 48% of the study respondents answered “yes” to the question, “Would you consider a commitment within the next three years if this campaign is launched?” 21% said “no” and nearly one-third (31%) said they were unsure. In a Pre-Campaign Study, we would prefer to see the positive response around two-thirds and the unsure response below 20%.

What does this mean? We believe that the higher than normal degree of uncertainty is tied to the complexity of the plan that was proposed. Because it was still in flux, some donors were hesitant to commit until they were certain the focus area(s) they preferred were included in the eventual campaign included the focus area(s) they preferred.

4. Narrowing the Campaign Objectives

With needs as wide-ranging as parking lot pavement, debt reduction, curriculum expansion, and faculty compensation, the “bold plan” presented in the Case Statement posed numerous, perhaps conflicting, options for survey respondents. Consider:

- 46.1% considered debt reduction an “urgent” need.
- Slightly better than half of all respondents rated three areas as “important:” expand curriculum, increase the endowment and bolster the Central Fund.
- Expanding facilities (including classroom completion) was seen as “important” by 42%.

Because the study determined that not all five focus areas could be funded at the \$5 million level, school leadership must balance current needs with donor preferences before defining its campaign objective(s).

Summary

Gaining consensus and “buy-in” within the Central Christian School family around two or three of these options will require strong visionary leadership and a significant effort of communication and education.

RECOMMENDATIONS:

Based on the factors both supporting and potentially limiting the proposed campaign, The Timothy Group makes the following recommendations to the leadership of Central Christian School:

1. Proceed Carefully with a Capital Campaign

Based on the findings of this Pre-Campaign Study and our professional experience, The Timothy Group believes Central Christian School is ready to launch a capital campaign in the range of \$3.0 million over the next three years, assuming the following contingencies are considered:

- a. Central Christian School does not presently have a sufficiently developed donor pool to approach for lead (mega) or major gifts; at least, they were not identified in the Pre-Campaign Study. If they exist, they have not been sufficiently cultivated, it would seem. Therefore, we would recommend a three to six-month process of identifying and cultivating an expanded number of mega and major donor prospects occur before any solicitation takes place.
- b. Once evident that a sufficient number of mega and major donor prospects exists, we recommend an extended “quiet phase” takes place. This phase is for securing up to 75% of the funds needed in advance of engaging the rest of the Central Christian School community. This could take 6 – 12 months.
- c. The financial goal for Phase 1 and any succeeding phases must be prayerfully considered, given the fact that we did not identify adequate funding sources to support a campaign of \$5 million. We discovered approximately \$1 million in estimated financial support. Generally, we recommend a goal of two (2) to three (3) times what we identify in the Study as a campaign goal. We followed this rule of thumb along with analyzing other financial and giving information when forming our recommended campaign goal stated above.

2. Utilize Best Practices of “Top-Down” Fundraising

As mentioned, the “quiet phase” is for securing the first 75% of the campaign goal and can take from 6 - 12 months or longer, depending upon several factors. Although we would all want to see the funds raised as soon as possible, it becomes important that we don’t take short cuts that will hurt the campaign down the road. Robert Pierpont, faculty member with the Fundraising School at the Indiana University Center of Philanthropy, makes the following observations¹:

Sequential fund raising is based on four axioms of campaign fund raising:

- The ten largest gifts set the standard for the entire campaign.
- A failure to adhere to the top-down pattern lowers giving sights across the board.
- Extended solicitation and participation at lower levels will not offset major gaps in the upper ranges.
- Once the “big-gift-first” sequence has been seriously violated, the entire program is in jeopardy.

¹Pierpont, R. (2002). Capital Campaigns. Retrieved from The Fundraising School:

http://www.philanthropy.iupui.edu/files/course_resources/capital_campaigns_pierpont.pdf

3. Cast the Vision Clearly and Deliberately

Central Christian School initiated this Pre-Campaign Study with multiple options on the table. To garner maximum support, the design of a campaign must be clearly defined, compelling in its description and tailored to the most pressing needs of the school. The results of this Pre-Campaign Study will be helpful when considering the future direction of the school.

Once the final expansion plans are decided, it will be critical that these plans be shared and communicated widely (to the Central Christian School family) and deliberately (to large donors and those with questions). The future vision must be very clear to donors before they decide; 1) whether to give to the campaign and, 2) what level of gift. The fact that 31% indicated “unsure” in the Study validates this. Be bold and spread the news.

4. **Secure Pledges over a Three-Year Period (in addition to one-time gifts)**

Most successful campaigns adopt a three-year pledge cycle for fulfilling the pledges, rather than accepting one-time gifts only. We would encourage Central Christian School to do likewise to maximize overall giving. It may require some creative financing options, which will be worth it in the long run.

5. **Amplify Board Member Engagement**

Successful capital campaigns require participation from board members. This will be true in the case of Central Christian School. Board members must be one hundred percent behind this campaign and support it without reservation. Board members can get involved in practical ways by giving generously and encouraging others to give.

- a. **Pray.** Board members already pray faithfully for God’s blessing. Central Christian School needs fervent prayer as you refine your expansion plans and amplify your fundraising efforts. This is a God-sized goal and will need His direction.
- b. **Give.** Board members lead by example. They should give generously and encourage others to give. Others will be motivated to give because of the board’s commitment of time, treasure and talent to Central Christian School.
- c. **Network.** Board members can open doors that others can’t. This project will require an expanded circle of “friends.”
- d. **Invite.** Board members should host small meet-and-greet events in their home, or other venue. This will help influence new donors. If Central Christian School deserves a board member’s support, it deserves theirs.
- e. **Ask.** Board members can identify, cultivate, and solicit donors for Central Christian School. Some may ask by themselves; others may involve a staff member or partner.
- f. **Thank.** A personal phone call from a board member thanking a donor for their support is a very effective way to deepen donor relationships.

6. **Continue to Retain Professional Counsel**

For a campaign of this magnitude to succeed, a comprehensive plan and strategy must be developed. The Timothy Group is well prepared to help in the formation and implementation of this plan. We would be honored to partner with Central Christian School in this endeavor.

SUGGESTED FIRST STEPS:

Recognizing that this Report contains a large volume of information, we suggest that the following steps be taken, in the indicated order:

1. Read through the entire Report. Study and discuss the analysis, recommendations, and development plan. Adopt it as it is or make changes as necessary.
2. Notify selected respondents to the Pre-Campaign Study results. Thank them for their participation. Highlight the study findings and indicate plans for follow-up in the next few months.
3. Given the uncertainty of Central Christian School's expansion plans up to now, it will be critical to begin the education process as soon as possible. You may consider some open forums or "town hall" type meetings to engage your various constituencies.
4. Begin the process of identifying (through research and networking) and then cultivating your top 75-100 mega and major donor prospects (no solicitation until they are ready); this will likely take three to six months.
5. Once you decide to proceed with a capital campaign, finalize the size and scope for the campaign (at least Phase 1), along with timeline and launch dates.
6. Begin recruiting and training the Campaign Chair and Steering Committee members to provide leadership for this effort.
7. Make needed resource and staff realignments or additions as needed to support the capital campaign efforts.

A Pre-Campaign Study only sees a glimpse of the possibilities. If we could see everything, there would be no need to walk by faith. Like the twelve spies who came back from Canaan, there are challenges ahead, but the men and women of The Timothy Group encourage you to be courageous like Joshua and Caleb and move forward with boldness.

God Bless,



Patrick McLaughlin
President/Founder



Dennis Bender
Consultant

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Study & Analysis

SUMMARY OF THE ANALYSIS:

The Pre-Campaign Study is designed to identify several key indicators that determine whether an organization can launch a successful capital campaign. Our evaluations of Central Christian School’s readiness relative to each of these questions are as follows:

Key Indicators	Response
<p>1. Need: <i>Can Central Christian School present a strong and persuasive case for its mission and the funds needed for the capital campaign?</i></p>	<p>YES</p>
<p>2. Financial Resources: <i>Are there adequate financial resources available to Central Christian School from which the required gifts can be sought?</i></p>	<p>YES (but only with additional cultivation)</p>
<p>3. Volunteer Support: <i>Is there a strong volunteer structure to provide fundraising leadership for Central Christian School’s campaign?</i></p>	<p>YES (with additional recruitment)</p>
<p>4. Internal Organization: <i>Is the internal organization of Central Christian School sufficient to provide the support that is needed?</i></p>	<p>YES (additional resources will be required)</p>
<p>5. Campaign Timing: <i>Are the timing and circumstances of the proposed Central Christian School campaign positive?</i></p>	<p>YES</p>