



“Building Our Future On Christ”

Capital Campaign

Frequently Asked Questions



Q. What is a capital campaign?

A. A capital campaign raises money over time for a special project. It is a process by which people unite to achieve a common goal and to accomplish something extraordinary.

Q. What is the financial goal of our capital campaign?

A. The total needs of this campaign are approximately \$9.8 million.

Q. Who is being asked to support the capital campaign?

A. The entire MLHS family including federation church members, parents, alumni, etc...

Q. Is this project going to be done in phases?

A. The goal is to raise the necessary funds through the “Building Our Future On Christ” campaign to complete the project in one phase.

Q. How long will the capital campaign take?

A. Our goal is to conduct a very focused capital campaign that can be completed by July 12, 2019. However, there will always be an opportunity for interested donors to contribute as long as there is a need.

Q. Has a committee researched my financial capabilities?

A. No. That is confidential information.

Q. Will the monies pledged be used for anything other than the proposed plans?

A. No. They will be utilized for the plans listed in the campaign brochure.

Q. Is it necessary to have someone visit us?

A. Our goal is to visit everyone personally. This is a significant campaign and it’s important that everyone understand the vision for this project and what it will take to be successful. This is better explained in person rather than just a brochure or letter. We also value everyone who is a part of the MLHS family and believe that everyone deserves the respect of a personal visit.



Q. Are the building plans final, or can I still make suggestions?

A. At this point the plans are conceptual. They are far from final. Feedback is welcome at any time. In fact, it's one of the reasons we'd like to visit with you. Many changes and adjustments will continue to be made based on your feedback and the results of the capital campaign.

Q. Can we really raise this much money?

A. Whether or not Manitowoc Lutheran High School has the ability to meet the funding of the identified building needs is a question facing all of us. The experience of our capital campaign consultant along with the school's present level of support and apparent commitment, would suggest that meeting the need will be very challenging, but possible. It will, however, require acts of significant and inspirational giving. Those families with above-average ability to give will be instrumental in setting the stage for reaching and perhaps surpassing any challenging campaign goal. The success of an appeal will require inspirational financial support from everyone.

Q. What impact will the new building have on operational costs?

A. A larger building can bring increased costs for maintenance and utilities, although the impact may not be as much as one thinks when we realize the efficiencies of new construction. In addition, rather than having our current gym being heated until after 9pm each night, with the additional gym space we will be able to close down the building earlier each day which will also present some cost savings.

Q. How will MLHS pay for these additional operational costs?

A. The funds to operate our school come from three main sources: tuition & fees, annual congregation commitments, and donations (including endowment interest and funds from Repeat Performance Resale Store. Through all these, MLHS is blessed to be able to freeze tuition for the 2019-20 fiscal year! This campaign includes \$300,000 to assist with such costs while allowing our operating budget to absorb them more gradually.

Q. What is the current enrollment and tuition cost for Manitowoc Lutheran High School?

A. Enrollment: 206
Tuition: \$5900



- Q. What happened to all of the comments that were collected during the focus group meetings?**
- A. All of the information was carefully collected, tabulated, and reviewed (anonymously) with the MLHS Board of Control. A full report from our campaign consultant is available on the school website at www.mlhslancers.org/campaign, or in print form by request. Many of the comments and suggestions continue to be evaluated by the Board, Campaign Committee, and a construction manager.
- Q. How did James D. Klote & Associates get chosen to help MLHS with this campaign?**
- A. We had a committee who interviewed several consulting companies. JD Klote was chosen primarily for their experience and innovative approach to capital fund raising, including ministry visits to each member.
- Q. How do we make a pledge?**
- A. You will be visited personally by a fellow school volunteer. He or she will explain the plans for the campaign in more detail and will give you an opportunity to ask questions, so that you fully understand the school's vision. They will ask you to *consider* a specific gift to the campaign and to fill out a pledge card.
- Q. Can pledges be given in assets other than cash?**
- A. Yes. Giving appreciated financial assets (stocks, bonds, trusts, life insurance, annuities, etc...) and appreciated real estate are especially beneficial, because the donor may enjoy certain tax advantages, particularly when given directly to the school for sale by the school. The charitable deduction value of a gift of appreciated assets is the asset's value at the time of transfer to the school. **For those age 70+**, there is wonderful opportunity to make charitable gifts directly from your IRA. Called a "Qualified Charitable Distribution", gifts made directly from the IRA to a charity allow the owner to satisfy their annual Required Minimum Distribution (RMD), while excluding the amount donated from taxable income. Keeping taxable income lower via this gifting opportunity may help reduce the impact to certain tax credits and deductions, including Social Security and Medicare.
- Q. How much time do I have to fulfill my pledge?**
- A. We are suggesting that you consider a pledge that can be fulfilled over a period of 5 years. The earlier you can begin paying the pledge, the better it will be for the school since there are immediate costs involved including architectural fees, permitting, etc...
- Q. Do pledges toward the campaign have tax advantages?**
- A. Yes. All contributions made to Manitowoc Lutheran High School are tax deductible, however it is always important to consult your tax accountant or financial planner for details on your specific situation.



Q. When will we have to make a commitment?

A. Since the campaign is scheduled for a limited number of weeks, it is important that pledges be made as quickly as possible after you have been visited. Take all the time you need, but please hurry! Most families find that they can make this decision within one week.

Q. When would we begin making payments towards our pledge?

A. Payments may begin immediately after you make a pledge or at a time more comfortable for you. We only ask that you pledge what you believe you can fulfill over the five-year pledging period. The earlier you begin, however, the better it will be for the school since there are necessary expenses right now for architectural plans, permitting, site planning, etc...

Q. Is it necessary to sign a pledge card?

A. Yes. A signed pledge card is essential to confirm our pledges, to finalize plans for the project and to be able to project our anticipated cash flow. Pledges are not viewed by the school as legally binding, but rather as a statement of your best intentions.

Q. Who will know how much we pledged?

A. Pledge and gift information is collected and recorded by the MLHS Mission Advancement Office. Only those two people will see your information, and pledge details will remain confidential.

Q. Is it better to be “cautious” or “optimistic” when making my pledge?

A. The campaign committee’s advice is to be “reasonably optimistic” regarding your pledge. The pledge card is not a legal document, but a statement of your best intentions. The school will be trying to make reasonable plans for the future based on the total amount pledged. In this case, being overly cautious could be just as much of a challenge to the planning process as being overly optimistic. To help the school’s planning process, our advice is to be **reasonably optimistic**. If you think that “We’ll probably give more...” then it would be helpful to indicate that amount on the pledge card now, rather than later.

Q. I really have a lot of things up in the air right now. Do I really need to make a pledge now?

A. There are probably very few times in life when there aren’t a lot of things ‘up in the air.’ Our lives are very challenging. Each donor will need to make a decision that is best for themselves and their family. We only ask that you also consider the best interests of your school family in your decision as well.



Q. What are MLHS's plans concerning STEM?

A. While it's true that some companies and businesses have left Manitowoc, it is also true that there are many jobs that remain unfilled in our area, especially in the technical education field. Some estimates put that number at over two thousand! Businesses are truly looking for the kind of worker that Manitowoc Lutheran graduates can become, those that are willing to learn what is needed and stay in the community to work. So as the needs of the Manitowoc community shift, Manitowoc Lutheran needs to adjust as well. Tech Ed is more than a woods class. It involves things like: plumbing, electrical, programming, and engineering. MLHS has recently started a STEM program (called "Project Lead The Way") and has also started a robotics club, with thirty plus members participating! As these programs grow, more opportunities for us to instruct students will come. MLHS will need space to expand these programs and help our community by guiding students towards jobs in the fields that are in high demand. We have that in mind as we move forward with our plans.

Q. When will construction begin? What is the process going forward?

A. The results of the capital campaign will be given to the Board of Control. From this, they will create a plan for moving forward that will be presented to the Federation.

Q. What is the "Scale of Gifts" that I've been seeing?

A. A *Scale of Gifts* serves as a roadmap for the campaign. It is an average, or composite from other campaigns of similar size and demographics that were successful. By looking at the Scale of Gifts MLHS can see what types of gifts, and about how many of each it's going to take to reach the goal – based on what other schools have done. It provides context not only to the school, but also to each individual donor in order to see how each one of us can contribute to a successful effort. If you look at the Scale of Gifts for this campaign you can see, for instance, that a successful effort will probably result in at least 1 donor who can give a million dollars, 1 who can give around \$750,000, 10 who can give \$75,000, 30 who can give \$25,000, 40 who can give \$10,000, etc...



Manitowoc Lutheran High School

Scale of Gifts - \$9,700,000

Advance Gifts Phase

	<u>Amount</u>	<u># of Gifts</u>	<u># of</u>		<u>To Raise</u>	<u>Accumulative</u>	
			<u>Prospects</u>	<u>To Raise</u>		<u>Total \$</u>	<u>% of Total</u>
A	\$1,000,000	1	2		\$1,000,000	\$1,000,000	10%
	\$750,000	1	2		\$750,000	\$1,750,000	8%
	\$500,000	2	3		\$1,000,000	\$2,750,000	10%
	\$250,000	3	5		\$750,000	\$3,500,000	8%
	\$150,000	3	6		\$300,000	\$3,800,000	3%
	\$100,000	5	9		\$500,000	\$4,300,000	5%
	\$75,000	10	17		\$750,000	\$5,050,000	8%
Total		25	44		\$5,050,000	\$5,050,000	52%

Pattern Gift Phase

	<u>Amount</u>	<u># of Gifts</u>	<u>Prospects</u>	<u>To Raise</u>	<u>Total \$</u>	
					<u>Total \$</u>	<u>% of Total</u>
B	\$50,000	20	30	\$1,000,000	\$6,050,000	10%
	\$40,000	20	30	\$800,000	\$6,850,000	8%
	\$30,000	20	30	\$600,000	\$7,450,000	6%
	\$25,000	30	35	\$750,000	\$8,200,000	8%
	\$15,000	35	45	\$525,000	\$8,725,000	5%
Total		125	170	\$3,675,000	\$8,725,000	38%

Victory Teams Gifts Phase

	<u>Amount</u>	<u># of Gifts</u>	<u>Prospects</u>	<u>To Raise</u>	<u>Total \$</u>	
					<u>Total \$</u>	<u>% of Total</u>
C	\$10,000	40	50	\$400,000	\$9,125,000	4%
	\$5,000	50	60	\$250,000	\$9,375,000	3%
	\$2,500	60	70	\$150,000	\$9,525,000	2%
	\$1,000	75	95	\$75,000	\$9,600,000	1%
	\$500	200	275	\$100,000	\$9,700,000	1%
Total		425	550	\$975,000	\$9,700,000	10%
Grand Total		575	764		\$9,700,000	100%

\$9,700,000 **Total Need**