



## American Legion

February, 21<sup>st</sup> 2008

Ramsdell Rogers Post 56  
Long Sands Rd  
PO Box 35  
York, Maine 03909  
RE: American Legion Post 56 Capital Campaign

There is always a cost associated with raising money, true to the old cliché “it takes money to make money”. Fortunately, when it comes to a community involved organization, better yet a Veterans organization, a lot of support can be raised from the community thusly reducing the overall cost of money itself. Below are a few items which need to be planned for as costs associated with raising the \$2mm.

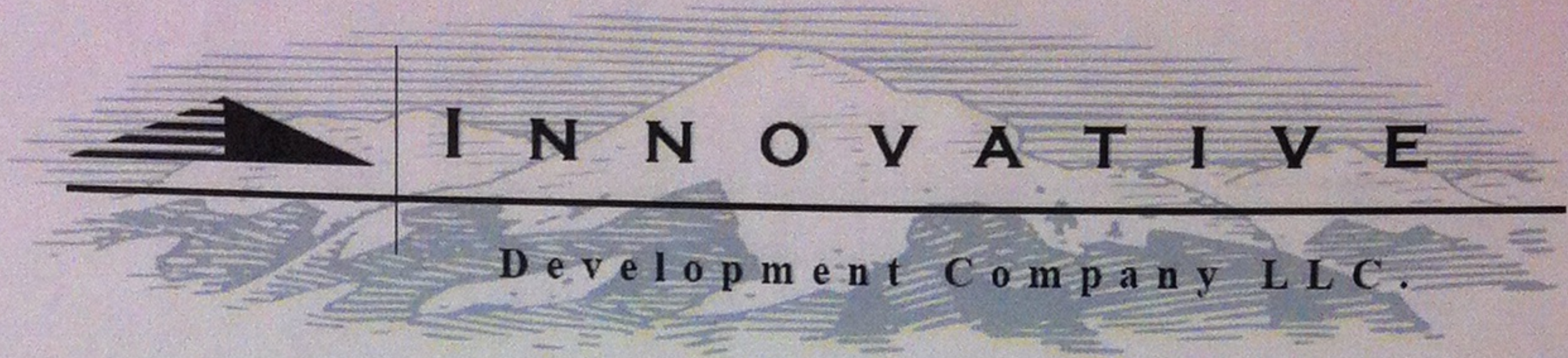
- Administrative Payroll
- Filing and Legal Fees
- Campaign Headquarters space
- Phone, Internet and other basic Communication
- Postage
- Printing
- Advertisement/Marketing

These are the core foundation cost centers which in my estimation will cost approximately \$200k to \$250k per year. It is important to note that these costs will ultimately be covered by the funds raised campaign itself, just like any other business.

Although it is tough to say exactly how long it will actually take, it is my honest belief that Innovative Development Company, as your Capital Campaign Consultant, can raise the full \$2mm needed through an aggressive fund raising plan over a 2 year period.

A few points that I would like to make and food for thought are;

1. That the Legion must have some involvement in the fundraising process as a board and the members themselves. The local communities will want to see that the members are not only excited about the campaign themselves but also want to see that the Legion itself has raised a fair amount of money on its own through the member base.
2. A lead gift is always important and helps to create momentum. This being said, though you may not realize it. The Legion has already received a quite large lead gift in the land that was donated by Hannaford Brothers. Thus I feel it is also important to raise the actual goal of \$2mm to \$2 ½ mm and give recognition to Hannaford Brothers for their VERY generous gift valued at well over \$500,000. This will help us to create a “buzz” around the campaign and also potentially give us some much needed publicity.



3. The Legion will most definitely need to focus on the York community for raising support and monies, since this facility will directly benefit them, but a wider approach, encompassing the entire Southern Maine area is important in bringing in additional large donors. Typically 40-50% of the total money raised comes from no more that 5-10% of the total number of donors.

The cost to the Legion for raising \$2mm would be calculated as cost, plus a percentage. The budgeted cost is currently \$500,000 over a 2 year period, plus a 10% fee. A retainer will be needed to cover the initial start up costs associated with this campaign in the amount of \$75,000. This retainer will remain in an account and be drawn from in order to pay for these costs. As the campaign matures, the costs will be deducted from the actual proceeds. Monthly, a report will be provided detailing the complete accounting of all campaign activities to the executive committee and proceeds turned over in their entirety to the legion for placement in its accounts. It is equally important to mention that the actual cost of this campaign has been budgeted on the high side in an effort to be conservative. Through volunteers and gifted services these costs can be greatly reduced. That being said it is our full commitment, to aggressively recruit these types of donations in an effort to minimize all of the costs. As the budget is proposed, after cost the Legion could expect Net Proceeds to be in the range of \$1.3mm or better.

**Sincerely,**

Ryan J Byther  
Vice President