



Cover Sheet

Key Personnel:

Lead Consultant

Kathleen Voit, Senior Associate for Mission Impact

2810 Crossroads Dr Ste 4000

Madison WI 53718

kvoit@mcdonaldschaefers.com

(608) 358-8818

Other Project Team Members

- David Malone, Managing Principal
- Jessica Nichols, Communications Director
- Nicole Steck, Project Manager

Years of operation: 19



McDonaldSchaefer

Fund Development Advisors to Nonprofits

Madison | Milwaukee

Proposal for Feasibility Study Services

Prepared for

Waunakee Public Library

January 2015

January 2015

Dear Susan,

I am pleased to present this proposal for feasibility study services to Waunakee Public Library. McDonald Schaefer has a solid record of achievement in supporting a wide variety of nonprofit organizations, helping numerous institutions like yours achieve lasting fundraising results. We know from experience that in committing to the critical first phase of the campaign – the feasibility study – you have already positioned your organization for optimal success.

The next step is to select a fundraising partner who knows the constituents you should engage, has a time-tested and results-driven process that has achieved measurable results for dozens of nonprofits and, perhaps most importantly, is committed to your success. I am confident that McDonald Schaefer can be that partner.

Since 1996 we have been helping Wisconsin's nonprofits unlock their full fundraising potential. With offices in Madison and Milwaukee, (in fact, I reside in Waunakee), we are familiar with the local philanthropic landscape and are distinguished by our track record of success. We owe this achievement in large part to our commitment to a tried and true process that we refine and adapt to shifting economic climates, and tailor to the specific needs and challenges of each of our nonprofit partners.

Experience has taught us that your successful capital campaign will begin with a thorough and in-depth study that identifies and engages potential donors, leaders and community advocates early on; weighs and considers any obstacles to success; and yields the type of qualitative and quantitative data that will enable you to chart a detailed and realistic campaign roadmap. We have been conducting these types of studies for years and we understand the challenges facing many institutions today as they seek to differentiate themselves from their peers and to carve out a unique identity that allows them to best communicate their value to their constituents.

I hope that you will consider McDonald Schaefer as you prepare to enter this first critical phase of a potential campaign. I am confident that we will be an able and committed partner, mindful of the challenges and opportunities Waunakee Public Library is currently faced with and fully invested in your success.

Sincerely,

Dave Malone

David Malone
Managing Principal

Table of Contents

McDonald Schaefer Overview 1

Project Team & Qualifications 1

 Dr. Kathleen Voit, Senior Associate for Mission Impact..... 2

 David Malone, Managing Principal 3

 Jessica Nichols, Communications Director..... 3

Feasibility Study Objectives 4

Feasibility Study Methodology and Deliverables 5

 Optional Internet Survey 7

 Feasibility Study Results..... 7

 Your Role in the Study..... 7

 Report Preparation 8

Feasibility Study Fees 8

 Payment Schedule 8

 Deliverables 8

 Expenses 8

 Available Credits..... 9

Client References 10

McDonald Schaefer Overview

McDonald Schaefer^{LLC} is pleased to provide this proposal for a fundraising feasibility study to test the potential of a capital campaign in support of a new Waunakee Public Library.

Our firm specializes in capital campaign feasibility studies and in directing multi-million dollar capital campaigns. While we provide other fund development services, our forte is all stages of capital campaigns – from testing (feasibility studies) to planning, to directing until completion. We are dedicated to working with our clients not only to achieve near-term goals, but to implement a solid foundation for future fundraising success.

Formed in 1996, McDonald Schaefer has helped a variety of nonprofit organizations throughout Wisconsin raise funds in the tens-of-millions for operational, capital and endowment projects. Among the many listed on our website, some notable organizations we have worked with include:

- Agronomic Science Foundation
- Foundation for Madison Public Schools
- Habitat for Humanity of Dane County
- **Madison Public Library**
- Middleton Outreach Ministry
- Monroe Clinic & Hospital
- Olbrich Botanical Gardens
- Ronald McDonald House Charities of Madison
- Sauk Prairie Memorial Hospital
- Second Harvest Foodbank of Southern Wisconsin
- St. Paul University Catholic Center at UW-Madison
- Stoughton Hospital
- UW-Madison
- YWCA Madison

Project Team & Qualifications

The depth and strength of our fundraising expertise can be attributed in large part to the diversity of skills and experiences shared by our firm's employees. We pride ourselves on a team that, together, shares a varied set of development specialties and passions, comprehensive industry knowledge and a commitment to project success. Our staffing model, which is customized to complement each client's strengths and challenges, adds tremendous value to our work: with it we are able to harness the full resources and knowledge of our team for the benefit of each organization with which we partner.

For an engagement with Waunakee Public Library, McDonald Schaefer's entire team may be involved in varied capacities and always available to you as a resource; one consultant would be selected as lead counsel in order to ensure optimal communication and streamlined management. Depending on availability at the time of a hiring decision, the tentative Lead Counsel for this project would be **Kathleen Woit**. Project Team members are introduced below.

Dr. Kathleen Voit, Senior Associate for Mission Impact



Dr. Kathleen Voit's work with McDonald Schaefer is centered on strategic relationship building and the leveraging of partnerships in collaboration with, and for the benefit of, our clients. Her sixteen-year tenure as President of the Madison Community Foundation afforded her invaluable experience in exactly the type of community outreach and "friend-raising" that many of McDonald Schaefer's clients benefit tremendously from, and makes her extremely effective in this tactical role.

Of particular note for Waunakee Public Library is Kathleen's critical role with the ***Beyond the Page Endowment Campaign*** for Dane County libraries. This is a campaign the Waunakee Public Library is familiar with and participating in, though it may not know Kathleen and her staff at the Madison Community Foundation (MCF) where she helped to develop the idea of a permanent endowment for local public libraries. With a goal of \$1.4 million, Kathleen first secured a grant of \$350,000 from the National Endowment for the Humanities (one of only ten grants made by the NEH all year). Then under Kathleen's leadership, MCF raised \$500,000 more and helped all Dane County libraries raise the rest. This innovative campaign has led to expanded programming, audiences, content, impact, quality and promotion throughout Dane County's libraries!

In addition to the ***Beyond the Page Endowment Campaign*** designed by MCF staff, the Foundation also has worked with every library in Dane County to build or remodel their individual libraries and build their own unrestricted endowments to be held at MCF. The Foundation gave \$500,000 to the new downtown Madison Central Library (a campaign McDonald Schaefer directed) and ran the back office for the building campaign for the Fitchburg Library. Kathleen is presently on the board of the Madison Public Library Foundation and as a volunteer is assisting Fitchburg with underwriting for their big fundraiser in the summer of this year.

Dr. Voit has also demonstrated outstanding aptitude in organizational leadership and outreach, growing the Madison Community Foundation's funds from \$42 million to \$165 million, and holding senior positions in external relations at the Meriter Foundation, UW-Milwaukee, UW-Whitewater and Arizona State University. Her insight into maximizing mission impact for cross-sector organizations makes her an extremely valuable resource to our clients.

Dr. Voit holds a doctorate and two master's degrees from UW-Madison and a bachelor's degree from UW-Whitewater, has served on the boards of numerous community organizations and has received the Association of Fundraising Professionals Visionary Award, YWCA Woman of Distinction Award, Urban League of Madison's Whitney M. Young Award and Best of Madison Business Award, and is a member of the In Business Hall of Fame.

Please note that Kathleen will be out of the state for much of January. If McDonald Schaefer should be invited to interview with your search committee, and if Kathleen is not back in Madison at the time, David Malone will personally attend the interview and Kathleen may participate by video conference or speaker phone.

David Malone, Managing Principal

David's 16 years of development work combined with his earlier 13 years of sales and marketing experience make him one of the primary architects of McDonald Schaefer's fundraising strategies. His expertise includes capital campaigns, major gifts, feasibility studies, annual giving and board development. David has assisted a wide variety of organizations ranging from emerging nonprofits to large, well-established NPOs with statewide and national constituencies. He has participated in securing numerous multi-million dollar and six-figure major gifts, and is especially skilled in planning and directing multi-million dollar capital and endowment campaigns for diverse clients, including those in the fields of healthcare, education, environment, religion, libraries, recreation and more. He is creative, process-minded and thorough. Dave earned a B.A. from the University of Wisconsin-Eau Claire with a double major in Business Administration and



Management Information Systems. He lives in Waunakee with his wife and two children.

Jessica Nichols, Communications Director

Jessica has several years of experience working with some of the nation's leading nonprofit organizations. Her projects have ranged from multi-billion dollar international campaigns to small educational, health, cultural and religious capital initiatives. Jessica has won numerous writing awards, including the University of Chicago's Writer of the Year, has extensive experience in marketing and targeted communications and has assisted in designing and implementing communications plans for a diverse range of nonprofits. She manages her projects with a strong sense of strategic vision, operational efficiency and a complete investment in the success of every client. A member of AFP, Jessica is an active volunteer and brings to her work a deep commitment to the advancement of philanthropic interests. Jessica earned her B.A. from the University of Notre Dame and M.A. from the University of Chicago.



Nicole Steck, Project Manager

Nicole brings diverse and deep experience with the nuts and bolts of small business and nonprofit finance. In her years working in the credit union commercial lending world, she gained project-management and nonprofit experience that directly informs the expertise she provides McDonald Schaefer clients. Of particular note is her experience overseeing and implementing projects within the business-lending department, which required her to work with both nonprofits and small companies as they expanded from new businesses to thriving, robust organizations. Nicole's passion for nonprofits as agents of change began during an impactful trip to Cambodia, where she saw firsthand their potentially transformative power. Nicole earned a B.A. in History with Honors and minored in French Language and Literature at the University of Mary Washington in Fredericksburg, VA. She enjoys softball, writing and nature, and lives in downtown Madison with her dog Millie.



Client references are listed later in the proposal. For more information about McDonald Schaefer please visit our website at mcdonaldschaefers.com.

Feasibility Study Objectives

Most successful capital campaigns can be traced back to an initial phase of thorough planning and testing: a strategically designed and well-executed feasibility study is therefore not only a wise investment, but the key to positioning your organization for optimal success. The interaction with potential campaign leaders and donors during the study process is invaluable in building relationships with stakeholders who will be the central players in a successful capital campaign. This discussion provides a crucial opportunity for the organization to preview its ideas with key benefactors and receive their important feedback.

In addition to building awareness, the study may reveal potential challenges to the campaign. By uncovering these ahead of time, your organization will be equipped to develop strategies to address these challenges and avoid unwanted surprises.

The study will test the key variables of all capital campaigns. Is the case for support compelling? Is it relevant and urgent? Are there sufficient donors? Do the numbers work? Is there a pool of willing and bold volunteers to lead the campaign?

Of all the questions feasibility studies answer, perhaps the most important is, "How much money can we raise for this project?"

In order to find out, we will preview your plans with selected major donor prospects and other key stakeholders, asking them: How do you feel about the organization? What do you think of the proposed project? What do you like about the idea? Does anything concern you? Is this a project you would consider supporting with a gift? What size gift? Would you be involved in the campaign on behalf of the organization?

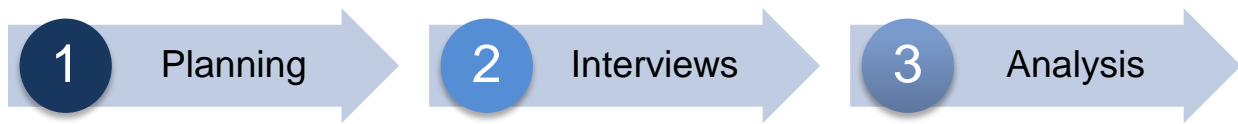
When our research is complete we will render a professional assessment consisting of quantitative data and qualitative analysis based on both this sampling of the constituency's gift capacity, interest and timing as well as our considerable experience directing multi-million dollar capital campaigns of this nature.

Feasibility Study Methodology and Deliverables

Successful capital campaigns are the product of five main elements:

1. An inspiring case for support
2. Bold leadership
3. Committed major donors
4. Capable campaign office/development staff
5. Solid campaign plan

Our feasibility study will measure those primary variables and complete the study in three steps:



The process unfolds in carefully sequenced steps as shown in the timeline below.

Task (indicated in weeks):	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
Planning & Preparation																	
1. Review various background information	█																
2. Develop list of participants		█															
3. Conduct FAQ exercise			█														
4. Develop Project Summary			█	█													
5. Develop letters to study participants			█	█													
6. Design Study Interview Guide				█													
Interviews																	
7. Mail letter to study participants					█												
8. Schedule interviews						█	█	█	█	█	█	█	█	█	█	█	█
9. Conduct interviews							█	█	█	█	█	█	█	█	█	█	█
Analysis & Recommendations																	
10. Compile and analyze interview data															█	█	
11. Develop findings and recommendations															█	█	
12. Preview report with selected leadership															█	█	
13. Refine report																█	
14. Present Final Report																	█
15. Send Summary to interviewees																	█

The most effective method we use for conducting feasibility studies is personal, face-to-face interviews with key constituents.

A Note on Timelines: It has been our experience in conducting feasibility studies that they typically take approximately 12 – 16 weeks to complete, depending on the number of interviews and the availability of the study participants. If timing is crucial, we can put multiple consultants in the field for interviews.

To prepare for the interviews, we will begin with a thorough review of background information regarding your organization and the project.

Next, we will discuss with you a profile of desired interview candidates and will work with organization leadership to **identify key constituents** that fit that profile. Interviewees

would primarily include major donors and major donor prospects, potential campaign leaders, community leaders, local business leaders and selected board members.

We will ask the organization to annotate the list with brief notes about each candidate's connection to the organization to help us interact with each interviewee in ways that show we know something about them.

McDonald Schaefer will develop a printed project summary (preliminary case for support). A concise and compelling project summary will provide interviewees with a good understanding of the scope of the project and how it will benefit your organization and its constituents. Of course, your organization will have the opportunity to review and approve the piece, including up to three rounds of edits included in our proposal.

Once identified, McDonald Schaefer will prepare an interview request letter for interviewees which will explain why the study is being conducted and that your organization is seeking their feedback and advice. Although we draft the letter, it is subject to your approval, signed by your Board Chair and/or Library Director, and mailed on your letterhead with the project summary enclosed. Our staff will produce the mailing at our office.

A few days after the letters are mailed, your organization will contact interview candidates to schedule personal interviews on one of several predetermined days when McDonald Schaefer is onsite. McDonald Schaefer will prepare an Interview Guide of key questions, which we will review with you prior to beginning the interviews. The guide addresses all key areas necessary for a successful campaign:

- Impressions of the organization
- Impressions of the plans
- Opinions on the dollar goal and on the organization's potential for reaching it
- Major donor prospects and leadership candidates
- Personal interest in the project as a donor and/or campaign volunteer
- Opinion on current philanthropic climate and its impact on this project

McDonald Schaefer will then conduct the personal interviews. This is the essence of the campaign feasibility study. The interviews will focus on key campaign variables and will ask study participants about their preliminary interest in supporting the project. We'll ask them how likely they are to support the project, where this project would rank in their charitable priorities, and how much they might consider giving while presenting the participant with a printed list of gift levels prepared specifically for this study.

A Note on Interview Location: Interviews will be held primarily at the library but may also be conducted at the participant's home, office or a coffee shop if they prefer. Most of the interviews will be conducted in person but when necessary, because of distance (e.g. if they winter out of state) or at the request of the interviewee, some may be conducted by phone.

Thank you letters are sent promptly to participants after their interview. Once the interviews are completed, our team will compile and analyze all interview data and will prepare a final report that will contain quantitative and qualitative data, as well as analysis of both.

At the study's conclusion, we will offer to send a short summary of the study findings to all participants. This step is optional, but we encourage it as an appropriate gesture for interviewees who

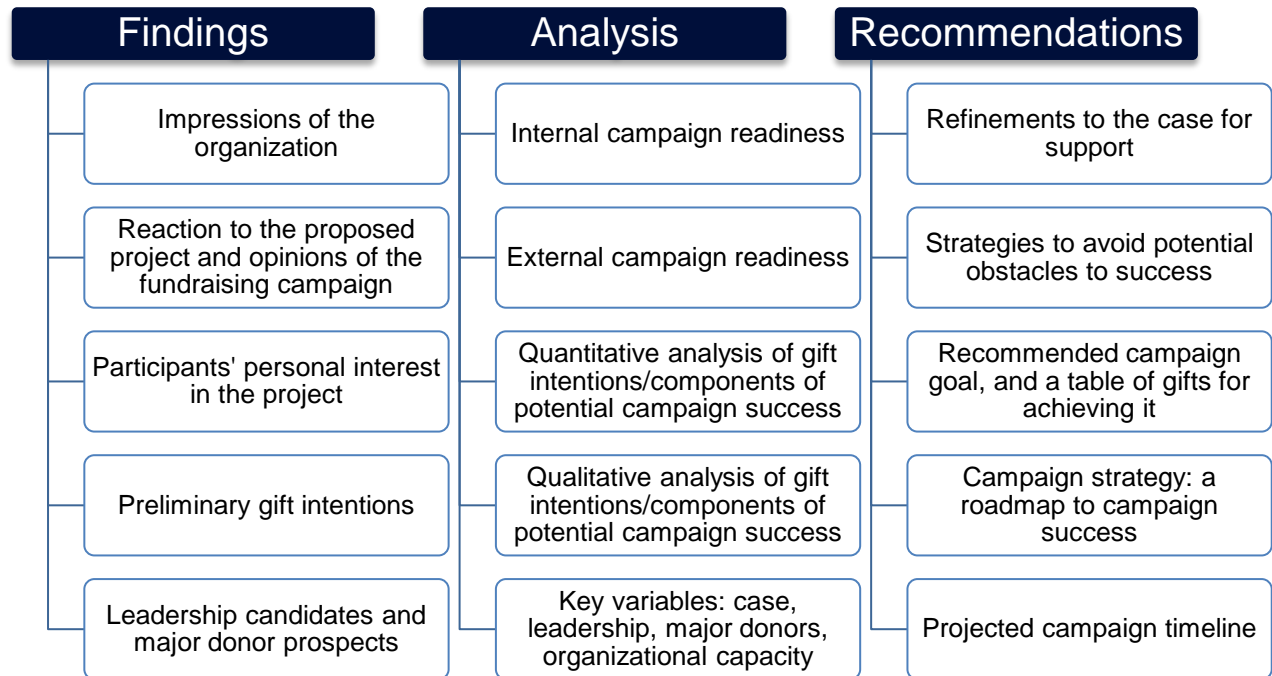
spent their time on your behalf and will wonder about the outcome of the study. Moreover, this point of contact serves as another form of cultivation, further engaging potential donor prospects and/or leadership candidates and deepening their interest in the project.

Optional Internet Survey

An optional Internet survey for selected constituents not interviewed in person can expand your study data, strengthen your study findings and engage a broader segment of your constituency for feedback about your plans. Similar to the questions asked during personal interviews, the Internet survey seeks constituent impressions of your organization, your plans, and of their interest in supporting your project. You may invite all qualified stakeholders for whom you have email addresses. While feasibility study results are weighted with feedback from personal interviews, the optional Internet survey can provide meaningful supplemental information that helps your leadership team make solid data-driven decisions.

Feasibility Study Results

With all relevant data in hand, we will develop a comprehensive Feasibility Study Report, which will prove invaluable to developing the best campaign strategy. We will present our findings and recommendations to your board and also provide a comprehensive written report that includes:



The study will provide answers to the key questions that must be answered in order to run a successful capital campaign, and will enable you to proactively chart a successful course forward.

Your Role in the Study

The role of your board and staff during a feasibility study is summarized as follows:

- Provide information about the organization’s initiatives
- Identify interview candidates and provide short profiles for each including contact information and donor history*
- Review and approve the following:
 - Interview request letter
 - Project summary
 - Interview guide
 - Thank you note

- Cover letter and study summary sent to participants when study is complete
- Schedule feasibility interviews based on the availability of consultants
- Sign interview request and thank you letters
- Review list of donor and leadership names compiled during study for clarification or correction

*We will ask that selected board and staff be among those interviewed.

Report Preparation

Developing an accurate, thorough and meaningful Feasibility Study report for you takes time. With volumes of data to compile and analyze, McDonald Schaefer requires three weeks after the last interview is completed to prepare the initial report draft. This Final Report is our key deliverable, and will ultimately be your organization's roadmap to future success. Ensuring it is comprehensive and accurate is critical, and our commitment to its careful preparation is a hallmark of our firm's work. If results are needed before three weeks, McDonald Schaefer will provide a summary of study findings, but the full report will not be available earlier.

Feasibility Study Fees

Description	Fee
Basic Feasibility Study 20 Personal Interviews	\$10,000
Standard Feasibility Study 30 Personal Interviews	\$15,000
Comprehensive Feasibility Study 40 Personal Interviews	\$20,000
Optional Internet Survey (Supplements personal interviews)	\$1,500

A Comprehensive Feasibility Study is recommended for most projects since it will produce the best results and engage the largest number of potential donors and campaign leaders. Studies of more than 40 interviews are sometimes appropriate for large campaigns and McDonald Schaefer can accommodate that. Studies of 20 to 30 interviews may be appropriate for communities with smaller constituencies or when the budget doesn't allow for more. A minimum of 20 people should be interviewed.

Payment Schedule

First Payment	To initiate services
Second Payment	30 days later
Third Payment	60 days later
Final Payment	When final report is delivered

Deliverables

Key deliverables include a written Feasibility Study report including Findings and Recommendations, one in-person presentation to summarize the report, up to 15 printed and bound color report copies (additional printed copies are available at cost) and a high-quality digital PDF of the report. McDonald Schaefer will retain a digital copy of this report at its offices for one year from the date it is issued.

Expenses

Local

Travel expenses can be a costly and common expense in working with consulting firms. Since McDonald Schaefer operates locally, we limit expenses for local service (within 60 miles of Waunakee) to a maximum \$1,000 expense allowance that the participating consultant(s) will draw on to cover mileage, telephone, meals, postage, and printing. Travel expenses are billed monthly.

Long Distance

Should McDonald Schaefer travel more than 60 miles outside of Waunakee for Feasibility Study interviews or other purposes as directed by our client, reimbursable expenses will include:

- Travel time and mileage billed at \$62.50 per hour and \$.56 per mile
- Meals, as necessary
- Lodging, as necessary
- Airfare, as necessary
- Rental car, taxi, parking, tolls, and other travel expenses as necessary

Expenses are billed at cost, subject to your approval, and submitted monthly.

The fees in this proposal assume interviews will be grouped together when possible including a minimum of three interviews per day for efficiency and to minimize repeat travel. Because of the inefficiencies of traveling to a community for only one or two interviews, we must charge a travel fee of \$75 per hour unless three or more interviews are scheduled on any given interview day.

Available Credits

The following credits are available should your organization wish to handle either of the steps below:

<i>Description</i>	<i>Credit</i>
Develop the Project Summary	- \$1,000
Process mailings (interview requests, thank you letters, post-study mailing)	- \$750

Client References

We invite you to contact these references or view short online video testimonials at mcdonaldschaefer.com.

Madison Public Library Foundation Madison, WI

Feasibility Study and \$6.75 million Capital Campaign for a new \$30 million Madison Central Library.

Jenni Collins, Executive Director
(608) 266-6318 | jcollins@mplfoundation.org

Sauk Prairie Memorial Hospital Prairie du Sac, WI

Feasibility Study and \$5 million Capital Campaign for a new \$47 million hospital. The goal is believed to be unprecedented for a rural Wisconsin hospital. This community campaign was conducted on an expedited schedule and was completed in 18 months.

Patrice Luer, Foundation Executive Director
(608) 643-7226 | patrice.luer@saukprairiehealthcare.org

Olbrich Botanical Gardens Madison, WI

Conducted a Feasibility Study and are directing a multi-million dollar Capital Campaign for expansion and renovation.

Ann Heiden, Development Director (former)
(Ann is now the Executive Director of The Community Foundation of Southern Wisconsin)
(608) 758-0883 | ann@cfsw.org

Conflict of Interest Statement

McDonald Schaefer does not anticipate any conflict of interest(s) in our service to Waunakee Public Library. However, should a conflict of interest or apparent conflict of interest arise during our engagement, we will fulfill our duty to disclose by immediately notifying your leadership and then work together to 1) determine if a bona fide conflict of interest exists and if so, 2) jointly develop a plan to resolve the conflict.

If the conflict involves any assigned McDonald Schaefer staff, the project may be reassigned to other McDonald Schaefer staff in order to sustain campaign progress. In any such circumstance, the best interests of Waunakee Public Library shall guide our resolution of the matter.