

What are capital projects?

Capital projects seek to improve the physical assets of an organization. Typical projects include:

- building construction and renovation
- land acquisition
- technology (e.g., computerized membership or ticket systems, audiovisual equipment)
- furnishings (e.g., classroom desks and chairs, museum display cases)
- equipment (e.g., for laboratories, recreational programs)
- vehicles (e.g., for food distribution, transportation for the elderly or disabled, recreational programs)

What kinds of capital projects are eligible for OCF support?

Some Community Grant requests are for capital projects, but they are not a major focus of the Community Grant program. To be competitive, capital proposals to OCF should clearly outline how the project will enable the organization to carry out programs that would not otherwise be possible, and how the quality of life in the community will be improved as a result.

Guidelines state that lower priority is given to “general support of capital campaigns” and “capital projects that will not clearly advance the organization’s mission, or change or enhance the community it serves.” Capital campaigns for college and university campuses and medical centers also are lower priority unless the building has an immediate and direct impact on the neighboring community through housing community-based programs and providing broad public access to meeting spaces and community services.

What questions does OCF typically ask in the process of reviewing these proposals?

Property acquisition, construction and renovation proposals

- Do you own the property? If not, why should OCF invest in improvement of another landowner’s property?
- Is ownership of property or facilities critical to your mission?
- Could new facilities be leased rather than built? What are the comparative advantages of owning and leasing?
- Would obtaining a loan be a feasible alternative to a capital fundraising campaign?
- Would it be better to raise capital for endowment or annual funds for programs than to invest in a structure?
- Can some of the costs be covered through in-kind donations? Is there an opportunity for greater community involvement through in-kind contributions?
- What is the plan and timetable for developing property?
- What are the restrictions on the use of the property?
- Are all necessary permits and licenses in hand? If not, why not?

Technology

- What new advantages will technological investment provide?
- How will you measure the impact of new technology?
- What have you done to explore donation of equipment from tech companies or other corporations that are upgrading, moving, or going out of business?
- What kind of technical support is available to ensure the equipment has the greatest impact?

Furnishings and Equipment

- How will new furnishings or equipment change or enhance existing programs?
- Will the changes be cosmetic or substantive?
- Have suitable in-kind donations been solicited?

Vehicles

- What specific kind of vehicle is requested, and why?
- How will a new vehicle change your programs?
- How will it affect operating costs?
- What will be the change in the quality of life of those being served by your organization?
- Have local car dealerships or other businesses or individuals been contacted for in-kind donations?

General

- What are the costs of maintenance of the new capital assets?
- Does the project reduce or increase annual expenses? Does the future budget provide for them? Do you have the capacity to raise additional funds?
- Is the project actually a maintenance effort; e.g., roof repair, plumbing upgrades, or replacement of furniture? Should this project and similar ones be provided for in annual budgets?
- Are the proposed changes mandated by the Americans with Disabilities Act or other legislation?