

## AD: FUN - Fund Development and Donations

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### **POLICY:**

The Lac La Biche County Library Board endorses and supports fund raising endeavors to supplement its resources in providing effective services to its patrons.

Fund raising initiatives will be structured, will engage other members of the community to assist, will focus on both short and long terms needs, and will appropriately acknowledge the generosity of benefactors.

### **PURPOSE:**

The following sections support this policy and outline a number of guidelines and procedures that will provide parameters and direction for fulfilling the intent of the policy.

### **A. Fund Raising Committee – “Friends of the Libraries” – Terms of Reference**

#### **1. Introduction**

The Lac La Biche County Library Board believes it is important and valuable to have supportive community members engaged in the ongoing development and growth of the Stuart MacPherson and Plamondon Libraries.

Accordingly, the Board has established a fund-raising sub-committee of the Board to work with the Board and its staff to attract additional funding for library operations.

Our libraries are public institutions primarily funded by taxes from the municipal and provincial governments. With the establishment of the “Friends of the Libraries”, the Library Board will be able to pursue additional fundraising endeavors to help meet our defined and evolving needs.

#### **2. Role and Responsibilities**

The activities of the “Friends of the Libraries” will primarily focus on the following:

- a. Provide advice and assistance to the Library Board on its fund development and donation policies and guidelines,
- b. Help develop and implement annual or targeted fund-raising campaigns and assist staff in planning and hosting special events,
- c. Assist with identifying and contacting prospective donors and/or funders,
- d. Alert the Library Board and its staff to potential partnering or collaborative arrangements with other agencies or organizations locally or beyond,
- e. Ensure our fund-raising endeavors are consistent with established Library Board policies and priorities,
- f. Provide advice and support on garnering and maintaining public awareness and media attention,
- g. Advise the Library Board of any emerging problems or issues our fund-raising initiatives may be causing.



### **3. Funding Policies and Guidelines**

The Library Board will have established policies, guidelines, and procedures to cover a broad range of funding sources, the handling of gifts and donations and a structured approach to donor recognition.

The Library Director and Staff will annually provide to the Friends of the Libraries, a Library Board approved schedule of projects or initiatives that would benefit from fund raising endeavors.

### **4. Committee Representation**

The Friends of the Libraries will be composed of up to five (5) active community members at large, up to two (2) members of the Library Board and the Library Director. The committee will be chaired by a member of the Library Board.

Community members will generally be representative of a broad cross section of the regional community, will be individuals that have demonstrated an interest in growth of our community, and will have contributed to its development.

Community members will be invited to serve for a minimum of a two-year term and will be encouraged to consider a reappointment if their availability permits.

Committee members are appointed by the Library Board. Should a major conflict or problem arise with a committee member that cannot be resolved, the Library Board may remove that member from the committee.

### **5. Summary**

Public libraries generally need to extend extra effort in developing a “community profile” and garnering attention similar to other community groups, such as sports teams or music and arts organizations.

Through the “Friends of the Libraries” we do hope to generate a greater awareness and stimulate some creative thinking and ideas on how individuals and organizations might contribute to our libraries.

The Library Board wishes to note that the contributions and support from Lac La Biche County and the Provincial Government have been consistent, progressive and have demonstrated an interest and support in our planning initiatives.

The Library Board also acknowledges the support from the Provincial Government through Northern Lights Library Services. “Friends of the Libraries” is being formed to complement this existing support system.

### **B. Charitable Donation Status:**

The Lac La Biche County Library Board is a designated charitable organization, registered with the Charities Directorate of Canada Revenue Agency (CRA) and as such is able to provide tax deductible receipts for all donations meeting CRA standards and regulations.

### **C. Fund Development Guidelines:**

Effective fundraising requires a Fund Development Plan, developed by the Board, with the assistance of the Library Director. The Plan will then be utilized by the Friends of the Libraries as the primary guiding document in pursuing funding support.



The three-year Fund Development Plan will address needs in three categories; capital, programs/services and collection & materials needs. The Plan will be revised annually to maintain a current three-year perspective.

The plan will include a listing of the equipment, materials, and program/service needs which require funding, the associated costs, a prioritization of those items/services, as well as prospective donor groups or individuals. Where matching funding may be available; those resources will also be identified.

#### **D. Donations/Gifts Guidelines:**

For income tax purposes, a gift or donation is defined as a voluntary transfer of property to the library, made without the expectation that any benefit will accrue to the donor or anyone designated by the donor. No benefit of any kind may be provided to the donor or to anyone designated by the donor except where the benefit is of nominal value.

Canada Customs and Revenue Agency defines nominal value as a fair market value of less than the lesser of \$50 or 10% of the amount of the gift. It is permissible and encouraged for donors to receive recognition for their gift.

Donors may be eligible for a charitable tax receipt that may be claimed as a non-refundable tax credit on an income tax return.

The following donation/gift guidelines are consistent with the regulatory requirements of the CRA Charities Directorate.

Recognized contributions may include:

- a) Cash donations – cash, cheque, or money order
- b) Formal written pledges – specifying a donor commitment to pay a specified amount over/by a specified time frame
- c) Gifts-In-Kind – may involve both goods and services and will be accepted based upon Fund Development Plan needs and receipted at fair market value and applicable CRA guidelines (donations of Art Work requiring an income tax receipt will be subject to CRA Valuation and Taxation rules).
- d) New and used books and collection materials; receipted per Library Policy
- e) Bequests and In-Memorium contributions
- f) Designated giving through cash, pledges or gifts-in-kind to specific capital items, programs, or services.
- g) Any events which have fund raising as main purpose will have complete cost and revenue tracking.
- h) Ensure that any costs associated with fund raising are well below the CRA ratio of 35%.

Acceptance of donations will be handled as follows:

- a) Receipting of same shall be analyzed by the Library Director and recommended to the Board.
- b) Where items are donated, they become the property of the Libraries and fall within the material disposition policies of the Board.
- c) Any major property donation must be accompanied by written evidence that it is free and unencumbered.
- d) The Board may accept conditions on the disposition of donations where it deems the proposed conditions to be reasonable and feasible.
- e) The Board reserves the right to use the donation in the best interest of the library and shall make decisions regarding the investment, disposition, and/or eventual disposal of all donations.



Acceptance of Pledges spread out over more than one budget year will be handled as follows:

- a) The Donor Recognition level assigned to a donor will be based upon the amount of the total pledge.
- b) The signed Pledge Form will reflect the total pledge and the amounts to be paid initially and in each subsequent year of the total pledge period.
- c) An annual reminder will be created whereby the Donor will be contacted at an assigned time in the subsequent pledge years to provide a reminder of the pledged amount due and making arrangements for that payment.
- d) Receipts will be produced upon each payment for the actual amount paid.
- e) Where a Donor is not able to make the pledged payment in subsequent years at the anniversary date of the initial payment, that pledged payment will be accepted up until the end of the 2<sup>nd</sup> donor year and so on thereafter during the life of the pledge.
- f) In the event a donor does not fulfill their entire pledge commitment they will receive Donor Recognition to the level of their received contribution.

#### **E. Donor Recognition Guidelines:**

The Library Board holds all donors in high esteem. Donor relationships are of high priority.

Therefore, while seeking donations in support of library priorities, the staff, Board members, and volunteers have an ethical responsibility to uphold the interest and well being of the libraries' benefactors.

The Board's donor-centered communications, records management and recognition activities adhere to the following practices:

- Donors can expect to receive prompt acknowledgement of their gifts.
- Donors can expect to be informed of the specific destination of their gifts.
- Donors can expect to receive meaningful and measurable information of their gifts at work prior to being asked again to give to the library.
- Donor recognition involving public acknowledgement will take place only when a signed permission form has been received from the donor.
- The contents of all donor records maintained by Library Staff shall remain confidential unless the donor provides express written consent to do otherwise.

The Library Board will not implement sponsorships and naming strategies related to donations.

#### **F. Donor Recognition Categories and Associated Recognition:**

##### **Individual/Family**

##### **\$500 - \$999**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Name on donor walls



## **Corporate**

### **Under \$500:**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications

### **\$500 - \$999:**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Listed in Thank You Ad in local media

### **\$1000 - \$9,999:**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Listed in Thank You Ad in local media
- Press Release and Photo Thank You in local newspapers
- Donor Wall recognition – Level I – Copper

### **\$10,000 - \$24,999:**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Listed in Thank You Ad in local media
- Press Release and Photo Thank You in local newspapers
- Donor Wall recognition – Level II – Bronze

### **\$ 25,000 - \$49,999:**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Listed in Thank You Ad in local media
- Press Release and Photo Thank You in local newspapers
- Donor Wall recognition – Level III – Silver

### **\$50,000 - \$99,999:**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Listed in Thank You Ad in local media
- Press Release and Photo Thank You in local newspapers
- Donor Wall recognition - Level IV - Gold

### **\$100,000 +**

- Thank you letter signed by Board Chair
- Website recognition
- Thank you in library publications
- Listed in Thank You Ad in local media
- Press Release and Photo Thank You in local newspapers
- Donor Wall recognition - Level V – Platinum

Prior to any public recognition, a release form must be signed. ♦

