

1. Purpose

This policy establishes guidelines for securing and managing grants, sponsorships, and donations to ensure financial sustainability and transparency in how Northern Lights Library System (NLLS) obtains and utilizes external funding.

2. Authority to Secure Grants, Sponsorships, and Donations

- The Executive Director, Board Chair, or a designated representative are authorized to:
 - Apply for grants on behalf of NLLS.
 - Seek and accept sponsorships and donations that align with NLLS's mission and values.
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3. Criteria for Accepting Sponsorships & Donations

NLLS will only accept grants, sponsorships, and donations that:

- Align with NLLS's mission and values.
- Do not create conflicts of interest or compromise the integrity and independence of the organization.
- Do not impose conditions that conflict with NLLS's policies, governance, or service delivery model.
- Have no expectation of direct influence over NLLS's decision-making or operations.
- Require Board approval for any donation or sponsorship if conditions are attached.

NLLS reserves the right to decline sponsorships or donations that do not meet these criteria.

4. Public Library Services Branch (PLSB) Rural Services Grant

- Administration & Distribution
 - NLLS will administer and distribute the Rural Services Grant annually to libraries without a library board, subject to provincial funding availability.
 - Each year, Counties and M.D.s will provide direction on percentage disbursements for regions with multiple libraries.
- Grant Disbursement Process
 - NLLS charges a 1% administration fee upon receipt of the Rural Services Grant from the Public Library Services Branch (PLSB).

- NLLS shall release and disburse grant funds when received from PLSB.
 - If grant funds have not yet been received, NLLS may advance up to 50% of the anticipated Rural Services Grant funds by August 31, subject to fund availability.
 - Unspent or Delayed Grant Funds
 - If Rural Services Grant funds are not received by the end of the fiscal year, the Executive Committee will determine a contingency plan to ensure continued library service delivery.
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5. Reporting & Accountability

- The Executive Director will submit an annual report to the Board detailing:
 - All grants applied for and received.
 - All sponsorships and donations accepted.
 - How external funding was allocated and utilized.
 - Status of the Rural Services Grant disbursement.
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6. Donor & Grant Acknowledgment

- NLLS will publicly acknowledge major grants and donations through:
 - Annual reports, website updates, or other appropriate means.
 - Donors and sponsors may request anonymity, which NLLS will honor.
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7. Compliance & Financial Oversight

- The Executive Committee will review grant and sponsorship agreements as needed to ensure compliance with financial policies and governance standards.
- All external funding must be used for its intended purpose, with proper financial tracking and reporting.

NLLS Board Chair

Date