



POLICY

Policy Type: Finance **Policy Number:** 04-06
Policy Title: Fund Development and Gift Acceptance

Purpose:

This policy sets out requirements for fundraising and acceptance of gifts other than library materials in accordance with the Library's status as a registered charity.

Introduction:

St. Thomas Public Library welcomes and encourages contributions from individuals, groups, foundations and businesses for the purpose of enriching and enhancing the programs and services that the Library provides for the residents of St. Thomas. St. Thomas Public Library is committed to maintaining its reputation for integrity and ethical fundraising practices, in order to retain such financial support. The Library, in all its fundraising practices, will maintain its reputation for open, honest and transparent reporting involving the raising, investment and disbursement of funds.

Definitions:

Campaign An organized fundraising effort to solicit substantial funds for St. Thomas Public Library, usually extending over a period of months or years.

Designated Funds

Donated funds designated as a gift for a special purpose.

Donation A voluntary transfer of property made to the Library without the expectation that any benefit will accrue to the donor.

Donor An individual or an organization who has made a gift to the Library.

Fair Market Value (FMV)

The value that an item would sell for on the open market.

Fundraising Activities

Short-term activities or single events to solicit funds.

Gift A voluntary transfer of property, without consideration.

Gifts-In-Kind

Non-cash gifts and do not include gifts of services.

Undesignated Funds

Donated funds, which have not been identified by the donor for a specific purpose.

General:

St. Thomas Public Library's fundraising will be conducted in a responsible manner, consistent with the ethical obligations of fundraising and the legal requirements of provincial and federal regulators, such as the Canada Revenue Agency and Canadian Income Tax Act.

All donated funds (designated and undesignated) will be used to support St. Thomas Public Library's mission and objectives, specifically for non-core and value-added services and programs, and capital enhancements.

All designated donated funds will be used for the purposes for which they are given. If necessary due to program or organizational changes, alternative uses will be discussed, where possible, with the donor or the donor's legal designate. All undesignated donations will be directed to specific purposes where they are most immediately needed or where opportunities are greatest in order to support value-added services or programs, or enhancements to capital projects.

While honouring the wishes of the donors as appropriate, the Library reserves the right to use the donation in the best interest of the library, and shall make decisions regarding the investment, disposition and eventual disposal of all donations.

Expenditure of all donated funds will be approved by the Board prior to being spent, ensuring adherence to donor intentions.

Funds donated to St. Thomas Public Library, designated or undesignated, will be deposited in a Trust Account using separate fund lines to record individual fundraising activities or campaigns.

Accounting and Reporting:

Annual financial reports, inclusive of Annual Registered Charity returns, will be factual and accurate in all material respects. The financial reports will be prepared in accordance with generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants.

Government grants and contributions will be accounted for separately from donated funds.

Fundraising costs will be kept to the minimum amount necessary to meet objectives.

The CEO will present a summary report on the success and cost-effectiveness of the Library's overall fundraising programs(s) to the Board annually.

Gifts-in-Kind:

The Library reserves the right to refuse any or all gifts-in-kind. Gifts-in-kind become the sole property of the St. Thomas Public Library. The Library reserves the right to dispose of gifts-in-kind at any time in any way it deems appropriate.

Donations:

Donations may be mailed to the Library, received on-line, or made at any service point in the Library.

The Library reserves the right to refuse donations. All donations become the property of St. Thomas Public Library. The Library maintains complete jurisdiction over the disposition and/or disposal of donations.

Official Receipts for Tax Purposes:

A charitable receipt, in accordance with Canada Revenue Agency guidelines, will be issued for all monetary contributions of \$10 or greater.

A letter of appreciation and an official receipt for tax purposes will be mailed to the donor.

Receipts for Gifts-in-Kind will be supported by a fair market valuation (FMV) provided by an independent knowledgeable third party not associated with either the donor or the Library. The donor will bear the cost of the appraisal.

For donations of securities, e.g. mutual funds, the value of the official receipt will be determined by the fair market value of the security on the date the security is transferred to the St. Thomas Public Library.

Gifts in kind with a fair market value of less than \$1000 need not be accompanied by a professional appraisal; however, the library reserves the right to require an expert opinion on the value of the gift before issuing a receipt.

Donors and Privacy:

All research undertaken by the library on current and potential donors will be limited to its funding development process and no other purpose.

The privacy of donors will be respected in compliance with the Municipal Freedom of Information and Privacy Act, RSO 1990, Chapter M56. The Library does not share, sell or trade donor lists.

The information contained in donor records will be confidential unless the donor has agreed otherwise. Donor lists may be used by the Library for ongoing communication and the solicitation of future donations.

Publicity about donations may be considered with the agreement of the Library and the donor(s).

Naming Opportunities

Donors wishing to have their donation recognized by naming a specific space in, or feature of, St. Thomas Public Library must submit their proposal in writing to the CEO. The CEO will then bring said proposal to the attention of the Library Board.

The Library Board has the exclusive right to approve or refuse such proposals.

The Library Board will determine, on a case by case basis, whether to grant or refuse a naming proposal.

If a proposal is successful, a written agreement will be drawn up. The terms of such agreements (e.g. space or feature to be named, specific recognition marker) will be commensurate with the donation received. This agreement must be signed by both the donor and the Library Board.

The duration of naming opportunities will not endure beyond the useful life of the space or feature named. The Library Board reserves the right to remove the donor's name at any time, should they deem it appropriate or necessary to do so.

The Library Board reserves the right to remove a donor's name without notice should that individual or organization fail to exemplify the attributes of integrity and civic leadership expected of this honour.

Investment:

All investments will conform to the finance policies of the City of St. Thomas and all applicable Ontario Provincial Laws and Regulations governing the investment of public funds.

Related Documents:

03-01 Collection Management Policy

04-04 General Finance

04-05 Sponsorship

Approved Date: October 18, 2017

Supercedes Date: May 18, 2016

Review Date: October, 2021

Reference: Board Meeting October 18, 2017