

LONDON PUBLIC LIBRARY



Title of Policy: Financial Management for Fund Development

Policy Type: Means Policy

Policy No.:

Issuing Date:

Review Date:

PURPOSE

In order to serve the needs of Londoners, London Public Library must rely on charitable contributions from individuals, groups, foundations and corporations. London 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 is an organized fundraising effort to solicit substantial funds for the London Public Library, usually extending over a period of months or years.

Designated Funds are donated funds designated as a gift for a special purpose.

Donor is an individual or an organization who has made a gift to the London Public Library.

Fair Market Value is the value that an item would sell for on the open market.

Fundraising Activities are short-term activities or single events to solicit funds.

Gift is a voluntary transfer of property, without consideration.

Gifts-In-Kind are gifts of non-cash gifts and do not include gifts of services.

Pledge is a commitment of a gift, given over a specific pre-determined time frame.

Undesignated Funds are donated funds, which have not been identified by the donor for a specific purpose.

POLICY

1. London 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.
2. All donated funds (designated and undesignated) will be used to support London Public Library's mission and objectives, specifically for non-core and value-added services and programs, and capital enhancements.
3. 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.
4. Expenditure of all donated funds will be approved by the CEO, or designate, and Director of Finance prior to being spent, ensuring adherence to donor intentions.
5. Donated funds to the London Public Library, designated or undesignated, will be deposited in a Trust Account using separate fund lines to record individual fundraising activities or campaigns.

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6. Pledges must be accompanied by an agreement signed by the donor and the CEO, or designate, of the London Public Library. Pledges may be announced publicly at the shared discretion of the donor and the Library. There will be no official donor recognition until the Library has received the donation or the signed donor contract and the first installment.
7. 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.
8. Government grants and contributions will be accounted for separately from donated funds.
9. Fundraising costs will be kept to the minimum amount necessary to meet objectives.
10. The CEO, or designate, will perform an ROI (return on investment) analysis on all fundraising campaigns and present a summary report on the success and cost-effectiveness of the Library's overall fundraising programs(s) to the Board annually.
11. A charitable receipt, in accordance with Canada Revenue Agency guidelines, will be issued for all donated funds of \$10 or greater. A personalized letter thanking the donor will accompany each receipt and be signed by the CEO.
12. a) Receipts for Gifts-in-Kind will be supported by a fair market valuation provided by an independent third party. Fair market value may be determined by a qualified Library staff member if the value of the item(s) is \$1,000 or less. If the FMV is more than \$1,000 a knowledgeable third party not associated with either the donor or the Library will appraise the property. The donor will bear the cost of the appraisal.

b) The Library reserves the right to refuse any or all gifts-in-kind . Gifts-in-kind become the sole property of the London Public Library. The Library reserves the right to dispose of gifts-in-kind at any time in any way it deems appropriate.
13. 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.
14. Fundraised dollars held in the trust funds are to be invested consistent with the Library's investment policy.

INQUIRIES

Director of Financial Services