

Approved Feb 2025

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Lincoln Pelham Public Library is a registered charity and follows all relevant rules and regulations of the Canada Revenue Agency (CRA).

### **1. PURPOSE**

Lincoln Pelham Public Library welcomes and accepts donations, gifts and sponsorships from individuals, corporations and foundations, which help support its mission and vision. Funds or gifts received will help enhance programming and services offered, collections and capital improvements.

The intent of this policy is to provide specific gift acceptance guidelines for LPPL employees, Board members and donors regarding gift acceptance by Lincoln Pelham Public Library in accordance with the Canada Revenue Agency (CRA) and the Canadian Income Tax Act.

### **2. SCOPE**

This policy applies to all staff, members of the board and donors of Lincoln Pelham Public Library seeking to support the library through the provision of donations, gifts and sponsorship.

### **3. DEFINITIONS**

3.1. Bequest -a specific provision in a will directing assets from an estate to Lincoln Pelham Public Library

3.2. Designated Gift – a gift wherein a donor indicates how they want the money to be allocated

3.3. Donation -a voluntary transfer of real or personal property from a donor who freely disposes of his or her property to a recipient who received the property given. The transaction shall not result directly or indirectly in a right, privilege, material benefit or advantage to the donor or to the person designated by the donor.

3.4. Donor -an individual, business, community service or other organization that donates funds to the library

3.5. Fair Market Value -means the highest price, expressed in dollars, that a property would bring in an open and unrestricted market, between a willing buyer and a willing seller who are knowledgeable, informed and prudent, and who are acting independently of one another. (Canada Revenue Agency, “Fair Market Value” Summary Policy CSPF02)

3.6. In Kind Gift -also referred to in kind donations, is a charitable giving in which, instead of giving money to buy needed goods and services, the goods and services themselves are given. Gifts include artwork, computer equipment, cultural property, audio visual equipment, furniture and other items as required by the library.

3.7. Planned Gift – also called legacy gifts, is any major gift, made in lifetime or at death as part of a donor's overall financial or estate planning. These include gifts of equity, life insurance, personal property, or cash. The Chief Executive Officer is authorized to negotiate planned gift arrangements with prospective donors.

#### **4. ACCEPTANCE OF DONATIONS AND GIFTS**

##### **4.1. Principles**

Lincoln Pelham Public Library practices an approach to communications and recognition that is Donor-centered. This means that the fundamental interests and sensibilities of donors are paramount in the design and delivery of all communications and recognition, whether written or in person. Specifically, the Library’s donor-centered communications and recognition activities adhere to the following principles:

4.1.1. Donors can expect to receive prompt acknowledgement of the gifts they make to LPPL.

4.1.2. Donors can designate giving to specific programs, services or capital projects, though donations to general funds and/or Library-selected initiatives.

4.1.3. Donors will be encouraged to consult a professional advisor of their choice to work with Lincoln Pelham Public Library on facilitating a planned gift. To avoid a conflict of interest between the library and its representatives, it is the responsibility of the donor's advisor to provide advice on tax, legal or financial planning to the donor.

#### 4.2. What is Accepted and How

Donations can include outright gifts of cash, pledges, sponsorships, bequests, gifts of life insurance, securities, in-kind donations and such other gift arrangements. A professional, written, third-party appraisal must be provided by the donor for any gifts in-kind at the donor's expense. The library shall only accept in-kind donations provided the donor acknowledges that the library has complete discretion as to how these gifts are to be used, including but not limited to, inclusion in Library collections, in-branch display or sale. In-kind donations are not attributed any cash value for recognition purposes.

All donations made become property of the Lincoln Pelham Public Library. The library reserves the right to decide the disposition of all gifts received, which includes artwork.

The Board will be informed of individual donations of \$10,000 or more.

#### 4.3. Sponsorship

A sponsorship is a mutually beneficial business exchange between the Lincoln Pelham Public Library and an external organization whereby the sponsor receives a benefit of reciprocal value, such as recognition, acknowledgement, or other promotional considerations, in return for providing cash and/or products and services in kind to the library.

LPPL supports the receipt of gifts of sponsorship towards programming, technology, library materials, capital, and other items deemed beneficial to the library if it supports the library's vision and mission.

All sponsors must enter into an agreement. Any agreement over \$25,000 will require the approval of both the CEO and Board Chair and will be presented to the Board.

A sponsorship agreement does not suggest that Lincoln Pelham Public Library endorses any of the sponsor's products or services. The Library Board can terminate the agreement immediately if the parameters of the agreement are not met or if the sponsor develops an image contradictory to Library's vision or fails to meet terms of agreement.

Where a sponsorship agreement limits the library's ability to obtain other sponsorships, such an agreement shall clearly define the nature and extent of the exclusivity, and the time frame over which the exclusivity is to be granted.

The sponsor must:

4.3.1. Have no impact on the library's goals or vision, or impact any of the developed policies

4.3.2. Have no impact or suggest any of the collections or materials to be purchased

4.3.3. Not use the library's name or logo without prior consent from the CEO

4.3.4. Have no access to library records of any kind

#### 4.4. Artwork

The library may accept artwork of historic/documentary value related to the history of the Town of Lincoln or the Town of Pelham as appropriate but rather encourages that these donations be made to the Lincoln Museum or the Pelham Historical Society.

4.4.1. The library does not act as a repository of the works of local artists or of portraits of local people.

4.4.2. The library may commission art for a new or existing building.

4.4.3. The Library Board reserves the right to refuse to accept any artwork considered by it to be inappropriate and/or unsuitable for a library environment.

#### 4.5. Refusing a Gift

Lincoln Pelham Public Library may refuse the acceptance of a gift if deemed not beneficial to the organization. Donors will be advised accordingly. LPPL would decline a gift if any one of the following conditions were known:

4.5.1. There are conditions to a gift and its designation, which are not consistent with the LPPL Mission, Vision, and Values Statement

4.5.2. The gift is seeking to unduly influence access to Library business

4.5.3. The gift could financially jeopardize the donors and/or Lincoln Pelham Public Library

4.5.4. The gift or terms are illegal

4.5.5. Lincoln Pelham Public Library does not have the resources to honour the gift term or determine its value

4.5.6. Misrepresentation has been made

4.5.7. The gift could jeopardize the library's charitable status

## **5. FUNDRAISING**

Lincoln Pelham Public Library raises funds to support the activities of the library, including capital projects. Fundraising projects must be consistent with the library's mission, values and objectives. Library members will be invited to participate in supporting the library from time to time.

Staff will develop and implement appropriate fundraising strategies to achieve fundraising targets, while maintaining awareness and respect for fundraising activities undertaken by others within the Towns of Lincoln and Pelham.

The library may approve special fundraising ventures which it deems suitable in fulfilling its mission, values, goals and objectives, and which will not compromise the library's public image. All funds raised will be used for the stated purposes and established priorities of the fundraising program as determined by the library in the fundraising strategy.

### **Library Support Groups**

Library Support Groups (such as Friends of the Library groups) wishing to financially support and/or advocate on behalf of the Lincoln Pelham Public Library will have their terms of reference and governance by-laws approved by the LPPL Board. Annual reports will be made to the Library Board summarizing their activities. The library board will direct the use of any funds raised.

### **Recognition**

The Lincoln Pelham Public Library Board will maintain a donor recognition program in support of this policy. The purpose of the donor recognition program is to thank donors, to encourage others to give, and to steward healthy long-term relationships between the library and its donors. Every effort is made to ensure that recognition is timely, meaningful to the donor and appropriate to the level of the gift. Recognition of donors will conform to established guidelines.

Separate donor recognition programs for special fundraising initiatives, such as capital campaigns, will be developed as a part of the campaigns.

The formal recognition of government grants or corporate partners or other granting bodies in library programs and/or services maybe dictated by the terms of the grant or agreement and may include the inclusion of government or partners' logos in print or electronic publications relating to the grant or agreement.

Use of funds raised and fundraising operating expenses will be in accordance with Canada Revenue Agency guidelines and every effort will be made to maximize dollars raised in relationship to dollars spent.

All records pertaining to established and potential donors will be held confidentially and in accordance with relevant legislation and Library policies.

Each donor reserves the right to remain anonymous and decline public (or private) recognition at all times. Internal controls require the sharing of donor information for administrative purposes. In lieu of placing a name on any public listing of donations, the word "Anonymous" shall be inserted in place of the individual's name.

In cases where donors request no public acknowledgement, Lincoln Pelham Public Library will honour their request subject to any disclosure that may be required pursuant to the Municipal Freedom of Information and Protection of Privacy Act.

## **7. TAX RECEIPTS**

Charitable receipts are issued for cash donations, appraised donations of securities, art, as well as in-kind donations. Charitable receipts cannot be issued for more than the fair market value as determined by an independent appraiser. It is the donor's responsibility to provide proof of fair market value of all donations provided to the library.

Deadlines may be applied to ensure that donations are received in time for a receipt to be issued in the current tax year. Receipts cannot be backdated.

Upon request, Lincoln Pelham Public Library will issue a tax receipt in accordance with CRA tax regulations for donations valued at \$20 or over.

## **8. DONOR RECORDS**

The library will maintain records of all donations, the contents of which will be protected by current privacy legislation (Municipal Freedom of Information and Protection of Privacy Act).

Donors' names and contact information will not be sold, leased, rented, or shared in any way with parties outside the library.

The library may use donor lists for the solicitation of future gifts (donations).