

<b>TITLE:</b> Gift Acceptance		<b>POLICY:</b> B-2013	
<b>COMMITTEE:</b> Finance & Audit	<b>PASSED:</b> February 11, 2009		
<b>TOPIC:</b> Fund Development	<b>AMENDED:</b> December 4, 2014, June 27, 2017		
		<b>REVIEW PERIOD:</b> Every 3 years.	

The purpose of this Policy is to confirm the types of gifts we will accept, the process for acceptance, and to ensure that all gifts to, or for the use of the Edmonton Public Library (EPL) are structured to provide maximum benefits to both parties. It ensures that gifts are made in accordance with legal and ethical regulations and guidelines which promote consistent practices and exercise of fiduciary responsibility.

The provisions of this policy apply to all gifts received by EPL.

### Principles of Gift Acceptance

EPL values its relationships with individuals and corporations and welcomes gifts that support its mission, services and facilities. EPL will abide by all laws governing the charitable sector, and to demonstrate its commitment to donors, endorses the principles outlined in The Donor Bill of Rights, Imagine Canada Ethical Fundraising and Financial Accountability Code and AFP Code of Ethical Principals and Standards of Professional Practice.

Donors are encouraged to support areas reflecting their interests. Ideally, all donations will correspond to identified Library needs. While EPL greatly appreciates the generosity of its donors, it may not always be in the interests of the Library to accept a particular gift. Specific gifts are considered on their merits and final decisions are made by the Chief Executive Officer (CEO). If EPL deems that a donor’s wishes do not correspond with the Library’s priorities, the donor will be asked to re-designate the gift. If the donor’s wishes cannot be satisfied within the parameters of the Library’s goals and priorities, the intended gift will be respectfully declined.

Additionally, gifts will not be accepted if they:

- a. Compromise the integrity, philosophy or autonomy of EPL.
- b. Have restrictions for use placed on it by the donor that are incompatible with EPL’s mission, or Canada Revenue Agency’s requirements.
- c. Are from any individual or entity involved in illegal activities.
- d. May have an adverse effect on the reputation of EPL.
- e. Entail unacceptable financial risk and burden. For example, gifts which are unmarketable, inaccessible, impractical, or may bring liability upon EPL.

- f. Require expenditures beyond the Library's resources.

## **Restricted and Unrestricted Gifts**

EPL encourages donations that support Library priority projects or are unrestricted in nature before recommending donations to designated areas, endowments or special projects. Unrestricted gifts are those that are given without a specific purpose identified by the donor. Unrestricted gifts will be placed in the General Operating Fund and the CEO will bring forward a recommendation to the EPL Board to move donated funds into a reserve account.

Restricted gifts are those given for a specific purpose designated by the donor. When gifts with restrictions are accepted, restrictions will be honored as long as they meet the Library's goals and priorities. These restrictions will be detailed in the donor's gift or pledge commitment letter.

## **Donation Acceptance Practices**

1. The Library encourages donors to make both outright and deferred gifts.
2. Outright charitable gifts are accepted by EPL in the form of cash, cheque, credit card or fund transfer. Ownership and management of outright gifts resides with EPL, whether for the benefit of the library generally or for some specific purpose.
3. Gifts of marketable securities, real estate, or deferred gifts, which include bequests, life insurance policies, gift annuities, and charitable remainder trusts and other gift types can be transferred to EPL or the Edmonton Community Foundation.
4. Persons representing EPL shall encourage the donor to discuss the proposed gift with independent legal, financial or tax advisors of the donor's choice to ensure that the donor receives a full and accurate explanation of all aspects of the proposed gift. The costs for the services of any advisors shall be borne by the donor.
5. The CEO or designate is delegated authority to enter into gift agreements with prospective donors.

## **Gifts-in-Kind**

1. Gifts-in-Kind are gifts of property including items such as artwork, equipment, books, cultural and ecological property.
2. The CEO or designate shall determine the merit and value of individual gifts-in-kind including gifts of art.
3. Accepted materials will become the sole and exclusive property of EPL and can be used for any purpose deemed acceptable by the Library.
4. EPL will follow the guidelines prescribed by the Cultural Property Export and Import Act and the Income Tax Act when receiving in-kind gifts of significance and national importance.
5. EPL will follow CRA gift-in-kind guidelines regarding appraisals, valuation and receipting.

6. Gift-in-Kind donations may have unique tax consequences. Donors should consult with their personal tax advisors prior to donating to ensure that they have a solid understanding of these consequences.
7. All accepted artwork must be ready for display (framed, mounted). Costs associated with this may be part of the fair market value of the artwork.
8. EPL accepts gifts of books and other library materials. These materials are sold at EPL's annual book sales with proceeds supporting priority EPL projects. Individuals who donate gifts of library materials will not normally be issued a charitable tax receipt. Consideration will be given on request and based on the value of the item(s).

## **Planned Giving and Endowments**

1. Planned giving agreements requiring execution by EPL will require review from EPL's legal counsel. Where versions of the same agreement are used without material changes, only the initial agreement needs to be approved.
2. Endowment donations to EPL will be held in trust by the Edmonton Community Foundation. A minimum gift of \$10,000 is required to establish a named endowment fund.

## **Donor Recognition and Reporting**

1. Naming of new or existing facilities will comply with the provisions of the City of Edmonton Naming Development Areas, Parks, Municipal Facilities, Roads and Honourary Roads Policy (Policy # C509A). EPL may name a branch to recognize exceptional support, contribution and advocacy for the Edmonton Public Library and/or for library services and values.
2. EPL may provide naming and recognition opportunities associated with interior facility spaces and rooms.
3. Recognition devices (i.e. donor wall, plaques) and systems (giving levels) created due to a gift shall not be arbitrarily changed or withdrawn. Unless otherwise negotiated at the time of the gift or changed through a joint agreement between EPL and the donor or the donor's family or legal representative, the original form of the recognition device or system will be maintained under the provisions of the gift agreement. If the recognition system cannot be physically retained, it will be replaced with another which is consistent with the original gift agreement.
4. EPL will maintain the trust of its donors by ensuring the funds are spent for the purposes for which they were raised or according to donor designation, approved by the Library, at the time the donation was made. Records will be maintained by Fund Development staff.
5. EPL will provide reports including audited financial statements to supporters and provide additional detail regarding the use of donated funds if/when requested.

## **Ad Hoc Committee on Gift Acceptance**

The Fund Development Manager, Executive Director of Strategy and Innovation, CFO, and CEO will act as the Ad Hoc Committee on Gift Acceptance. Its role will be to

consider complex gifts to the Library and those which may not be consistent with the principles outlined above. Such gifts will be reviewed in light of these principles. In all cases, it is the Library's responsibility, acting on the advice of the Ad Hoc Committee on Gift Acceptance, to ensure that a balance is achieved between the donor's wishes and the Library's needs. If this cannot be done, the donation cannot be accepted. The function of this committee will be performed on an as-needed basis and other expertise will be drawn upon as necessary.

## **Legislative and Policy Authorities**

- [City of Edmonton Naming Development Areas, Roadways, Parks and Municipal Facilities Policy](#)
- [Code of Ethical Principals and Standards of Professional Practice \(Association of Fundraising Professionals - AFP\)](#)
- [Cultural Property Export and Import Act \(Canada\)](#)
- [Donor Bill of Rights](#)
- [Ethical Fundraising and Financial Accountability Code \(Imagine Canada\)](#)
- [Fair Market Value \(Appraisal\) Summary Policy CSP-F07](#)
- [Income Tax Act \(Canada\)](#)
- [Statement of Ethics \(Association of Professional Researchers for Advancement - APRA\)](#)
- [Payment Card Industry Security Standards Council](#)

## **Related Board Policies**

- [Corporate Sponsorship, B-2202](#)
- [Ethical Fundraising and Financial Accountability Code, B-2015](#)