



STAFF REPORT ACTION REQUIRED

Sponsorship Policy - Update

Date: March 24, 2025

To: Toronto Public Library Board

From: City Librarian

SUMMARY

This purpose of this report is to seek Toronto Public Library Board approval of the updated Sponsorship Policy (Attachment 1).

The current Sponsorship Policy was last updated in 2014. Proposed changes to Toronto Public Library's (TPL's) Sponsorship Policy have been identified based on a comprehensive policy review and jurisdictional scan, and updates made to reflect current context, as well as to structure the policy to align with TPL's current Policy Development Framework.

The Sponsorship Policy recognizes that public funding is the principal source of funding for library services, and that sponsorships from corporate organizations can provide additional support that enables TPL to accelerate and scale impact. The policy ensures that there is a systematic and transparent approach to developing sponsorship opportunities that aligns with TPL's mission, vision and values, and maintains the independence and integrity of TPL. The policy continues to align with the former Canadian Library Association's [Position Statement on Corporate Sponsorship Agreements](#).

As a result of the review, the following key changes to the Sponsorship Policy are recommended:

- Clarifying language related to the definition of sponsorships.
- Scope excluding sponsorships that solely support the Toronto Public Library Foundation (TPL Foundation) events and activities (e.g. Biblio Bash).
- Establishing processes for a risk screening assessment of the reputation and business of the potential sponsor.
- Adding a requirement that all sponsorship agreements will be for a fixed term.
- Aligning with updates to the Naming Policy, as naming is one type of benefit that may be part of a sponsorship agreement.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves the updated Sponsorship Policy, appended as Attachment 1.

FINANCIAL IMPACT

This report has no financial impact beyond what has been approved in the current year's budget.

The Director, Finance & CFO has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

This policy advances TPL's 2025-2029 Strategic Plan priority of Awareness and Availability by ensuring a structure for sponsorships that enables the Library to accelerate and scale impact of services, making them more widely available in neighbourhoods across the city.

EQUITY IMPACT STATEMENT

This policy advances the Library's commitment to achieving equity and inclusion by establishing a process for sponsorships that aligns with TPL's

mission, vision and values, as well as the [Equity Statement](#) and [Intellectual Freedom Statement](#). The policy ensures a structure for sponsorships that accelerate the impact of Library services for residents, while protecting equity of access and consideration of the impact of potential sponsorships on vulnerable and equity-deserving groups.

DECISION HISTORY

At its meeting of October 30, 2023, the Library Board considered [Renewal of Letter of Understanding between Toronto Public Library Board and Toronto Public Library Foundation Board](#) and approved the updated Letter of Understanding in which TPL and the TPL Foundation committed to review and update TPL's Sponsorship Policy, to include mutually agreed upon criteria for evaluating reputational risk.

At its meeting on April 25, 2022, the Library Board considered [Toronto Public Library's Policy Development Framework](#) and approved TPL's Policy Development Framework, which sets out how policies are developed, reviewed and approved for TPL.

At its meeting on May 26, 2014, the Library Board considered [Sponsorship Policy – Proposed Revisions](#) and approved revisions to the Sponsorship Policy. The Sponsorship Policy was first approved by the Toronto Public Library Board at its meeting on July 15, 2002. The Board also approved revisions to the Sponsorship Policy at its September 15, 2008 meeting.

BACKGROUND

The Library primarily engages in sponsorship activities through the TPL Foundation, which solicits sponsorships on the Library's behalf. The Letter of Understanding between TPL and the TPL Foundation sets out the relationship between the two organizations. According to the Letter of Understanding, the Foundations' functions broadly include having responsibility for soliciting and negotiating sponsorships on behalf of the Toronto Public Library.

COMMENTS

The current Sponsorship Policy was last updated in 2014. Proposed changes to TPL's Sponsorship Policy have been identified based on a comprehensive policy review and jurisdictional scan, and updates made to reflect current context, as well as to structure the policy to align with TPL's current Policy Development Framework.

The main changes to the policy are highlighted in the redline version of the policy included in Attachment 1.

The Sponsorship Policy recognizes that public funding is the principal source of funding for library services, and that sponsorships from corporate organizations can provide additional support that enables TPL to accelerate and scale impact. The policy ensures that there is a systematic and transparent approach to developing sponsorship opportunities that aligns with TPL's mission, vision and values, and maintains the independence and integrity of TPL.

The approval process and threshold for Board approval of sponsorships (\$500,000 or greater) has not changed. The policy also continues to align with the former Canadian Library Association's [Position Statement on Corporate Sponsorship Agreements](#), which is included as an appendix to the policy.

As part of the policy review, a jurisdictional scan was also completed to review other library jurisdictions' policies related to sponsorship opportunities. The scan found that most libraries align their policies to the former Canadian Library Association position statement, similar to TPL. Generally, library policies state that sponsorships must be aligned with the library's vision, mission, values and strategic priorities, and that sponsorships should not exert or appear to exert influence over library planning and service delivery. A few jurisdiction's policies include additional categories of ineligible sponsors. Both Vancouver and Markham Public Library both do not consider sponsorships that involve direct marketing of products to children, for example.

This policy update clarifies some of the language relating to the definition of sponsors and donors. Generally, a sponsorship is when a corporate organization contributes financially to the Library in return for commercial

advantage including naming, recognition, acknowledgement or other promotional considerations such as publicity, merchandising opportunities, etc. Because of these marketing benefits, a sponsorship does not qualify for a tax receipt.

On the other hand, a donation is when either an individual, estate, or philanthropic foundation contributes financially and/or in-kind goods or services to the Library and this would be eligible for a tax receipt. While most donors expect some form of recognition as a result of their gift, the recognition is marginal in value relative to the value of the gift as defined by the Canada Customs and Revenue Agency. Where the financial contribution is from a corporate organization and the recognition is significant enough that it provides a commercial advantage, this would be considered a sponsorship and would be in scope for this policy.

As part of the renewal of the [TPLF Letter of Understanding](#), TPL and the TPL Foundation committed to review and update TPL's Sponsorship Policy, and to develop mutually agreed upon criteria for evaluating reputational risk. A risk assessment criteria tool has been developed that will be used to assess potential sponsors. The risk assessment will be shared with the City Librarian prior to a sponsorship being considered for approval. These changes are reflected in the updated policy (section 2.2).

The policy continues to confirm that the Library reserves the right to refuse any sponsorship that it, in its sole discretion, considers to be inappropriate or unsuitable to the advancement of the mission and objectives of the Library (section 8.6).

As a result of the review, the following additional changes to the Sponsorship Policy are recommended (see Attachment 1):

- Clarifying language related to the definition of sponsorships.
- Adding a purpose statement that aligns with the City of Toronto policy.
- Including language in the Underlying Principles that speak to the benefit of sponsorships.
- Scope excludes sponsorships that solely support the Foundation events and activities (e.g. Biblio Bash).
- Sponsorships will not involve targeted advertising to children. Previous policy limited this to food and beverage advertising (3.2).

- Ensuring transparency about whether there are multiple sponsors involved in an opportunity (4.2).
- Aligning with updates to the Naming Policy, as naming is one type of benefit that may be part of a sponsorship agreement (4.7).
- Clarifying that there is no obligation to purchase the product or services of a sponsor (4.5) and that the sponsor is prohibited from implying that their products, services or ideas are endorsed by the Library (5.2).
- Informing the local Councillor when there is a ward-specific sponsorship for a specific branch with a value of more than \$50,000 (8.5).
- Adding a requirement that all sponsorship agreements will be for a fixed term (9.4).

These recommended changes to the Sponsorship Policy ensure alignment with current context and TPL's Policy Development Framework, and will support the Library's service and fundraising objectives.

CONTACT

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SIGNATURE

Vickery Bowles
City Librarian

ATTACHMENTS

Attachment 1: Sponsorship Policy update (redline version)

Policy Title: Sponsorship Policy
Policy Classification: Board Policy

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Sponsorship Policy

Policy Classification: Board Policy

Motion # and Approval Date:

02 - 127 – July 15, 2002

Motion # and Last Revision Date:

08 - 146 – September 15, 2008

14 - 109 – May 26, 2014

March 24, 2025

Purpose

The purpose of this policy is to establish an approach to sponsorship that:

- aligns with the Toronto Public Library's mission, vision and values;
- provides guidance to facilitate and support opportunities for sponsorship; and
- creates a systematic approach to negotiating, managing and reporting on sponsorships.

Scope

~~The following~~ This policy applies when a corporation ~~an external organization sponsors-contributes~~ to Toronto Public Library (TPL or the "Library") rooms, programs, collections, ~~events, activities~~ and services in return for marketing or other promotional considerations, ~~as described defined~~ below in the definition of sponsorship.

This policy does not apply to:

- philanthropic gifts or donations;
- advertising;
- grants or funds obtained from other levels of government;
- arrangements where the Library sponsors or contributes to external projects of other organizations; and
- sponsorships that solely support Toronto Public Library Foundation (the

“Foundation”) events and activities.

Where the sponsorship involves naming as part of the marketing and promotional considerations provided, the sponsorship arrangement will also comply with TPL’s Naming Policy.

Underlying Principles

Public funding is the principle source of financial support for TPL and all public libraries in Ontario. Corporate sponsorships provide additional support that enables TPL to accelerate and scale impact. Sponsorships can help advance the mission of the Library over time, and enable innovation to meet community needs.

The Library welcomes mutually beneficial sponsorships that enrich the lives of residents by enhancing library services.

In developing sponsorship arrangements, the Library will:

- ensure the public service objectives of the Library or of the sponsored rooms, programs, collections and services are not compromised;
- protect its principle of intellectual freedom and equity of access to its programs, services and collections;
- protect the confidentiality of customer records;
- ensure that sponsors do not have any influence on the goals and objectives of Library programs, materials selection practices, policies, and strategic priorities of the Library

Programs, events or activities for which sponsorship is sought must align with ~~be part of~~ the Library’s strategic priorities, annual business plan or be included on the Library’s list of fundraising priorities.

Policy Statement

TPL recognizes that public funding is the principal and most important source of funding for its services. The Library endorses the Canadian Library Association’s *Position Statement on Corporate Sponsorship Agreement in Libraries* (Appendix 1) which supports the importance of public funding for the public good, while

allowing libraries to pursue supplementary funding.

Publicly funded libraries can and do explore other sources of funding, such as grants, ~~gifts~~, donations, ~~partnerships~~ and sponsorships, to ensure that they provide the best possible services to their communities. Corporate sponsorships ~~are one source of~~ provide additional support that enables TPL to enhance the level, extend the range, or improve the quality of library service.

In this context, the Library welcomes and encourages the business community ~~and other external organizations~~ to support the Library through ~~the establishment of~~ sponsorships that provide resources, including financial revenue and/or in-kind contributions, to enhance ~~rooms, events, activities,~~ programs, ~~collections~~ and services to the community.

1. Merit of Sponsorship

- 1.1 The Library is committed to engaging in sponsorships which maximize benefits to the Library and its users.
- 1.2 Sponsorships must benefit the Library by allowing it to maintain, enhance, promote and/or market approved Library rooms, programs, collections and services.
- 1.3 In return for providing certain benefits to the sponsor, the Library ~~and/or the Foundation~~ will receive resources in the form of ~~cash~~ funding, products, services or other in-kind contributions which can be used directly in support of the sponsored rooms, programs, collections and services or indirectly to support other Library services.
- 1.4 ~~Sponsorships are intended to enhance and accelerate Library initiatives, and supplement, but not replace, public funding for library services.~~

2. Appropriateness of Sponsor

- 2.1 The Library is committed to selecting appropriate sponsors for Library rooms, programs, collections and services.
- 2.2 Prior to TPL engaging in a sponsorship ~~arrangement relationship~~, the ~~TPL Foundation-Library~~ will ~~conduct a risk screening assessment to~~ assess the reputation of the potential sponsor, the nature of the sponsor's business

and the effect that an affiliation with that sponsor will have on the Library's public image. **The assessment will be shared with the City Librarian prior to approval of the sponsorship.**

- 2.3 The sponsorship must not confer a personal benefit, directly or indirectly, to any particular Library employee, Foundation employee, or Toronto Public Library Board ("TPL Board") member.
- 2.4 The Library will decline sponsorship proposals from parties that are disqualified from doing business with the City or the Library.

3. Appropriateness of Sponsor for Children

- 3.1 The Library will give special consideration to sponsorships involving or targeted to children under the age of thirteen years, including attention to evolving community values and standards.
- 3.2 The Library will not seek or accept sponsorships for rooms, programs, collections and services involving or targeted to children, including, but not limited to the following criteria:
- from corporations whose products cannot be legally sold or distributed to children;
 - from corporations whose products are inappropriate for use by children;
 - that involve commercial advertising **of food and beverages** to children.

4. Appropriate Benefits for the Sponsor

- 4.1 The sponsor will receive a benefits package and level of recognition that is commensurate with the value of its contribution.
- 4.2 **The TPL Foundation, working in collaboration with the Library, will determine whether the opportunity involves a single or multiple sponsor(s) and will inform potential sponsors of the nature of the arrangement and the names of potential co-sponsors.**
- 4.3 The sponsorship must not result in, or be perceived to result in any competitive advantage, benefit or preferential treatment for the sponsor outside of the sponsorship agreement.
- 4.4 **The sponsorship must not interfere with existing or potential future**

contractual opportunities, including but not limited to current and upcoming TPL procurements.

- 4.5 There will be no actual or implied obligation to purchase the product or services of a sponsor.
- 4.6 ~~Within the general conditions of~~ Pursuant to this policy, a ~~wide~~ range of sponsor benefits may be negotiated including, but not limited to, naming ~~rights~~, public recognition, ~~advertising~~, and/or the placement of the sponsor's name and/or logo on Library property (e.g. ~~Library cards, facilities, rooms, collections, website~~) and/or on digital or printed materials (e.g. ~~due date slips~~, posters, bookmarks, flyers, banners, brochures).
- 4.7 ~~Where the sponsorship involves naming, the sponsorship arrangement will comply with TPL's Naming Policy.~~
- 4.8 Recognition may be in conjunction with, but not necessarily limited to, the programs, events, services or activities which are supported by the sponsor.

5 No Endorsement

- 5.1 While sponsorship involves an association between the sponsor and the Library, the Library will not endorse the sponsor or their products and services.
- 5.2 ~~Sponsors are prohibited from implying that their products, services or ideas are endorsed by the Library.~~
- 5.3 The Library reserves the right to explicitly disclaim endorsement of sponsors.

6 Adherence to Library Policies

- 6.1 All sponsorship arrangements must be in accordance with all relevant Library policies, ~~including but not limited to~~ Conflict of Interest policy, Procurement policy ~~processes~~, ~~Access to Information and Protection of Privacy Policy~~, ~~Equity Statement and Intellectual Freedom Statement~~.
- 6.2 Should a specific sponsorship arrangement require an exception to an existing Library policy, it will be subject to TPL Board approval.

7 Sponsorship Solicitation

- 7.1 The Library is committed to an open, transparent and accountable sponsorship process while adhering to confidentiality with respect to business interests of some sponsors, particularly during the negotiation phase.
- 7.2 As a general principle, ~~all suitable and potentially interested external organizations will be given access to~~ information about opportunities for sponsorship with the Library ~~will be made available publicly~~.
- 7.3 In order to expedite sponsorship development, a formal competitive process is not required when soliciting sponsorship opportunities or ~~The Library and/or the Foundation is not required to seek out competing bids~~ when the sponsorship opportunity is initiated by a third party.
- 7.4 ~~While there is no obligation to test the market, in order to maximize the contribution~~ In soliciting sponsors, ~~reasonable effort will be made to the TPL Foundation may~~ identify and approach a number of potentially interested and suitable sponsors for each available sponsorship opportunity.

8 Approval of Sponsorships

- 8.1 Prior to the solicitation of sponsors for a Library project, the sponsorship component of the project must receive concept approval from the City Librarian or ~~his or her~~ delegate.
- 8.2 The City Librarian may approve sponsorships which are:
 - 8.2.1 valued at \$500,000 or less per year;
 - 8.2.2 have a term of three years or less;
 - 8.2.3 cumulative sponsorships from a particular corporation for the same purpose that do not exceed \$500,000 in a given fiscal year; and
 - 8.2.4 ~~the sponsorship complies in compliance~~ with this policy.
- 8.3 The TPL Board must approve all sponsorships which do not meet all of the above criteria, or which involve the naming of Library branches, rooms, programs, or collections.
- 8.4 Once sponsorship negotiations are complete, and appropriate approvals

have been received from all parties, the general terms of the sponsorship will be included in **an annual** report to the TPL Board and, will be disclosed to the public at the appropriate time.

- 8.5 **The local Councillor will be informed when there is a ward-specific sponsorship for a specific branch with a value of more than \$50,000.**
- 8.6 The Library reserves the right to refuse any sponsorship that it, in its sole discretion, considers to be inappropriate or unsuitable to the advancement of the mission and objectives of the Library.

9 Written Agreements

- 9.1 All sponsorships must be documented and be authorized and signed by the appropriate authorities for the **Foundation Library**, the sponsor and, if appropriate, the **Library Foundation**. Written agreements must cover all substantial terms and conditions of the sponsorship arrangement.
- 9.2 The Foundation shall draft a written agreement (e.g. confirmation letter, memorandum of understanding, etc.) consistent with the size, complexity and scope of the sponsorship.
- 9.3 All sponsorships valued over \$100,000 require a written legal contract **(e.g. sponsorship agreement)**.
- 9.4 **All sponsorship agreements will be for a fixed term.**
- 9.5 **The sponsorship must not create an ongoing legally binding financial obligation for the Library beyond the term of the agreement.**
- 9.6 **The Library will retain ownership and control over any sponsored assets, including, but not limited to: events, services, programs, facilities, rooms, features etc.**

Accountability

The Director, Policy, Planning and Performance Management, is responsible for implementation of this policy and will work in collaboration with the TPL Foundation.

As per the Letter of Understanding between the Toronto Public Library Board and the Toronto Public Library Foundation **Board**, the Foundation is the ~~official~~ fundraising arm for the Toronto Public Library. According to the Letter of Understanding, ~~fundraising is broadly defined to include the Foundation's functions broadly include having~~ responsibility for soliciting and negotiating sponsorships on behalf of the Library.

Pursuant to the Letter of Understanding, the Library may also engage in sponsorship opportunities through mutual consultation with the Foundation.

As the TPL Board is required to comply with the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA), any personal information collected, used, disclosed and stored by the Library and the TPL Board pursuant this Policy will adhere to MFIPPA requirements.

Related Library Policies

[Advertising Policy](#)

[Naming Policy](#)

Definition of Terms

Advertising is a business arrangement where an external organization purchases or leases space, or time, on any form of Library property for the purpose of communicating with the public with the intent to influence their choice, opinion or behavior. Unlike 'sponsorship' it involves the use of contracted public advertising in set locations, for a set period of time. Advertising does not imply any reciprocal partnership arrangement since the advertiser is not entitled to any additional benefits beyond access to the space or time.

A **Donation** is a philanthropic gift or arrangement where a donor, **generally either an individual, estate, or philanthropic foundation, contributes financially ~~donates cash~~ and/or in-kind goods or services to the Library ~~or the TPL Foundation~~. Donations are eligible for a tax receipt. In the case of philanthropic donations from a corporation,** while most donors expect some form of recognition as a result of their gift, the recognition is marginal in value relative to the value of the gift as defined by the Canada Customs and Revenue Agency. **Where the recognition is significant enough that it provides a commercial**

advantage, this would be considered a sponsorship as defined below.

Donor recognition is the practice of appreciating and promoting the support and contributions of donors to the TPL. Donor recognition may take many forms, including acknowledgement letters, newsletter, website or social media recognition, a donor recognition wall or digital display, recognition plaques, and naming opportunities.

A **Sponsorship** is a mutually beneficial business exchange between the Library and ~~an external~~ a corporate organization whereby the sponsor contributes funds and/or in-kind contributions to the Library ~~and/or to the Foundation~~, in return for commercial advantage including naming, recognition, acknowledgement or other promotional considerations such as publicity, merchandising opportunities, etc. Because of these marketing benefits, a sponsorship does not qualify for a tax receipt. ~~Sponsorships involve an association between the sponsor and the Library and/or the specific program, event, service or activity being sponsored.~~

Appendices

Appendix 1: Canadian Library Association's Position Statement on Corporate Sponsorship Agreements in Libraries

Contact

Director, Policy, Planning and Performance Management

Appendix 1

Canadian Library Association's Position Statement on Corporate Sponsorship Agreements in Libraries

Libraries enrich lives, provide information needed for work and daily living, and foster informed communities which are essential to a democratic society. In recognition of this important function, communities support libraries through public funding. The library's first priority is to ensure the continuation and growth of this primary relationship – public funding for the public good.

CLA encourages and supports advocacy to maintain and develop public funding as the principal source of support for public, school, academic and government libraries.

Publicly funded libraries can and do explore other sources of funding, such as grants, gifts, donations, partnerships and sponsorships, to ensure that they provide the best possible services to their communities. Corporate sponsorships are one source of additional support that allows libraries to enhance the level, extend the range, or improve the quality of library service.

To ensure that partnerships enhance the library's image and add value to library services, libraries need to develop policies and sponsorship agreements that outline the conditions and the benefits of the sponsorship arrangement. CLA believes that the following principles are important in developing sponsorship policies and agreements. Libraries have a responsibility to:

1. demonstrate that sponsors further the library's mission, goals, objectives and priorities, but do not drive the library's agenda or priorities.
2. safeguard equity of access to library services and not allow sponsorship agreements to give unfair advantage to, or cause discrimination against, sectors of the community.
3. protect the principle of intellectual freedom and not permit sponsors to influence the selection of collections, or staff advice and recommendations about library materials, nor require endorsement of

products or services.

4. ensure the confidentiality of user records by not selling or providing access to library records.
5. be sensitive to the local political and social climate and select partners who will enhance the library's image in the community.

June 21, 1997



Sponsorship Policy Update

March 24, 2025

Sponsorship Policy Overview

- Public funding is the principle support for library services
- Sponsorships from corporate organizations allow TPL to accelerate and scale impact
- Purpose is to ensure a systematic and transparent approach to sponsorship opportunities
- Aligns with TPLs mission, vision, values and maintains independence and integrity

Definitions

- Sponsorship: when a corporate organization contributes financially to the Library in return for commercial advantage including naming, recognition, acknowledgement or other promotional considerations such as publicity, merchandising opportunities, etc.
- Donation: generally when either an individual, estate, or philanthropic foundation contributes financially and/or in-kind goods or services to the Library and this would be eligible for a tax receipt. Where a corporation is making a donation, the recognition provided is marginal in value relative to the value of the gift

Sponsorship Policy Overview

- Board approves sponsorships greater than \$500,000
- Risk screening assessment of the reputation and business of the potential sponsor
- Sponsors should not exert or appear to exert influence over library planning and service delivery
- No endorsement of the sponsor or their products
- All sponsorship agreements will be for a fixed term with a written agreement
- Open and transparent process

Next steps

- Develop related procedures or guidelines
- Individual naming and/or sponsorship opportunities will be brought forward to the Board as required



Questions and comments