

POLICY: SPONSORSHIP

SECTION: II - General Policies - Miscellaneous

MOTION#/DATE: 02 - 127 – July 15, 2002

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Application and Scope

The following policy applies to all arrangements whereby an external organization sponsors or contributes to Library programs, events, activities, and services as 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.

Policy Statement

Toronto Public Library recognizes that public funding is the principal and most important source of funding for library service in Toronto. 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 additional support that allows libraries 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 revenue and/or in-kind contributions, to enhance events, programs, activities and services to the community.

General Criteria

The Library will consider sponsorship opportunities based on the following criteria:

1. Merit of Sponsorship

Sponsorships must benefit the Library by allowing it to maintain, enhance, promote and/or market approved Library programs, services, events or activities. In return for providing certain benefits to the sponsor, the Library and/or the Foundation will receive resources in the form of cash, products, services or other in-kind contributions which can be used directly in support of the sponsored program or indirectly to support other Library programs, services, events or activities.

2. Best Interest of the Public

The Library is committed to engaging in sponsorships which maximize benefits to the Library and hence to Library users.

3. Appropriateness of Sponsor

The Library is committed to selecting appropriate sponsors for Library programs, events, services and activities. Prior to engaging in a sponsorship relationship, the Library will 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.

4. Appropriateness of Sponsor for Children

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.

The Library will not seek or accept sponsorships for programs, events, services or activities involving or targeted to children:

- from companies whose products cannot be legally sold or distributed to children;
- from companies whose products are inappropriate for use by children;
- that involve commercial advertising of food and beverages to children.

5. Appropriate Benefits for the Sponsor

The sponsor will receive a benefits package and level of recognition that is commensurate with the value of its contribution.

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.

Within the general conditions of this policy, a wide range of sponsor benefits may be negotiated including, but not limited to, naming rights, **supplier arrangements**, 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 printed materials (e.g. date due slips, posters, bookmarks, flyers, banners, brochures).

Recognition may be in conjunction with, but not necessarily limited to, the programs, events, services or activities which are supported by the sponsor.

6. No Endorsement

While sponsorship involves an association between the sponsor and the Library, the Library will not **officially** endorse the sponsor or their products and services. The Library reserves the right to explicitly disclaim endorsement of sponsors.

7. Library Priorities

Programs, events or activities for which sponsorship is sought must be part of the Library's approved service mandate, annual business plan or included on the Library's list of fundraising priorities.

8. Library Principles

In developing sponsorship arrangements the Library will:

- a. not compromise the public service objectives of the Library or of the sponsored event, service, program or activity;
- b. protect its principle of intellectual freedom and equity of access to its programs, services and collections;
- c. protect the confidentiality of customer records;
- d. not permit sponsors to have any **impact influence** on the policies and practices of the Library (e.g. materials selection or purchasing) or to influence or alter the basic goals and objectives of Library programs.

9. Adherence to Library Policies

All sponsorship arrangements must be in accordance with all relevant Library policies (e.g., Conflict of Interest, Procurement Processes Purchasing). Should a specific sponsorship arrangement require an exception to an existing Library Policy, the Library Board will be asked to approve such exception.

Sponsorship Solicitation

The Library is committed to as open, **competitive**, transparent and accountable a sponsorship process as possible while being sensitive to the need for confidentiality with respect to the business interests of some sponsors, particularly during the negotiation phase.

As a general principle, all suitable and potentially interested external organizations will be given access to information about sponsorship opportunities available with the Library and should have full opportunity to participate.

In order to expedite sponsorship development, a formal competitive process is not required when soliciting sponsorship opportunities. While there is no obligation to test the market, in order to maximize the contribution, in soliciting sponsors, reasonable effort will be made to identify and approach a number of potentially interested and suitable sponsors for each available sponsorship opportunity.

~~Single sourcing of sponsorship opportunities will be avoided where possible, but may be considered under the following circumstances:~~

- ~~1. severe time constraints preclude the normal process;~~
- ~~2. only one interested and suitable potential sponsor can be identified;~~
- ~~3. when the Library, or the Foundation, is approached by an external organization with an unsolicited sponsorship proposition and it is considered inappropriate to seek competing proposals from other organizations based on the same concept.~~

The Library and/or the Foundation is not required to seek out competing bids when the sponsorship opportunity is initiated by a third party.

Approval of Sponsorships

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.

Final approval of the actual sponsorship agreement is as follows:



- ~~1. The City Librarian may approve sponsorships which are:~~
 - ~~a. valued at \$100,000 or less per year; and~~
 - ~~b. have a term of three years or less; and~~
 - ~~c. have a total, multi-year value of \$250,000 or less.~~
1. The City Librarian may approve sponsorships which are:
 - a. valued at \$500, 000 or less per year;
 - b. have a term of three years or less;
 - c. cumulative sponsorships from a particular third party for the same purpose do not exceed \$500, 000 in a given fiscal year; and
 - d. the sponsorship complies with this policy
2. The Library Board must approve all sponsorships which do not meet all of the above criteria, or which involve the naming of Library branches, programs, or collections.

Once negotiations are complete, and appropriate approvals have been received from all parties, the general terms of the sponsorship will be included in a Board report and, will be made available for public information at the appropriate time.

Written Agreements

All sponsorships must be documented ~~All sponsorship arrangements must be confirmed in writing~~ and be authorized and signed by the appropriate authorities for the Library, the sponsor and, if appropriate, the Foundation. The Library and/or Foundation shall draft a written agreement (e.g. confirmation letter, memorandum of understanding, etc.) consistent with the size, complexity and scope of the sponsorship. All sponsorships valued over \$100 000 require a contract.

Written agreements must cover all substantial terms and conditions of the sponsorship arrangement.

Roles and Responsibilities

As per the Letter of Understanding between the Toronto Public Library Board and the Toronto Public Library Foundation, ~~dated August 28, 1999~~ the Toronto Public Library Foundation is the official fundraising arm for the Toronto Public Library. According to the Letter of Understanding, fundraising is broadly defined to include responsibility for soliciting and negotiating sponsorships on behalf of the Toronto Public Library.

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

Appendices

Appendix 1: Definitions

Appendix 2: Canadian Library Association's Position Statement on Corporate Sponsorship Agreements in Libraries

Appendix 1: Definitions

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 **philanthropic gift or donation** is an arrangement where a donor contributes cash and/or in-kind goods or services to the Library, or the Foundation, without expectation or requirement of a reciprocal benefit. 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.

A **sponsorship** is a mutually beneficial business exchange between the Library and an external organization (hereinafter the sponsor) whereby the sponsor contributes funds and/or in-kind gifts to the Library, and/or to the Foundation, in return for 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.

Appendix 2

Canadian Library Association's Position Statement on Corporate Sponsorship Agreement 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