



## STAFF REPORT ACTION REQUIRED

### Donations of Gifts-in-Kind to Special Collections Policy

<b>Date:</b>	December 10, 2007
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

#### **SUMMARY**

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The purpose of this report is to present the Donations of Gifts-in-Kind to Special Collections Policy for approval. Gifts-in-kind are gifts of property other than cash, cheques and marketable securities that are essential to the development of Toronto Public Library's Special Collections. Donors often give valuable and rare collection items which would otherwise be beyond the Library's ability to acquire.

The Donations of Gifts-in-Kind to Special Collections Policy recognizes that Special Collections differ substantially from the Library's circulating and research collections in form and function, and include many items which are rare, fragile and valuable. Most of the items in Special Collections increase in monetary value over time. The policy addresses those unique concerns, and reiterates the Library's commitment to acceptance of gifts-in-kind.

The policy was developed in consultation with the Toronto Public Library Foundation and reviewed by legal counsel.

#### **RECOMMENDATIONS**

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**The City Librarian recommends that Toronto Public Library Board:**

1. Approves the Donations of Gifts-in-Kind to Special Collections Policy (Attachment 1).

#### **Implementation Points**

The Library and the Toronto Public Library Foundation will develop deed of gift and deed of transfer forms that will be reviewed regularly.

## **FINANCIAL IMPACT**

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This report has no financial implications beyond what has already been approved in the current year's budget. Gifts-in-kind are significant in the ongoing development of Special Collections and enable the Library to acquire important research material that would not be possible through the annual library materials budget.

The Director, Finance & Treasurer has reviewed this Financial Impact statement and is in agreement with it.

## **DECISION HISTORY**

At its meeting of June 26, 2000, the Toronto Public Library Board approved the Materials Selection Policy which acknowledged a role for donations of gifts-in-kind to enhance its branch collections. It was subsequently recognized that donations of gifts-in-kind play a significant role in the development of Special Collections, and a separate policy would be required to address some of the unique concerns and issues of gifts-in-kind to Special Collections.

The policy was developed by the Manager of Special Collections, Archives and Digital Collections, with input from the President, Toronto Public Library Foundation; the Director, Reference and Research Libraries, and was reviewed by legal counsel for the Library and the Toronto Public Library Foundation.

## **ISSUE BACKGROUND**

The Toronto Public Library has a long tradition of collecting special collections, and has accepted donations of rare and valuable collections since its founding in 1884. Donors often give valuable rare books, manuscripts, pictures and ephemera for specific collections that would otherwise be beyond the Library's ability to acquire. This policy allows the donations to Special Collections to continue, and encourages donations by offering tax incentives available through Revenue Canada.

In 1999, the City of Toronto adopted its policy for "Income Tax Receipts for Cash Donations and Gifts-in-Kind". The Donations of Gifts-in-Kind to Special Collections Policy is consistent with the City's policy.

## **COMMENTS**

Donations of gifts-in-kind form a substantial portion of collection building in Special Collections, and the same criteria which are used to assess items for purchase for those collections, are used to assess potential donations of gifts-in-kind. The Donations of Gifts-in-Kind to Special Collections policy establishes the conditions and context for accepting gifts-in-kind donations to the Library's Special Collections.

## **Acceptance of donations**

The Toronto Public Library Foundation and the American Foundation for Toronto Public Library are recognized as the fundraising bodies for the Library, and as such they record and receipt donations of cash, securities and gifts-in-kind. Professional curatorial staff in Special Collections assess the potential donations, and recommend acceptance of the specific items. In accordance with federal income tax legislation any donations of gifts-in-kind must be receipted by the body which receives the donation. For this reason, the policy outlines the acceptance and receipting of gifts by the Foundation, and enables the transfer of the gifts to the Toronto Public Library.

## **Incentives for donors**

The Materials Selection Policy enables the Library to offer tax incentives to donors of gifts-in-kind to the Library. Gifts-in-kind to Special Collections include donations of rare and valuable books, manuscripts, maps, art, pictures and newspapers which require special care, cataloguing and use. As rare artefacts, they tend to increase in value over time, and the appraisal guideline for general donations to Toronto Public Library is not adequate. This policy enables the Library to secure appraisal values at fair market value (defined as the highest price in an open and unrestricted market between willing buyer and willing seller) and thus offer fair tax incentives to the donor.

## **Canadian Cultural Property Export and Review Board**

The Library is designated a Category A institution by the Canadian Cultural Property Export Review Board (CCPERB) and as such can accept material that is “of outstanding significance and national importance” which qualify for preferential tax treatment. In order to qualify for certification as cultural property, the item must be given directly to the Library. The policy includes a directive which allows for items to be donated directly to the Library if they are considered to be potential cultural property; any income tax receipt is issued directly by the CCPERB.

## **CONTACT**

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## **SIGNATURE**

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Josephine Bryant  
City Librarian

## **ATTACHMENTS**

Attachment 1: Donations of Gifts-in-Kind to Special Collections Policy