

**POLICY: DONATIONS OF GIFTS-IN-KIND TO SPECIAL
COLLECTIONS**

SECTION: III – Public Service Policies - Collections

MOTION#/DATE: 07 - – December 10, 2007

Effective Date

December 10, 2007

Policy Objective

To establish a policy regarding donations of gifts-in-kind to Toronto Public Library's Special Collections.

Underlying Principles

Gifts-in-kind, that is, gifts of property other than cash, cheques and marketable securities, are essential to the development of Toronto Public Library's Special Collections. Donors often give valuable rare books, manuscripts, pictures and ephemera for specific collections that would otherwise be beyond the Library's ability to acquire.

In its Materials Selection Policy, the Library welcomes gifts-in-kind, such as books and magazines, to its branch collections within specific conditions including that "the same criteria and guidelines that apply to the selection of all library materials are used to evaluate gifts."

The policy recognizes that additional considerations apply to gifts-in-kind to Special Collections and that a separate policy for them is required.

Special Collections are substantially different from the Library's circulating and other reference collections. They feature large collections of a wide variety of materials that are specialized in scope, content and format and include rare, fragile and valuable books, manuscripts, art, pictures, and newspapers that require special care, cataloguing and use. Special Collections are heritage materials that are kept in their original state and format. They contain thousands of "collector's items" that are generally hard to find and often irreplaceable. Usually, the Collections increase in monetary value over the years.

The Toronto Public Library's long history of collecting special collections dates from its founding in 1884.

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

Policy Statement

The Library welcomes gifts-in-kind of materials from individuals or groups to its Special Collections that support the Library's mission to provide "universal access to a broad range of human knowledge, experience, information and ideas..." The same basic criteria and guidelines that apply to the selection of all Library materials are used to assess gifts-in-kind to Special Collections. Gifts-in-kind are judged according to each of the Special Collection's guidelines for collection development.

Accepted gifts-in-kind from donors requiring Canadian charitable donation tax treatment will be acknowledged and income tax receipts will be offered by the Toronto Public Library Foundation for the current appraised fair market value of the material.

Accepted gifts-in-kind from donors requiring American charitable donation tax treatment will be acknowledged by the American Foundation for Toronto Public Library.

All materials donated become the exclusive property of the Toronto Public Library Foundation or the American Foundation for Toronto Public Library, as the case may be. In either case, the Foundation, in accordance with its policies, will transfer the gift to the Library, which will utilize the gift in its best interests subject to any conditions imposed by the donor.

The Cultural Property Export and Import Act came into effect in 1977. It provides special tax incentives to encourage Canadians to donate or sell important objects to public institutions in Canada. Because of its characteristics, the Library is designated a category A institution by the Canadian Cultural Property Export Review Board that determines and certifies cultural property. In the instance of gifts of cultural property, the gift-in-kind must be given to the Toronto Public Library and becomes the exclusive property of the Toronto Public Library.

Scope

This policy covers the receipt, acknowledgement, appraisal and disposition of gifts-in-kind to Special Collections. The procedures for this policy are documented separately. The Library's Special Collections currently include the Toronto Reference Library's Art

Room Collections, the Arthur Conan Doyle Collection, the Baldwin Room Collection, the Merrill Collection of Science Fiction, Speculation and Fantasy and the Osborne Collection of Early Children's Books.

In certain circumstances, at the discretion of staff, this policy may also apply to the North York Central Library's Canadiana Collection as well as other parts of Toronto Public Library.

Application

This Policy applies to any individual or group who wishes to make a gift-in-kind donation to the Toronto Public Library's Special Collections and to any Library staff involved with accepting and/or evaluating donations.

Directives

Acceptance of gifts-in-kind

Toronto Public Library Foundation and the American Foundation for Toronto Public Library accept donations recommended by appropriate Special Collections staff and approved by the Manager, Special Collections, Archives and Digital Collections and/or the Director, Research and Reference Libraries. Gifts-in-kind are assessed according to the same sort of criteria and guidelines that apply to the selection of all library materials. These criteria include the collection development policy, the relevance to the collection, the costs - including those of appraisal, processing, cataloguing and maintenance - and the condition of the item(s).

Donors must sign a Deed of Gift that includes a statement indicating clear ownership of the material by the donor. The Deed of Gift transfers ownership to the appropriate Foundation, in accordance with its policies. Intellectual, exhibition, and digital reproduction rights may also be transferred, as noted on the Deed of Gift.

The gift, and any accompanying rights will be transferred by the applicable Foundation, in accordance with its policies, to the Toronto Public Library.

The Deed of Gift must be executed before the appraisal proceeds.

The Manager of Special Collections, Archives and Digital Collections and/or the Director of Research and Reference Libraries must approve any specific conditions of retention or use requested by the donor.

Canadian Cultural Property

The Toronto Public 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” and offer the donor tax incentives when the gift is certified as Cultural Property by CCPERB. Gifts-in-kind which are to be considered as potential Cultural Property must be given directly to the Library.

The Library determines whether or not to apply for Cultural Property certification.

To be considered for certification, gifts-in-kind must generally be appraised at more than \$5,000. For gifts-in-kind over \$10,000 two appraisals are required.

Acknowledgement and donor recognition

The appropriate staff acknowledges each gift with a letter of thanks to the donor. Where appropriate and desired, the Library acknowledges gifts-in-kind through its public catalogue, in which the original donor’s name is entered. In the case of memorial donations, the name of the person honored is entered as well.

Where appropriate and desired a bookplate will be placed in the material. The bookplate will state the donor’s name and the memorial name if applicable, and will indicate the Special Collection to which the material was given.

The Toronto Public Library Foundation, the American Foundation for Toronto Public Library and the Toronto Public Library may recognize gifts-in-kind in a variety of ways, such as listing donors in the Library’s Annual Report and on the donor wall in accordance with Foundation’s donor recognition policies or the Library’s Naming Policy.

Financial Appraisal

Receipts for Canadian income tax purposes will be offered to donors of materials to the TPL Foundation accepted for retention by Special Collections. A written appraisal for the current fair market value is sent to the Toronto Public Library Foundation which issues the official receipt for the year in which the gift was made.

The Toronto Public Library recognizes the Canadian Cultural Property Export Review Board’s definition for fair market value as: *The highest price, expressed in terms of money, that the property would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other.*

The Library selects and pays for an independent appraiser(s). Appraisers must be recognized authorities on the gifts-in-kind and up-to-date on the market for the material being donated. All appraisals must be independent and at arm's length. Library staff members may appraise donations worth up to \$1000, provided they have sufficient expertise on the gifts and familiarity with the market and there is no conflict of interest. If the value of the gifts is estimated to be more than \$1000, the gift is being donated by a Library staff member or, if staff lack the necessary expertise, the Library will choose and pay for an independent, experienced appraiser.

Disposal guidelines

Gifts-in-kind to Special Collections may include some items that are unwanted duplicates, or outside the boundaries of the Special Collection's guidelines for collection development. Before signing the Deed of Gift Form, donors should be aware that not all items may be added to the Library's collections. In the case of large collections, donors will be advised, at the time the gift is made, to indicate if they want items not relevant to the collection returned to them.

Materials that are included in gifts but not kept by Special Collections may be:

- placed in the Toronto Public Library's general collections;
- given to another library;
- sold to another institution to furnish funds for Special Collections purchases;
- traded to a vendor in exchange for credit against future purchases by Special Collections;
- sold at fundraising events such as special auctions;
- sold at the Friends of the Library book sale; or
- disposed in other ways deemed appropriate by the Library.

According to the Canadian Cultural Property Export Review Board, materials certified as Cultural Property must be retained for ten years, unless transferred to another designated institution.

Accountability

1. The Director, Research and Reference Libraries is accountable to the City Librarian for ensuring that the policy for Donations of Gifts-In-Kind to Special Collections is followed.
2. The Manager, Special Collections, Archives and Digital Collections is accountable for the administration of the policy.

3. Special Collections Department Heads are accountable for implementing the policy.
4. The President of the Toronto Public Library Foundation is responsible for issuing income tax receipts for gifts-in-kind to Special Collections.

Appendices

- Appendix 1: References
- Appendix 2: Definitions
- Appendix 3: Enquiries

References

This list contains the most significant legislation and Toronto Public Library policies relating to the Donations of Gifts-In-Kind to Special Collections Policy.

Federal Legislation

Income Tax Act 1985, c. 1 (5th Supp.) (as updated)

Cultural Property Export and Import Act (R.S., 1985, c. C-51) (as updated)

Toronto Public Library Policies

Materials Selection Policy (as updated)

Naming Policy (as updated)

Toronto Public Library Foundation

Donor Recognition Policy (as updated)

Appendix 2

Definitions

Canadian Cultural Property Export Review Board is an independent tribunal of the Department of Canadian Heritage that was established in 1977 by section 18 of the Cultural Property Export and Import Act. Among its various responsibilities, the Board certifies cultural property for income tax purposes.

Cultural property refers to an object, collection or item which has been identified as having cultural significance because of its close ties with Canadian history or national life, its aesthetic qualities, its value in the study of the arts and sciences, or its degree of national importance. Cultural Property does not have to be Canadian in origin.

Fair Market Value is the highest price, expressed in terms of money, that the property would bring in an open and unrestricted market between a willing buyer and a willing seller who are both knowledgeable, informed and prudent, and who are acting independently of each other.

Gifts-in-kind are gifts of property other than cash, cheques and marketable securities. This includes gifts of supplies, equipment, books, manuscripts and artwork.

Appendix 3

Enquiries

Director, Research and Reference Libraries

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Manager, Special Collections, Archives and Digital Collections

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President, Toronto Public Library Foundation

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