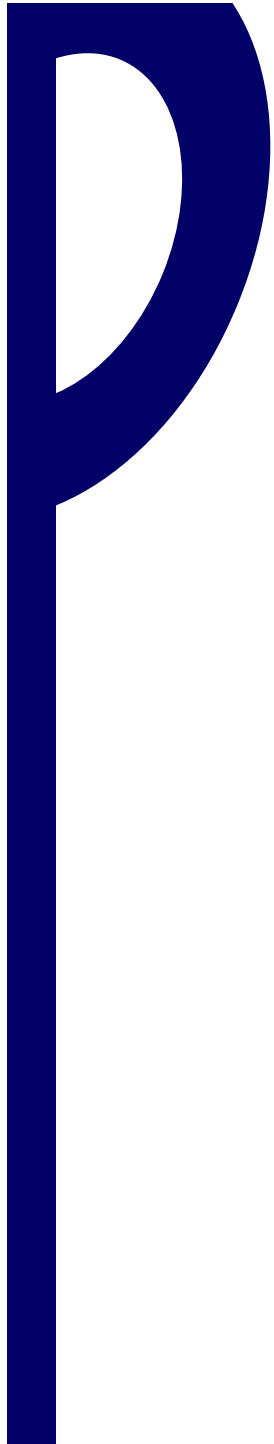


Toronto Public Library

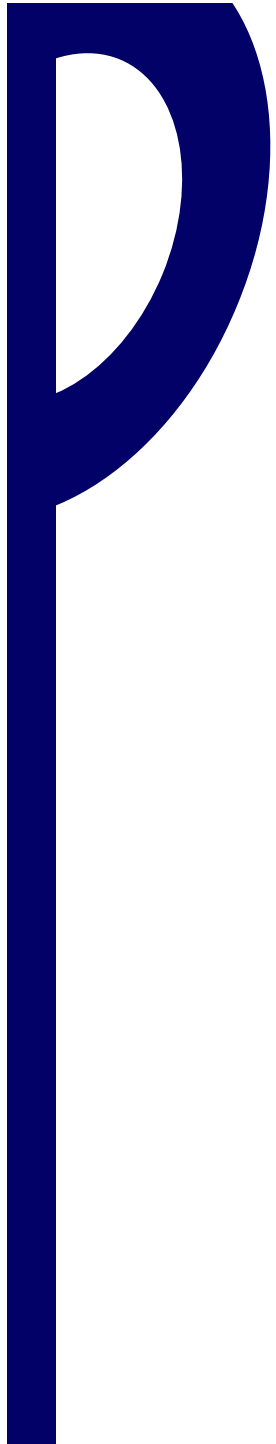
Fundraising Policy Framework Overview

April 21, 2008



Context

- At its February 25, 2008 meeting, the Toronto Public Library Board decided to *defer decisions concerning new priorities [2008 and 2009 Fundraising Priorities] pending a Fundraising Policy Framework presentation at the April Board meeting.*
- This presentation provides broad, City of Toronto and Toronto Public Library fundraising policy context.



Why Corporate Sponsorship?

Benefits to public sector organizations identified include:

- Extend organization's ability to provide services to users, communities and targeted groups.
- A supplement to public funding.
- Allow an organization to leverage funds from other sources.
- Engage corporations in building a civil society and investing in communities.



Best Practices in Public Sector Corporate Sponsorships

Issues to be addressed:

- Sponsors ability to influence the organization's mandate and policy framework
- Alignment between sponsor and public sector organization's mission, values and policies
- Perceived endorsement of a sponsors products and services
- Safeguards to prevent conflict of interest
- Appropriate recognition for sponsors
- Sponsorship approvals and reporting

Additional Considerations

- Evolving social norms and values
- Commercialization of public space



City of Toronto Context

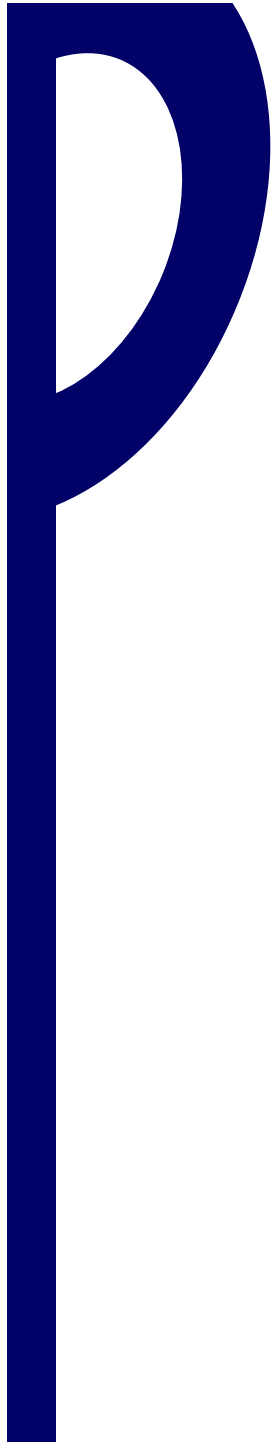
- The City of Toronto including many of its Agencies, Boards, Commissions and Divisions are involved in fundraising and sponsorships. Some examples include:
 - **A Toronto Office of Partnerships** was established in 2007 to encourage partnerships with businesses, not-for-profits, community groups, residents' associations and individuals. A recent example includes:
 - Nature Valley Foods \$15,000 partnership to support the beautification of the Toronto Island Ferry Docks park entrance.
 - **Individual City departments** have sponsorship arrangements, including Parks, Forestry and Recreation:
 - Nike Canada donated \$500,000 to build the Nike Malvern Sports Complex and \$50,000 in athletic equipment for the community.
 - The Franklin Children's Garden - \$2M partnership between Toronto Parks, Forestry and Recreation and a number of corporate sponsors include Kids Can Press: A Corus Entertainment Company, TD Bank Financial Group, Unilever Canada Inc., etc.



City of Toronto Context

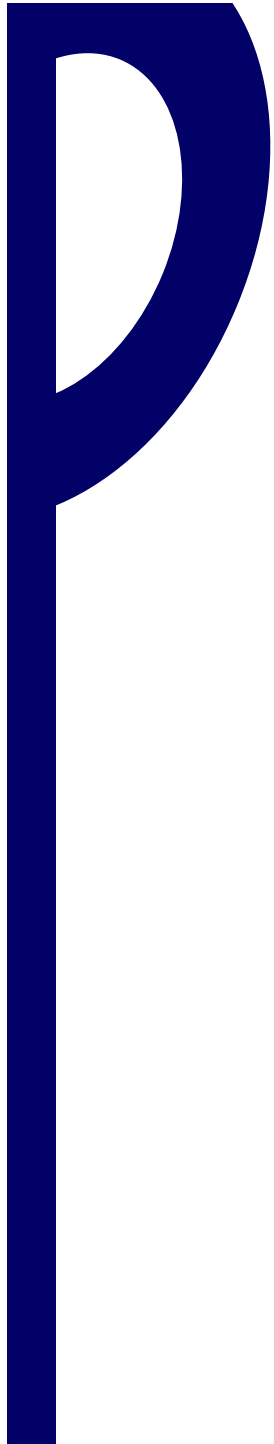
Examples continued:

- **Several foundations in Toronto supporting City services** exist, including: the Toronto Zoo Foundation, Parks and Trees Foundation, Toronto Arts Council Foundation, etc.
- **Toronto District School Board and Toronto District Catholic School Board** - each have policies on sponsorship, partnerships and fundraising.
- A partnership for the **redevelopment of Nathan Philips Square** with appropriate recognition provided in return.



Public Library Context

- Major benchmark libraries in Canada and the United States have a history of fundraising through foundations and friends groups, for example:
 - Calgary Public Library
<http://calgarypubliclibrary.com/library/foundation.htm>
 - Ottawa Public Library
<http://www.foundationopl.ca/newopl/index.php>
 - Vancouver Public Library
www.vpl.ca/foundation/index.html
 - Chicago Public Library
<http://www.chicagopubliclibraryfoundation.org/>
 - Los Angeles Public Library
<http://www.libraryfoundationla.org>
 - New York Public Library <http://www.support.nypl.org/>



Toronto Public Library Context

Board Establishment of Foundation

- Predecessor library systems had fundraising either through Friends groups or a formal foundation in the case of the Metropolitan Toronto Reference Library.
- In 1998, the Toronto Public Library Board established the Toronto Public Library Foundation to *assume responsibility for all fundraising for the entire Toronto Public Library system.*
- An agreement was signed outlining the relationship between the Library and the Foundation, including:
 - Relationship
 - Independence
 - Funding priorities



Toronto Public Library Context Relationships – Board & Foundation

Relationship

- The relationship between the Library and the Foundation is outlined in the agreement as follows:
 - A member of the Library Board is an ex-officio, voting, Director of the Foundation
 - The CEO of the Library is an ex-officio, non-voting Director of the Foundation.
 - The President of the Foundation is hired by the Foundation and works closely with the Library's Senior Management Team.

Independence

- In order to maintain the independence of the Library and the Foundation both agree that:
 - Both the Foundation and the Library retain the right to set policies pertaining to fundraising, sponsorship, and advertising, but in so doing will respect the responsibilities and policies of the other.
 - The Foundation will respect the Library's right to refuse any gift, sponsorship or advertisement that is deemed to be inappropriate for the Library or is not in keeping with Library policies.
 - Neither party shall expect to have undue influence over the operations or direction of the other party.

Establishment of Funding Priorities

- On a regular basis the Library will identify funding priorities for the enhancement of Library service.



Public Perceptions of Toronto Public Library Fundraising

2006 Library User Survey Results

- 21% are aware TPL does fundraise
- 78% said fundraising is acceptable
- 53% are likely to donate (12% very likely)
- 90% said corporate support is acceptable (55% very acceptable)



Canadian Library Association Position on Corporate Sponsorship

- The Canadian Library Association (CLA) approved a position statement on corporate sponsorship, June 21, 1997 that acknowledges corporate sponsorships provide additional sources of funding to support libraries in providing the best possible services to their communities.

Core Elements of the Position Statement

- Public funding must be principal source for public, school, academic and government libraries.
- Libraries must develop policies and sponsorship agreements that outline the conditions and benefits.

Principles

1. Sponsors must further library's mission, goals, objectives and priorities, but not drive them
2. Safeguard equity of access
3. Protect the principle of intellectual freedom
4. Ensure the confidentiality of user records
5. Select partners to enhance the library's image in the community



Overview of Toronto Public Library Policy Framework

- In the context of the CLA statement, the Library Board has established policies to govern fundraising activity:
 - **Sponsorship Policy** - July 2002
 - Provides framework and guidelines under which sponsorships can be solicited, negotiated and finalized.
 - **Naming Policy**- June 2006
 - Provides framework and guidelines for naming with or without sponsorship for naming branches, rooms, programs and collections.
- The Foundation established a **Donor Recognition Policy** - October 2004.
 - Establishes a range of recognition based on level of giving.



Sponsorship Policy

Scope

- Applies to all sponsorship arrangements with an external organization.

Key Elements

- The Library approves sponsorships to enhance events, programs, activities and services.
- Sponsorships must support the following Library principles included from the CLA Statement:
 - Not compromise the Library's public service objectives
 - Protect its principle of intellectual freedom and equity of access to its programs, services and collections
 - Protect the confidentiality of customer records
 - Not permit sponsors to have any impact on the policies and practices of the Library or to influence or alter the basic goals and objectives of Library programs



Sponsorship Policy

- In approving a sponsorship, the Library will consider :
 - **Library priorities** – sponsorships must support programs, events or activities within the Library’s approved service mandate
 - **Merit of sponsorship** – must benefit the Library
 - **Best Interest of the public** – Library is committed to engaging in sponsorships which maximize benefits to Library users
 - **Appropriateness of sponsor** – The Library will not seek or accept sponsorships for programs, events, services or activities involving or targeted to children, from companies whose products cannot legally be sold or distributed to children.
 - **No endorsement** – the Library will not officially endorse the sponsor or their products and services
 - **Adherence to Library policies** – sponsorships must be in accordance with Library policies
 - **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

P Sponsorship Policy

Approvals

- Concept approval from City Librarian.
- The City Librarian may approve sponsorships which are:
 - a) Valued at \$250,000 or less per year; and
 - b) Have a term of three years or less; and
 - c) Have a total , multi-year value of \$500,000
- The Library Board must approve all sponsorships which do not meet all of the above criteria, or which involve the naming of a Library branch, facility or program.
- The Library reserves the right to refuse any sponsorship inappropriate or unsuitable for the mission and objectives of the Library.



Naming Policy

Scope

- The policy applies to the naming of all Toronto Public Library buildings, branches, rooms, programs and collections – with or without a gift.

Key Elements

- The Board has responsibility for naming of branches, rooms, programs and collections including:
 - A sponsorship
 - A donation, or
 - To recognize an individual who has made an outstanding contribution to the City or Library.
- Generally, the practice is to consider naming of:
 - branches and rooms by geographic location
 - collections and programs by subject matter

Approvals

- Prior to solicitation of sponsors/donors, the City Librarian will consult naming committee of the Board.
- The Board has the responsibility for approving the naming of all Library branches, rooms, programs and collections.



Foundation Donor Recognition Policy

Background

- The Foundation established a Donor Recognition Policy in October 2004 that was provided to the Library Board for information at its January 17, 2005 meeting.

Scope

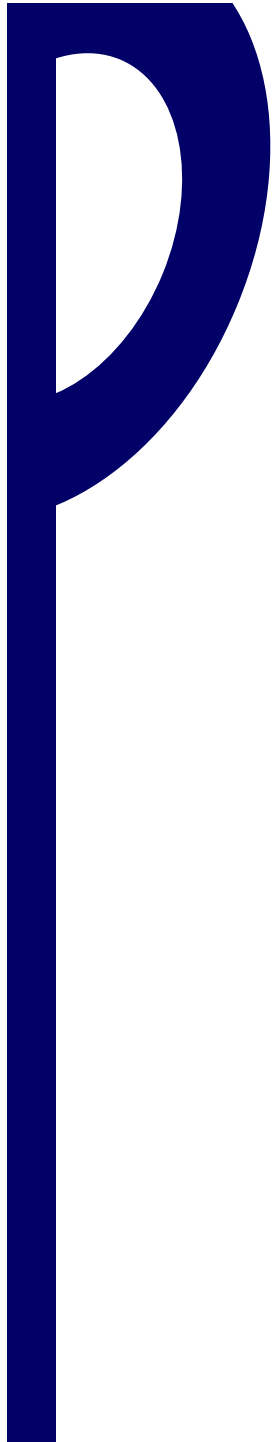
- The policy applies to all gifts received by the Toronto Public Library Foundation from: individuals, corporations, foundations, service clubs and other community organizations.

Key Elements

- Categories have been established based on levels of giving to ensure recognition is appropriate, equitable and consistent.
- Donor recognition may include token appreciation gift, plaques, listing on donor walls, in print materials or on the website, bookplates, media releases, special Library cards, invitations to events or special mailings or newsletter subscriptions.
- Recognition will be cost effective and will not exceed 2% of gift value or 1% for major gifts over \$500,000.

Approvals

- This policy is administered by the Toronto Public Library Foundation and all recognition of donations must conform to this policy.



Summary

- Corporate sponsorships have both benefits and issues for public sector organizations.
- Public sector organizations develop policies to address the interests of the organization.
- The CLA Position Statement on Corporate Sponsorship provides guidance to libraries.
- The TPL policy fundraising framework addresses identified issues.