

<b>Number:</b>	PR 06
<b>Policy Title:</b>	Donations and Recognition of Donations Policy
<b>Policy Status:</b>	Required under library legislation
<b>Date Approved:</b>	July 14, 2014
<b>Date Amended:</b>	October 20, 2014, November 19, 2018; December 16, 2024
<b>Date for Review:</b>	2027

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1. Policy Statement

The Library welcomes and encourages donations from individuals, groups, businesses, foundations and corporations.

2. Donation Definitions

For income tax purposes, a donation, also referred to as a gift, is defined as a voluntary transfer of property to the Library, made without the expectation that any benefit will accrue to the donor or anyone designated by the donor.

Donors are eligible for a charitable tax receipt over \$20 that may be claimed as a non-refundable tax credit on an income tax return.

A general receipt is a receipt issued by Strathcona County Library but is not issued with the Library's charitable tax number.

No benefit of any kind may be provided to the donor or to anyone designated by the donor except where the benefit is of minimal value (nominal value as defined by Canada Customs and Revenue Agency). It is permissible and encouraged for donors to receive recognition for their gift.

a. Quid Pro Quo

If the Library provides something of value in return for a gift (including admission to a fundraising event) the donor's tax receipt is reduced by the fair market value of the benefit received.

b. Non gifts

The following transactions do not constitute philanthropy and are not eligible for charitable tax receipts:

- a gift of service
- the purchase of an item from the Library

- sponsorship of Library programs or events (see Sponsorship and Recognition of Sponsors Policy PR 08).

The Library encourages and solicits contributions of cash, securities, and personal and real property, either as outright donations or through planned gift vehicles, in accordance with Canada Customs and Revenue Agency Regulations. Planned gifts include bequests, life insurance policies, endowments and gift annuities.

### 3. Types of Donations

Donations to the Library may be made in the following forms:

- a. **Monetary Donations:** Cash, cheques, money orders, and credit cards are accepted by the Library. Monetary donations are also accepted in honour of someone (referred to as Memorial Donations – see administrative guidelines).
- b. **Pledges:** Signing a campaign pledge form constitutes a commitment by the donor to pay the amount specified within the period of time designated.
- c. **Life Insurance:** A donation of an irrevocable life insurance gift may be accepted if the Strathcona County Library Board is named the beneficiary of the policy. Tax deductions as premium payments are defined by Canada Customs and Revenue Agency.
- d. **Planned gifts:** Gifts of property, stocks, bonds, or other capital assets are recognized for the value of the gift on the day that the gift has been legally transferred to the Strathcona County Library Board and are non-revocable.
- e. **Bequests:** Donors may choose to leave a donation to the Strathcona County Library Board through their will.
- f. **Gifts-in-kind (other than artwork):** This refers to any new or used computers, furniture, appliances, or general items that a donor wishes to donate. Such donations are generally discouraged but, if accepted, will be receipted at fair market value.
- g. **Gifts-in-kind (artwork):** See the Art Donation Policy (OP 08) for how to proceed with the approval process.
- h. **Donations of Library materials:** These fall into two categories: book sale materials and library collection materials
  - Income tax receipts are not given for items donated for the book sale.
  - Donated materials will be added to the collection only if they meet the standards of the Collection Development Policy (CO01) and will not result in unwanted duplication of the collection. They will be evaluated and

disposed of in accordance with the criteria applied to purchased materials. If a tax receipt is required, the donor must have the items assessed by a recognized assessor, pay for the assessment themselves, and supply the assessment with the donation of the materials.

- i. Endowments: A donor wishing to make a contribution towards the cost of programs or the purchase of certain materials should be aware that such a donation may require an ongoing commitment. In such a situation, the donor may wish to make arrangements for the donation to be placed in an interest-bearing account managed by or for the Library. Revenue then can be earned on the capital and applied to maintain the donor's gift on an ongoing basis.

4. Guidelines governing donation acceptance:

- a. The Library staff shall analyze proposed donations and then make a recommendation to the Library Board. The Library Board shall accept those gifts which it feels are consistent with the Library's vision, mission and values. Gifts that are not consistent with the Library's objectives and policies may be refused.
- b. The Library Board may accept conditions on the disposition of donations where it deems the proposed conditions to be reasonable and feasible.
- c. The Library Board reserves the right to use the donation in the best interest of the Library and shall make decisions regarding the investment, disposition and/or eventual disposal of all donations.
- d. Donations become the exclusive property of the Library and must be verified in writing.
- e. Donations must be of a clear and unencumbered nature.
- f. All donors will be informed of potential uses of their donation.

5. Designation of donations:

All donations, regardless of value, form or designated use, should be made payable to Strathcona County Library. Donors may choose to have their gift fully expended or endowed and may direct their gift to a specific department or service provided that:

- a. There is no direct benefit to the donor
- b. The directed donation does not benefit anyone closely associated with the donor
- c. Decisions regarding the use of the donation rest with the Library staff. Where possible, the Library will act in concert with and be respectful of the donor's wishes.

6. Responsibility to donors and donor recognition:

While seeking donations in support of Library priorities, staff, Board members, and volunteers have an ethical responsibility to uphold the interest and well-being of the Library's benefactors.

Policy for donor recognition and stewardship:

- a. The Library staff shall maintain donor records, the contents of which shall remain confidential unless the donor provides written consent to do otherwise.
- b. Public acknowledgement and recognition will take place when a signed permission form is received by the Library from the donor.
- c. The Library staff will maintain a donor recognition system that will serve as a proud statement of past and current accomplishments, and will also be a vehicle for attracting new donors.
- d. Recognition will be commensurate with the value of the donation.
- e. If an item is sponsored, and it reaches its end of life, another group may sponsor the replacement, and both contributions will appear on a new recognition plaque.

7. Strathcona County Library's donor-centered communications and recognition activities adhere to the following principles:

- a. Donors can expect to receive prompt acknowledgement of their donations.
- b. Donors can expect to be informed of the specific destination of their donations.
- c. Donors can expect to receive meaningful and measurable information about how their donations were applied prior to being asked to give to the Library again.
- d. Donors can expect their privacy to be respected, including requests for anonymity.
- e. Donor input will be sought and respected in determining the final method of appropriate recognition.
- f. As befitting the Library's position as a publicly funded institution, donor recognition should neither be, nor be perceived to be, extravagant.
- g. Recognition will be in keeping with the principles of the Library's Donations and Fund Development Guideline.

8. Naming Facilities and Facility Components

The Strathcona County Library Board will not name Library buildings after corporations. All naming of facility components will be approved by the Board.

9. Capital Campaign Recognition

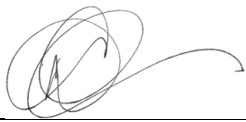
A capital campaign is an intensive fundraising effort to raise a specified sum of money within a defined time period to meet the asset-building needs of an organization. For a capital campaign, the Library Board acknowledges that corporations and individuals that make significant donations want to leave a legacy. The Library Board prefers that once an area or item is named, it retains that name. The Board reserves the right to the following exceptions to that principle:

- a. Sometimes names are applied to equipment that is non-permanent in nature, such as computers or bookmobiles. When the equipment is replaced, the Board reserves the right to offer a new naming opportunity for and/or change the name of the replacement piece.
- b. Sometimes circumstances surrounding a donor can change. Should these circumstances lead to concerns about or potential damage to the Library's reputation, the Board reserves the right to offer a new naming opportunity and/or to change the name.

10. Tax considerations – Receipts

For monetary donations of \$20 or more, official tax receipts will be issued to donors for income tax purposes. In accordance with *Canada Revenue Agency Regulations*, the Library requires the following in regard to official tax receipts:

- a. Receipts are issued only for funds that the Library will be responsible for spending.
- b. For in-kind donations, other than Library items donated for the book sale (see 3h), official tax receipts will be issued provided that the value of the donation exceeds \$20 and the donor provides written appraisal of the donation's worth.
- c. The Library staff shall make every effort to guard against the unauthorized use of official receipts.

Approved by Board Chair	
Date	December 16, 2024

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