

DONATIONS, SPONSORSHIPS & NAMING POLICY

PURPOSE

This policy outlines the rules governing donations, sponsorships and naming rights applicable to all donations or gifts to LPL.

PERSONS AFFECTED

Board/Library employees

POLICY STATEMENT

It is the policy of the Board to recognize donations of property and in-kind value to the Library appropriately, so as to emphasize the value donations have to library services in Lethbridge, and within the current Canada Revenue Agency rules for charitable organizations.

Designated donations/gifts must be used for the purpose for which they are provided. Undesignated donations/gifts will be used for the most-needed initiatives as determined by the CEO in conjunction with the Board.

The Library is under no obligation to accept any donation from a donor if the Board is not satisfied that it is consistent with the criteria set out under Procedures.

Official donation receipts will be provided for donations that fall within the receipting guidelines provided by the CRA. Charitable tax receipts shall be issued by the Library only in accordance with the Income Tax Act and the policies of the Canada Revenue Agency.

Investment of donations are governed by Board policy LB27 – Investments & Endowments.

The Board is committed to establishing mutually beneficial naming opportunities and donations with individuals, families, organizations and enterprises with the intent of:

- Supporting the mission, vision and values of the Lethbridge Public Library
- Promoting and improving library resources, services, programs and facilities

Donations, Sponsorships and naming opportunities must be for purposes consistent with the vision of the Library; the Library reserves the right to refuse any donation or philanthropic act, including those that, at the sole discretion of the Library, are perceived to be incompatible with the Library's goals, values or mission, or are not considered to be in the public interest of the Library and the community.

Individuals, families, organizations or enterprises shall not influence the operation of libraries, services, programs or the selection of library resources.

Donations, sponsorships and naming opportunities shall conform to all applicable federal and provincial statutes; to all applicable City bylaws, policies and practices and all Library bylaws and policies.

The Board, and/or the City of Lethbridge, reserve the right to determine the names of library buildings, rooms/spaces, programs and collections regardless of whether the naming opportunity is as a result of a sponsorship, donation or to recognize an individual who has made an outstanding contribution to the Library.

DONATIONS GUIDELINES & PROCEDURES

1. Prior to accepting a donation or a restricted charitable gift, the CEO must be satisfied that the donation and any restrictions imposed by the donor:
 - are within the purpose of the Library;
 - are possible and practical;
 - are acceptable and can be complied with; and
 - do not violate a federal, provincial or municipal law, by-law or regulation.
 - acceptance brings no risk of harm, reputation or otherwise to the Library or causes it to incur financial or other liabilities.
 - acceptance of all donations must be done at arm's length. This means that the donor shall have no ability to influence the decisions of the Library in accepting the donation/gift aside from normal course donor restrictions.
 - if the donation/gift is considered to be unsatisfactory the decline recommendation will be brought to the Board for approval.
2. Where possible, the CEO or designate will enter into discussions with the donor and/or their representatives prior to the formal offer of the donation/gift, to clarify the donor's intent as well as any restrictions, limitations, conditions, terms of reference, directions, or other restricting factors on the use of the funds that may be relevant. Should this prior discussion not be possible, the CEO or designate will conduct sufficient research to make a determination if the donation is acceptable.
3. Donations/gifts may be determined either by restrictions, limitations, conditions, terms of reference, directions, or other restricting factors on the use of the funds as to whether the donation be placed in an endowment fund (principle to be maintained and only the interest generated to be used by the Library on a regular basis), or placed in the Development Fund or an investment instrument for use of both principle and interest.
4. Donors will be recognized according to the Library's current Donor Recognition Guidelines (Appendix A) which will be updated from time to time.

SPONSORSHIPS AND NAMING GUIDELINES & PROCEDURES

Sponsorships and Naming General Guidelines

1. The sponsorship or naming opportunity must not create an ongoing financial obligation for the Library
2. The sponsorship or naming opportunity must not interfere with existing contractual obligations

3. The sponsorship or naming opportunity must not unduly detract from the character, integrity, aesthetic quality of safety of property or unreasonably interfere with its enjoyment or use
4. The sponsorship or naming opportunity must not result in, or be perceived to result in preferential treatment for the sponsor outside of the sponsorship agreement
5. The sponsorship or naming opportunity must not confer a personal benefit, directly or indirectly, to any Library employee, volunteer or member of the City of Lethbridge Library Board
6. Donor/sponsor names will not have prominence over the Lethbridge Public Library name and/or logo in signage and other means of naming

Sponsorships Specific Guidelines

1. The Lethbridge Public Library (LPL), or the City of Lethbridge, as applicable shall retain ownership over any sponsored property and the LPL shall retain control over any sponsored property
2. Potential sponsors must not be canvassed in a manner that uses or implies coercion. Prospective sponsors that decline solicitations for contributions shall not be penalized.
3. The LPL does not endorse the products, services or ideas of any sponsor.
4. Subject to the Sponsorship agreement, proceeds received from a sponsorship in respect of a library or service shall be applied to the property or service intended
5. Sponsors shall not be canvassed during any active procurement process in which they are or reasonably may be participating
6. No form of indemnification will be provided to any sponsor without the express approval of the City Solicitor
7. Sponsors are prohibited from implying that their products, services or ideas are sanctioned by the Library and/or the City of Lethbridge

Naming Specific Guidelines

1. From time-to-time the Board and/or City of Lethbridge may propose a name to be attached to a library building, room/space, program or collection of resources to recognize exceptional contributions to the Library and/or community at no cost.
2. LPL naming opportunities include naming: library locations, wings, rooms, spaces, services, equipment, events or collections of resources.
3. The following factors will be considered by the Board when considering a naming opportunity:
 - a. If possible, the name under consideration should have a connection to the particular library facility or other entity (room, equipment, etc) to which the name is proposed to be associated;
 - b. The proposed name must not convey any religious, political or other philosophical connotation that might offend or otherwise be abhorrent to any segment of the population;

- c. The impact of changing existing signage, rebuilding community recognition and updating records
4. The contribution of the proposed individual, family, organization or enterprise has made to public life and the wellbeing of the City of Lethbridge, must:
 - a. Exemplify the mission, vision and values of the Lethbridge Public Library, including being a reader and lifelong learner;
 - b. Be perceived as a role model and open to close scrutiny, relative to their character, integrity and values;
 - c. Have provided outstanding community service and leadership with significant impact on the City and residents over an extended period of time.
 - d. The use of corporate names will require special consideration to the above, and to avoid the appearance of commercial influence or conflict of interest. Corporate logos related to naming rights, will not be used on library signage, promotional material (either in print or digital), or library publications.
5. Each proposal for naming will be considered on its own merit and not because a gift meets a particular need or a particular gift threshold.
6. The Gift Agreement (Appendix B) will include all conditions under which the name will be used, including the duration and conditions for implementation and discontinuation of the name.
7. In the case of the naming of a library space, room, collection, wing or building, the gift shall constitute a significant portion of the total cost of the item to be named – either funding the total cost of the project, or providing a substantial proportion of the required funding for the project.
8. In the case of re-naming an existing Library space, room, collection, wing of building:
 - a. The renaming is dependent on the nature of the conditions contained in the previous naming agreement (should one exist)
 - b. Appropriate recognition of previous donors or honorees may be included in the space
 - c. All reasonable effort will be made to inform, in advance, the original donor/sponsor or honoree
 - d. Re-naming opportunities may be considered at a lower level of gift that is commensurate with the market value of the opportunity.

Sponsorships and Naming Procedures

1. All LPL naming or sponsorship opportunities shall be reviewed and approved in the following manner:
 - a. All naming or sponsorship opportunities with a value of \$500,000 or greater, and for all naming opportunities associated with naming a wing or building, the opportunity shall be reviewed by the Board, and recommended to City Council for authorization and confirmed with a duly signed Agreement;

- b. All naming or sponsorship opportunities with a value of \$50,000 to \$499,999, and for all naming opportunities associated with naming a room, collection or other space, the opportunity shall be reviewed and approved by Board upon recommendation by the CEO, and shall be confirmed with a duly signed Agreement;
 - c. All naming or sponsorship opportunities with a value of less than \$50,000 the opportunity shall be reviewed and approved by the CEO, shall be confirmed with a duly signed Agreement, and shall be duly reported to the Board.
2. All naming or sponsorship discussions which require review by Board will be considered initially in a closed meeting, for the purpose of gaining approval in principle.
3. All sponsorship relationships shall be confirmed in writing or by contract
4. Any renewals of sponsorship agreements are at the sole discretion of the Library. The Library reserves the right to cancel any sponsorship agreement at any time should the arrangement no longer meet the eligibility requirements of the Donations, Sponsorship & Naming Policy or should the arrangement no longer be considered compatible with the values, image, assets or interests of the Library.
5. In order to expedite partnership development and recognize the uniqueness of sponsorship opportunities, a formal competitive process is not required when soliciting sponsorship or naming opportunities. Reasonable efforts will be made to advertise sponsorship or naming opportunities.

DEFINITIONS

- Donation or gift: a voluntary transfer of property owned by a donor to a donee, in return for which no benefit or consideration flows to the donor
- Naming Opportunity: the right to name a piece of tangible property or event in exchange for financial considerations, documented in an agreement signed by all parties
- Sponsorship: a mutually beneficial business arrangement wherein an external party, whether for profit or otherwise, provides cash and/or in-kind services to the City in return for commercial advantage. This may take the form of publicity, promotional consideration, merchandising opportunities, etc. Because of these marketing benefits, a sponsorship does not qualify for a tax receipt.
- In-kind: a sponsorship received in the form of goods and/or services rather than cash.

APPENDICES

- Appendix A - Donor Recognition Guidelines
- Appendix B – Gift Agreement Template

REFERENCES

- LB27 – Investments & Endowments
- [Income Tax Folio S7-F1-C1, Split-receipting and Deemed Fair Market Value](#)

REVISION HISTORY

- April 2022: new policy; replaces a portion of *Donation Acceptance Guidelines* document
- October 9, 2024: Revised

LPL Donor Recognition Guidelines

LPL recognizes and appreciates the generosity of individuals, businesses and organizations that invest in the Library's collections, programs and services. Recognizing the financial investment made by our private supporters demonstrates the importance of these partners in the fulfillment of the Library's mission.

In keeping with the Library's values and goals, and in accordance with the Canada Revenue Agency policy related to charitable giving, as well as to help the Library achieve its long-term development objectives, the following Donor & Sponsor Recognition Guideline has been put in place to:

- provide appropriate, timely and donor-centered recognition of all charitable donations;
- elevate donors' sights and serve as a cultivation tool for larger donations;
- guide the public recognition and acknowledgement of major donors;
- provide public evidence of philanthropic activity that suggests that the Library enjoys considerable external support and encourage others to invest in the Library.

Donations, sponsorships and naming opportunities are governed by *LB32 – Donations Sponsorships and Naming Policy*.

Guidelines:

- All accepted donations from individuals, corporations, foundations, associations and organizations will be recognized at the appropriate level. In the case of designated Campaigns, donors will be listed for the full amount of their pledge in the Campaign final report and in other locations as appropriate.
- Gift-in-kind donors will be listed in the appropriate category, based on the fair market value of their gift.
- In the case of realized bequests, donors will be listed as "The Estate of ...".
- Donor recognition will be in keeping with the donor's wishes and in concert with the Lethbridge Public Library mission, vision and values.
- Recognition and acknowledgement of a pledged gift will commence upon receipt of the full gift amount (except in cases where there is an established agreement to recognize the pledge prior to receipt of the gift, normally as an incentive for matched giving).
- In all cases a donor's wish for anonymity will be respected.
- As per CRA rules the value of the advantage received (e.g. tickets, advertising) must be less than 10% (or \$75) of fair market value of donation in order to receive a tax receipt for full amount ([Split receipting - Canada.ca](#))
- As per the CRA guidelines, the following do not count as gifts: services, gift certificates (donated by the issuer), a non-cash gift for which fair market value cannot be determined, gifts provided in exchange for advertising or sponsorship. ([What is a gift? - Canada.ca](#))



APPENDIX B
Gift Agreement Template

GIFT AGREEMENT BETWEEN

Donor Name
("the Donor")

AND

The City of Lethbridge Library Board
("the Board")

The City of Lethbridge Public Library Board would like to thank [name of donor] for investing in the [name of campaign or Library]. The terms of this investment as previously agreed to are set out in this Letter of Agreement (the "Agreement").

1. THE GIFT

[Donor name] has generously made a gift of \$_____ to the Lethbridge Public Library. This gift will be provided in the form of [i.e. cash, gift of securities] according to the following schedule:

- (a) \$ _____ (Month) _____ (Year) _____
- \$ _____ (Month) _____ (Year) _____
- \$ _____ (Month) _____ (Year) _____
- \$ _____ (Month) _____ (Year) _____
- \$ _____ (Month) _____ (Year) _____

(b) Other (please describe) _____

2. STATEMENT OF PURPOSE

The purpose of the gift will be to support the Library [additional purpose details, if necessary].

3. CHANGE OF PURPOSE

If the Board is of the opinion that a revised purpose for the use of this donation gift is appropriate, the Board shall exercise its discretion, in consultation with the donor where possible, and use the gift to the best advantage of the Library for other purposes consistent with the spirit and intent of the donor.

4. OBLIGATIONS, LIBRARY

The Lethbridge Public Library will:

- 4.1 in accordance with the Library's Donations, Sponsorship and Naming Policy (LB32) recognize this gift by creating the [name of room, etc.];
- 4.2 [details of additional recognition per plan, length of naming recognition, and as addressed with donor];
- 4.3 report annually to the Donor on the status of the Campaign (until concluded);

5. OBLIGATIONS, DONOR

The [name of donor] will:

- 5.1 meet its financial commitment as outlined in Point 1;
- 5.2 [other commitments by donor e.g. use of the Lethbridge Public Library logo and brand].

6. TERMINATION

Both the Donor and the Board affirm that this gift does not and shall not, in any way, compromise the Library's mission or contravene any policy of the Board or reflect negatively on the Library's public image. In the event that the activities of the Donor are in material conflict with the Library's mission and/or policies, the Donor agrees that the Board shall have the right to terminate this Agreement immediately.

Agreed to this _____ day of ____, 20__

CEO, on behalf of the City of Lethbridge Library Board

Donor