



Gifts and Donations Policy

The following policies and procedures are set forth: (a) to spell out hereinafter the working rules for the acceptance of gifts and pledges for the Highwood Public Library (the Library) (b) to protect the Library, its Board of Trustees (the Board), staff, and volunteers from inappropriate or undesirable gifts and pledges; and (c) to inform the Library's donors and prospective donors. The Library Board will review this policy regularly to ensure accurate reflection of current gift acceptance procedures.

The Friends of the Highwood Public Library (the Friends) is an established 501(c)(3) whose purpose is to raise funds for the Library. Any gifts/commitment of funds that flow to the Library from the Friends are governed by this policy.

1. General Procedures and Guidelines

The Library welcomes expressions of interest and financial support, regardless of size or form, from any individual, family, business, corporation, foundation, or similar source. Any donations or gifts to the library must be consistent with the library's policies, goals and objectives.

The Library accepts both restricted as well as unrestricted gifts providing that donor restrictions do not significantly diminish the value of the gift.

The Library Director and Board Members are available to meet with any prospective donor(s) and their financial advisors, without obligation, to discuss areas of interest, the plans of the Library, types of gift commitments, options for payment, estate planning, and the tax planning consequences of a possible gift commitment so as to provide every possible assistance to a prospective donor. However, unrestricted gifts of cash or negotiable securities are the forms of donor commitment that will have the greatest impact on the Library and its future plans.

Gifts to the Library should be made in the name of Highwood Public Library and will be taken, held and administered by the Board. All gifts to the Library should be directed to the Library Director where they will be accepted, tax-acknowledged, and administered in accordance with the policies of the Board. When donations require a 501(c)(3) status, the gift can be made through the Friends of the Highwood Public Library, covered by these same policies.

No solicitation of donations or gifts of funds or real property for the benefit of the Library shall be made by anyone without the approval of the Library Director or his/her designated representatives and the Board of Trustees. Donations to the Friends of the Highwood Public



Library will always be approved by the Director following the guidelines of this policy.

Commitments to the Library and/or payment of same may take the form of one, or a combination, of the following:

- Cash
- Multi-year pledges
- Appreciated securities or other personal assets

- Deferred or planned gifts including: trusts; annuities; insurance policies; gifts of residence with or without a retained life interest; and bequest intentions
- Other forms as approved by the Library Director

Requests by donors for anonymity will be honored.

The Board, and/or the Library Director reserve the right to accept (or, in cases where absolutely necessary, to decline) any commitment that is offered to them. They also reserve the right to determine how any commitment will be credited and/or how such commitments will be recognized.

2. Pledges

Pledges should be made in writing and should commit to a specific dollar amount that will be paid according to a fixed time schedule. The recommended maximum pledge period is three years.

3. Planned Giving

The Library Director or designate shall have authority to sign planned giving agreements on behalf of the Library. Any agreement that does not meet the requirements of the current guidelines shall require the approval of the Board. The Library will use the accepted IRS formula (and accounting rules) for determining present value of future planned gifts.

4. Matching Gifts

A donor whose gift is matched by his/her company will be recognized for the total amount of his/her individual gift plus the matching portion on their gift record. They will receive recognition for the amount of their personal gift and they will receive the recognition associated with the matching gift for the total amount.

5. Gift Reporting

All gifts and pledges that fall under the basic principles listed above will be reported to all



internal and external constituencies of the Library on an on-going basis according to the gift acceptance policies herein.

6. Tangible Personal Property

Outright gifts of tangible personal property for which donors qualify for a charitable gift deduction under current IRS rules will be credited, recognized and/or commemorated at the appraised value of the property at the time it is transferred to the Library, less any encumbrances, so long as the property has been held by the donor for more than one year. If the donor has held the property for less than one year it will be reported, credited, and recognized at the level of the original cost basis. Appraisals shall be done at the expense of the donor. Gifts of personal property (jewelry, paintings, antiques, rare books, etc.) exceeding \$5,000 in value shall be reported at the fair market value placed on them by an independent, expert appraiser at the time the donor relinquished control in favor of the Library. Appraisals shall be done at the expense of the donor. Gifts of \$5,000 and under may be reported at the value declared by the donor or a qualified expert.

7. Expenses Associated with Gifts

Generally, the Library's acceptance of gifts cannot involve significant additional expense for their present or future use, display, maintenance, or administration. All gifts that will, or may, require expenditure of funds either at the time of the gift or at some future date (e.g., non-performing assets gifted to fund a charitable trust or charitable gift annuity, bargain sales, or outright gifts such as real estate that may impose present obligations on the Library) shall require the approval of the Board. Unless otherwise funded by the donor or authorized by the Board, the Library will seek to liquidate such assets. The Library reserves the right to dispose of donations in the future without notification to donors.

8. Bequests

Bequest intentions, commitments of unpaid insurance policies, and other revocable deferred gifts will be recorded as "future" expectancies of the Library. These will be valued as established in writing by the donor through a bequest intention form, a deferred pledge agreement, a contract to make a will, a letter, or a copy of the appropriate section of the will, insurance, trust document, etc. Such revocable gift commitments will be reported, credited and recognized, subject to the donor's specific request and intent, only when the funds are irrevocably committed to the Library or when the gift matures.

9. Named Endowment Funds

For the purposes of this policy statement, "endowment fund" shall refer to any fund, or any part thereof, not wholly expendable by the Library on a current basis under the terms of the applicable gift instrument. Endowment gifts may be used to establish a special endowment



fund or may be added to an existing endowment fund.

The minimum dollar requirement for a named endowment fund is \$50,000. When establishing an endowed fund, an Endowed Fund Agreement should be used to specify the name of the donor(s) and the amount of the gift, the name of the fund and the donor's purpose for use of the earnings. This Agreement is dated and executed with the signature of the Library Director or his/her designate and the donor(s) or their approved designates.

In designating an endowment gift for a specific purpose, the donor is encouraged: (a) to describe that purpose as broadly as possible and (b) to avoid detailed limitations and restrictions. In the event the specific purpose is no longer applicable, the Library will apply the funds in a manner consistent with donor intentions and the Library mission.

The Library reserves the right to review the minimum amounts required for named endowments periodically and to amend the minimum amount required so as to ensure that endowment proceeds are sufficient to fund the intended purpose(s) of the endowment. If, and when the Library acts to increase the minimum amount required to establish a particular named endowment fund, such action shall not be retroactive to funds already established and named.

10. Books or Library Materials

Books or other library materials purchased by the donor for presentation to the library will be gratefully accepted provided they meet the library's selection policies and procedures and, in the opinion of the professional staff, they enhance the value of the library's collections.

Donated books are evaluated according to the same criteria that are applied to purchased materials. Donated materials which have not undergone the library's selection process will be disposed of at the discretion of the library. Books not added to the library's collection may be sold at the Friends of the Highwood Public Library's ongoing book sale. Used materials, donated specifically for the Friends of the Highwood Public Library book sale, must meet the criteria established in this policy. The library reserves the right to refuse to accept any materials, which would merely create a disposal problem.

The library is most interested in the following types of materials for inclusion in its collections or for offering to the Friends of the Highwood Public Library for possible resale:

- Hardbound current novels for recreational reading
- Non-fiction books with current information
- Biographies and autobiographies
- Children's books



- Paperback books
- Books of local interest
- Media material: books on tape, videos, DVD's, audiotapes, CD-ROM, puzzles, etc.

Books and periodicals that **we cannot** use or even accept as they present a disposal problem:

- Outdated informational books (e.g. technological, tax, investment, medical, educational, legal, etc.)
- Outdated textbooks or encyclopedias
- Reader's Digest abridged or condensed books
- Books that are grimy, musty, moldy or mildewed
- Books with torn pages or missing covers, or that are written in
- Books with editorial comments either written or typed in them
- Most periodicals, especially National Geographic
- Puzzles with missing pieces

11. Furnishing, Equipment, and Other

All donations (of furnishings, equipment, and materials, etc.) become the sole property of the library. No gifts of this nature are accepted unless freely given to the Library without restriction to be used as the library sees fit. The decision as to the acceptance of furnishings and equipment shall be made by the Library Director. Among the criteria on which the decision shall be based are need, space, impact on staff time, and expense and frequency of maintenance.

The decision as to the acceptance and location of gifts of landscaping items shall be made by the Library Board of Trustees on the advice of the Library Director. The major criterion on which the decision shall be based is the appropriateness and consistency of the proffered gifts to the library's Landscape Master Plan.

The decision as to the acceptance and location of gifts of exterior or interior ornamentation, sculpture and signage shall be made by Library Board of Trustees on the advice of the Library Director.

12. Naming Rights

The Board of Trustees shall consider recognition of those whose generosity advances the mission of the Library, furthers the capacity of the Library to meet its goal to serve the library community, and/or enhances the reputation of the Library. While the Board of Trustees is grateful for and encourages donations from all individuals, businesses and organizations, the Board has the right to decline any gift to the Library and/or reject naming proposals. The Board reserves the right to terminate or alter a naming designation in any circumstance.



Indoor spaces may be eligible for naming rights. Examples are reading rooms, classrooms, boardrooms, galleries, lounges. Naming and signage shall be approved by the Board of Trustees. Signage for named spaces shall be prominent and readily identifiable. Lettering shall be scaled appropriate to the aesthetics of the room or area so named. All references to the named area in promotional materials, directional signage, and library documents shall include the name of the individual, family, or corporation.

Outdoor spaces may be eligible for naming rights. Examples are buildings, courtyards, gardens, etc. Naming and signage shall be approved by the Board of Trustees. Signage for named spaces shall be prominent and readily identifiable. Lettering shall be scaled appropriate to the aesthetics of the space. All references to the named area in promotional materials, directional signage, and library documents shall include the name of the individual, family, or corporation.

13. Capital Campaign Donations and Matching Grants

The Library (in conjunction with the Friends of the Highwood Public Library as the funding vehicle) may initiate a capital campaign for the purpose of raising funds specifically for a special Library project. The funds raised by the capital campaign shall only be used by the Library for the sole purpose of completing the project as described in the capital campaign.

The Library and/or the Friends of the Highwood Public Library may seek grants for the capital campaign project. The Library/Friends may seek a grant that has a release of funds stipulation which specifies that the funds from the awarded grant are released contingent upon the Library fulfilling its obligation to raise the remaining amount of funds needed to complete the project (herein referred to as a “matching grant”). The terms of the matching grant may require the additional amounts be physically received by the Library/Friends or simply committed to be received by the secured donor of the additional funds.

During the capital campaign, the Library will disclose to potential donors that a matching grant has been awarded and the terms of such grant (as soon as the notification is received from the grantor).

Throughout the campaign, the Library will keep a record of the funds raised to date and share the amount with potential donors upon request. At the end of the capital campaign, the Library will report the status of the final committed funds for the project.

In cases where the terms of the matching grant require that the additional funds from other donors be physically received prior to the release of the matching grant monies, the donor agrees to transfer the committed funds to the Library/Friends’ account, to be held in the account until the end of the capital campaign.



14. Donation Refund for Capital Campaign Awards

At the end of a capital campaign project that includes a matching grant award, the Library will determine whether the total amount of funds raised from the capital campaign will meet the project budget (or a scaled down version of the budget). If the project budget (or a scaled down version) is not met, the Library will disclose to the donors the status of funds raised. If the project (or a scaled down version) will not be completed, the Library will discuss options with the donor.

If the project (or a scaled down version) cannot be completed due to the inability to collect the matching grant fund(s), and at the donor's written request, any monies deposited to the Library/Friends' account for the capital campaign project will be returned to the donor.

15. Donor Responsibilities

Although representatives of the Library will provide all appropriate assistance, the ultimate responsibility regarding asset evaluations, tax deductibility, and/or similar federal, state and/or local legal compliance issues rests with the donor(s) and/or with such financial advisors as the donor(s) shall secure. The Library recommends that all donors consult with their legal tax counsel when planning all gifts, especially non-cash gifts or future planned gifts.

The Library will not knowingly seek, nor accept, any commitment regardless of size, designation, or other condition that it believes is not in the potential donor's best interest.

16. The Donor Bill of Rights

In accordance with the standards established by the Association of Fundraising Professionals, the Library adheres to the following donor bill of rights:

The Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To ensure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the nonprofit organizations and causes they are asked to support, we declare that all donors have these rights:

- To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- To have access to the organization's most recent financial statements.



- To be assured a memorandum of understanding (MOU) is available upon request
- To be assured their gifts will be used for the purposes for which they were given.
- To receive appropriate acknowledgement and recognition.
- To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
- To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Approved by the Highwood Library Board of Trustees: November 23, 2020