

3.28 GIFT, DONATION, SPONSORSHIP AND NAMING RIGHTS POLICY

The Niles-Maine District Library Board of Library Trustees actively encourages gifts, donations, contributions and sponsorships which will help the Library better serve the needs of the community. All gifts, donations, contributions and sponsorships to the Library are subject to applicable law as well as the Library's existing policies and guidelines, including those relating to the selection of and provision of access to books and other resources. The Library, through the Board or the Board's delegated authority, makes the final decision on the acceptance, use or other disposition of any gift, donation, contribution or sponsorship and also reserves the right to decide any conditions of display, housing or access. The Library is granted unconditional ownership of each gift, donation, contribution or sponsorship, and the donor does not retain or obtain any property rights or interests based on their gift, donation, contribution or sponsorship.

Summary:

Gifts and special donations will be accepted by this Library under the following conditions:

1. In accepting a gift, the Library reserves the privilege of deciding if the donation should be added to the collection. Gift materials must meet the Library's criteria for material selection.
2. The Library will make an effort to dispose of all material which it does not add to its own collection. Materials will first be offered to the Friends of the Library Used Book Sale, and then to other institutions as gifts.
3. Gifts/donations will not be accepted if the donor requests the return of materials not added to the Library collection.
4. Collections of books will not be accepted with restrictions which necessitate special housing or which prevent integration of the gift into the Library collection.
5. The Library encourages gifts from individuals, organizations or businesses for purchase of materials in recognition of a person, group or special event. Library selection standards apply to such purchases. Staff will solicit from donor's appropriate subject areas for such special purchases. Bookplates designating honoree and donor will be placed in all gifts.
6. Gifts of money, real property and/or stock will be accepted if conditions attached thereto are acceptable to the Board of Trustees.
7. Personal property, art objects, portraits, antiques and other museum objects will not be accepted, unless approved by the Library Board.
8. The Library will not accept for deposit materials which are not outright gifts.

Further detail:

I. Gifts, Donations or Contributions (See 7c7 Appendix C Forms – Gift/Donation Form)

A. Monetary Gifts, Donations or Contributions

Monetary gifts, donations or contributions given for use at the Library's discretion ("unrestricted gifts, donations or contributions") may be accepted by the Director.

Monetary gifts given for the purchase of Library materials as an honorarium or memorial may be accepted by the Director. The Director or a designated staff member will work with donors in selection and processing of such purchases.

Monetary gifts, donations or contributions given for the sponsorship of Library programs may be accepted by the Board according to the Library's Sponsorship Policy set forth below.

Monetary gifts, donations or contributions given in exchange for naming rights or name recognition may be accepted by the Board according to the Library's Naming Rights Policy set forth below.

Monetary gifts received from a will or bequest may be accepted by the Board and used as directed by the donor, subject to Library policies. If received without restrictions, the funds may be used as approved by the Board. The Board will consider whether separate bank accounts and budget lines will be created to monitor the funds.

B. Gifts, Donations or Contributions of Books and Other Library Resources

The Director is authorized to act for the Board in accepting or declining offers of gifts in the form of books, audiovisual items, recordings and other Library materials or resources. The Director, in accordance with existing Library policies and guidelines, may exercise discretion concerning which materials shall be retained for the Library's own collection.

C. Gifts, Donations or Contributions in Kind

Gifts of furniture, paintings, statuary and other articles may be accepted by the Board with advice and counsel from the Director. Any conditions attached to the proposed gift, including, but not necessarily limited to, the type of recognition provided and the location, disposition, handling or display of the article, will be considered by the Board. Any such conditions which the Board regards to be inappropriate or impractical may provide a basis for further negotiation with the donor or for rejection of the gift.

D. Gifts, Donations or Contributions of Securities

Marketable securities received by the Library as gifts may be accepted by the Board. Such securities will be sold or held at the discretion of the Board, and the net proceeds used as directed by the donor, subject to Library policies, or if received without restrictions, may be

used as approved by the Board. Gifts, donations or contributions offered to the Library consisting of securities which are not readily marketable will be submitted to the Board for a decision as to acceptability.

E. Valuation of Non-Monetary Gifts, Donations or Contributions

While the deemed value of non-monetary gifts, donations or contributions may be a factor for consideration, neither the Library staff nor the Board will issue a written or verbal statement of monetary value to the donor. The Director, or a designated staff member, may provide, on request, a letter of acknowledgment to a donor describing the gift and its apparent condition.

F. Use and Recognition of Gifts, Donations or Contributions

1. Use of Gifts, Donations or Contributions. All gifts, donations or contributions are accepted with the understanding that it may someday be necessary that they be altered, sold, or disposed of in the best interest of the Library. The Library cannot commit itself to perpetually housing a gift, donation or contribution. Restricted gifts, donations or contributions can be accepted only with the specific approval of the Board. Gifts, donations or contributions will be accepted only if, in the opinion of the Director and the Board, they are in the best interest of the Library.

2. Recognition of Gifts. Commemorative book(s) receive a bookplate listing the donor and the honoree and an acknowledgment letter will be sent to the person(s) or family of the person being honored.

All gifts, donations or contributions are recognized with an acknowledgment letter.

Monetary gifts, donations or contributions (other than those associated with naming rights and sponsorships) of \$1,000 or more will be recognized on the Library's Donor Recognition Wall. Three categories of giving are acknowledged on the wall:

Donor: \$1,000 - \$2,499

Sponsor: \$2,500 - \$4,999

Benefactor: \$5,000 or more

II. Sponsorship

The Board welcomes sponsorship of programs from individuals and groups including but not limited to businesses and service organizations. Sponsors must be approved by the Board or the Director.

Sponsorship Opportunities

| | |
|---------|------------------------|
| \$ 500 | Individual Programs |
| \$1,500 | Film Discussion Series |
| \$1,500 | Book Discussion Series |
| \$1,500 | Storytime Series |
| \$5,000 | Summer Reading Program |

A statement of the sponsor's name and a display of its logo will appear on the Library's promotional materials for the sponsored program and a verbal announcement will be made at the beginning of the program.

III. Naming Rights (See 7c8 Appendix C Forms – Gift Agreement for Naming Rights)

A. Library Building

At the discretion of the Board, the naming of the Library building may be considered in the event of an extraordinary contribution for a Library building project. The entity known as the Niles-Maine District Library shall not be subject to naming, but the building housing the Library may be so named. Such naming shall only be considered for an individual or family.

B. Endowment Funds

Named Endowment Funds are intended for the continued support of the Library. These named Funds will be established in perpetuity with the income used for the annual operation of the Library. The principal remains intact. A named endowment may be requested by the donor or proposed by the Board with permission of the person or corporation to be named. The request shall be evaluated by the Board for approval. Fifty-one (51) percent of the minimum amount must be physically secured by the Library before the Director recommends the establishment of the named Endowment Fund. The remainder must be pledged and received within five (5) years. In the event that the flow of funds agreed upon does not reach the named amount within five years, the Director may recommend to the Board of Trustees that the named Endowment Fund be dissolved and the funds be co-mingled with other Library gift monies. A minimum of \$25,000 is required for Board consideration for a named endowment.

C. Named Rooms and Special Use Areas

Generally, only meeting rooms and designated special use areas shall be named for an individual, family, foundation or corporation. The naming of such a space generally requires a contribution of a percentage of the cost of the area in proportion of the total cost of the facility or the project for the facility but valuations may be assigned to naming rights possibilities on a case-by-case basis to aid with making decisions about granting naming rights. The proportion shall be determined by the Board who may take advice from such persons or other

professionals as needed. Each case may take into account market comparisons for naming rights, for which professional advice may be sought. The Board of Trustees shall be responsible for determining the manner in which the name is recognized (e.g., signage). The physical display of the naming rights may be decided or negotiated on a case-by-case basis.

D. Name Recognition

Name recognition for a non-public room, or area inappropriate for naming, may recognize a donor by a conspicuously displaced placard. Name recognition may be the name of an individual, family, foundation or corporation making a contribution in proportion of the total cost of the facility. The proportional cost shall generally be less than a named or titled room and that amount shall be determined at the time of the project by the Board.

E. Eligibility for Corporate Naming and Name Recognition

Corporations that are compatible with the Library's mission and purpose and reflect a positive influence on the Library may be eligible for naming or name recognition for all naming opportunities, except for the naming of the Library building. Such corporations must have a high ethical standard of business practice. Corporate logos will be excluded from signage and placards to avoid appearance of commercial influence.

F. Duration of Removal of Naming or Name Recognition

The duration of naming rights may be decided or negotiated on a case-by-case basis, but generally, donations under \$10,000 carry naming rights or name recognition for 10 years. Donations from \$10,000 to \$100,000 carry naming rights or name recognition for 20 years. The duration of naming rights or name recognition for donations of \$100,000 or more will be determined at the time of donation. The Library reserves the right, at its sole discretion, to terminate naming rights without refund of consideration, prior to the scheduled termination date, should it believe it is necessary to do so to avoid the Library being brought into disrepute.

Naming opportunities do not extend beyond the useful life of the spaces or facilities within which they are located. The naming or name recognition of a Library facility, room or special use area may also end under the following circumstances:

- A building, room, or special use area is drastically altered through construction or is to be demolished.
- A building, room, or special use area changes function to the extent that the purpose for the naming or name recognition is no longer relevant.
- If the individual or corporation is engaged in activities that are in conflict with the Library's mission and values, or is involved in disreputable or criminal activities that would bring dishonor and embarrassment to the Library.

Naming rights may be renewed by mutual agreement between all of the parties.

G. Naming Agreements

All agreements for naming through philanthropic gifts shall be documented in a contract between the donor and Library Board. Contracts shall detail the terms of the agreement in accordance with the terms of the naming policy and any conditions mutually agreed upon by the donor and the Library Board.

In the case of pledged donations or deferred gifts, the naming agreement may take effect with the first payment. In the case of failure of the donor to uphold the agreement, the Library Board may withdraw the naming commitment. The Library Board shall notify the donor regarding the consideration to withdraw the name and provide a reasonable time to correct the deficiency. In the event of removal of the naming, funds already collected shall not be returned to the donor.

The named party after whom a building or part of a building is named shall have no rights to the purpose to which that building or part of the building is applied unless provided for in a specific contract between the parties. The Library will not agree to any conditions in a contract that could unnecessarily limit progress towards the Library's mission, purpose and plan or its statutory and legal obligations.

H. Informed Consent and Transferability

The Library will not grant any naming rights without the informed consent of the named party or the named party's legal representative. Naming rights may only be transferred to any other named party by mutual agreement between all of the named parties.

I. Gifts of Real Property

I. Policy Statement. This portion of the policy sets forth the procedures which the Library shall follow to accept title to gifts of real property, including unimproved and improved land. The policy is intended to safeguard the Library against accepting gifts of real property that are difficult to manage or are encumbered with defects that could put the Library at risk once the Library is in the chain of title. In addition, the Library must be sensitive to the long-term cost of owning the property, including the distribution of maintenance money. Gifts of real property may be outright gifts, bargain sales (i.e., part sale/part gift transactions) or part of a charitable life income plan (i.e., a gift held in trust with a life income to the donor). It is the general policy of the Library not to accept partial or fractional gifts in real property except for the situations where acceptance of such an interest would present an extraordinary benefit for the Library based on the recommendation of the Director and the approval of the Board of Trustees. Types of gifts accepted:

- a. The Library shall not accept any real estate encumbered by a mortgage or other liens except when approved by the Board based on a recommendation by the Director.

b. The Library may accept gifts with a retained life use but generally only if the life tenant agrees to pay for all ongoing carrying costs, including but not limited to real estate taxes, upkeep, insurance, maintenance and repairs to the property and utilities. The gift agreement for a retained life use shall contain the stipulation that if the life tenant defaults on the payment of these carrying costs, the retained life tenancy ceases.

c. Where real property is being conveyed to the Library, every effort should be made to take the property free of any encumbrances such as possibilities of reverter to the donor's heirs if the property is no longer used for Library purposes. Reverter or other restrictive use clauses could lead to the real property reverting to the heirs of the donor with no compensation to the Library. The Library attorney should be consulted about the best course of action if such clauses are to be included in the property deeds. If the Library decides to accept a gift of real property with a reverter clause, the Library may request that the prospective donor agree that the Library will be entitled to be reimbursed for any of the carrying costs of the real property, including but not limited to, property insurance, repairs and maintenance while the Library holds title to the property. If the donor declines to accept these terms, the Library must determine if it is in the best interests of the Library to accept the gift and agree to pay these carrying costs.

2 Review Process. As donations and gifts vary in their impact on the Library, the review process should be tailored according to the proposal's complexity. The donor should meet with the Director at the earliest possible time to discuss the review process for the specific gift. The process of establishing the Library's interest in accepting a gift of real estate shall begin with the initial gathering of the following basic information by the Director:

a. The name, address, telephone number and e-mail address of the proposed donor. At the request of the donor, anonymity will be honored.

b. A statement of the relationship of the donor to the Library, if any.

c. A statement of the reasons for the donor's desire to make the gift and the reasons for the Library to accept the gift, including a history of prior donations by the donor.

d. A general description of the property including street address, any structures (above and below ground), past uses of the property, neighborhood characteristics, pictures, setting and zoning.

e. A statement as to whether the contribution is of the donor's complete or partial interest in the property. (Generally, the Library will not accept partial interests in real property.)

- f. A list of any personal property to be included with the gift.
- g. Copies of current real estate tax bills and special assessment bills.

Library staff will review land use requirements, legal requirements, potential public concern, maintenance issues and Library issues associated with the proposed gift. If it is determined that the Library could potentially benefit from this donation of real property, the following additional documents are to be provided by the donor at the donor's expense, before the Library can make a final decision to accept title to the property. If the donor declines to provide at her/his cost the documents required to perform the necessary due diligence and to close on the property, and the Director determines that it is in the best interests of the Library to further advancement of the gift by paying these costs, the Library may agree to pay these costs.

- h. A recent legal description and survey of the property showing any easements and right-of-ways.
- i. If the parcel of land is improved with a building which is occupied, the name of the persons or business occupying space, together with copies of the leases relating to those occupancies.
- j. Proof of donor's ownership of the property in form of a title policy or title report.
- k. A Phase I Environmental Assessment of the property in a form and content which would be satisfactory to the Library.
- l. Any other information needed to determine liability risks or unacceptable restrictions on use or disposition of the real property.

After the Director receives this information, he/she will evaluate the gift's potential and make a recommendation to the Board of Trustees. The Niles-Maine District Library may decline any gift or bequest for any reason.