



MEMORANDUM

To: Newmarket Public Library Board

From: Todd Kyle

Date: March 16, 2016

Re: Draft Fundraising Policy

At the last meeting the Board asked for a policy to be drafted to address two areas in the library's fundraising strategy with policy implications: financial controls and obligations to donors.

The attached draft Policy attempts to address these in order to provide clarity as well as clear lines between fundraising and regular revenue generation.

In addition, a previously approved Donations Policy is attached for information.

The draft Fundraising Policy makes reference to the authority levels according to By-Law 2004-1 for changing a budget line in order to spend funds raised. Those authority levels differ between those that can be authorized by (1) by the C.E.O. and Director of Finance, Town of Newmarket jointly and (2) the Library Board, as follows:

- Up to \$1000 (CEO) / \$2000 (Board) for items budgeted under \$10,000;
- Up to \$1500 (CEO) / \$3000 (Board) for items budgeted \$10,000 to \$20,000;
- Up to \$2000 (CEO) / \$4000 (Board) for items budgeted \$20,000 to \$30,000;
- Greater of 5% or \$2500 (CEO) / 10% or \$5000 for items budgeted \$30,000 and over

The By-Law indicates that such increases would be offset by corresponding decreases in other line items, which is equivalent to corresponding increases in revenues.

I would also like to point out the part of the draft policy that indicates that it does not apply to "any other revenue directed in the annual budget to the general operating fund." This is to account for the fact that existing revenue streams that might be considered fundraising are already incorporated into the annual operating budget as general revenues. This includes sales of discarded and donated library materials as well as the Adopt-a-Magazine program, which are included in the General Revenues line. It also includes general unsolicited donations, which are in an existing Donations line. The Board may wish to consider re-allocating these in future budgets.

The following motion is recommended:

THAT the Library Board approve the Fundraising Policy as drafted.