

XV. Gifts to the Library

The Mahomet Public Library is grateful for gifts. Our collection has been enriched by donations of materials as well as by financial contributions.

Restricted Gifts

Unusual gifts, gifts that have conditions attached, or gifts that require the Mahomet Public Library District to assume an additional or a specific liability will be reviewed and are subject to approval by the Board of Trustees. Examples of such gifts include:

- Land gifts which require the agency to assume a property tax liability
- Gifts of improved property which would require maintenance or management
- A very large gift for a service the library district does not offer currently, which would require approval from somebody other than the library district
- Gifts designated for purposes not obviously related to the library district's current mission and services
- Gifts that are so restricted that the library district would be required to expend the funds to a particular individual

There may be an occasion in which the restrictions set by the donor make it impossible for the library to accept the donation. All donations are accepted only if, in the opinion of the Library Director and the Board of Library Trustees, they are in the best interests of the library. A Gift Agreement Form (Appendix A9) must be signed by the donor and approved by the Library Board of Trustees before a restricted gift can be accepted.

Use of Gifts

All gifts are accepted with the understanding that it may someday be necessary that they be sold or disposed of in the best interest of the library. The library cannot commit itself to perpetually housing a donation.

Tax Deductions

The Internal Revenue Code classifies the Mahomet Public Library District as a political subdivision under Internal Revenue Code 170 (c) (1). The library is exempt from income taxes. Donors to the library may be able to deduct a portion of or their entire donations from their income taxes. Donors should consult with their accountant or tax advisor when considering making a donation to the library.

The library cannot appraise the value of a donation of materials or art. It will, however, issue the donor a receipt or letter acknowledging the donation.

XV-A: Donations of Books and Audiovisual Materials

The library welcomes the donation of new or gently used books and audio-visual materials, but must add them to the collection on a selective basis. The same criteria used for purchasing decisions will be applied by library staff in deciding whether or not to add proposed donations to the library's collection. Materials not meeting these guidelines cannot be accepted.

If donated books and audiovisual items cannot be used in the library's collection and cannot be returned, they may be posted online for sale or given to the Friends of the Library for book sales. When donated material is no longer needed or useful, it will be disposed of in the same manner as materials that have been purchased. A receipt for donated books and audiovisual materials will be provided upon request.

XV-B: Gift Book Program

The library welcomes monetary contributions specifically for book purchases in memory of or in honor of named individuals. The donor may suggest the general nature or subject area of the materials to be dedicated, and the librarian will propose specific titles based on the library's collection needs. Books may have a book plate bearing the name of the donor and honoree placed inside the book, if desired.

XV-C: Donations of Art, Furnishings, or Equipment

Although donations of art, furnishings, or equipment usually are welcomed and valued, final decision on their acceptance rests with the Library Director and the Board of Library Trustees.

XV-D: Donations of Money or Assets

The Library Board of Trustees acknowledges the great importance of private gifts and donations to the library's development and growth. The Library welcomes cash contributions, gifts of real property, life insurance policies, stocks and bonds. It is our custom to expend cash gifts on materials, equipment, or a project that is acceptable to the donor. Although it is unlikely, there may be an occasion in which the restrictions set by the donor make it impossible for the library to accept the contribution. All donations are subject to the approval of the Library Director. Restricted gifts require approval of the Board of Trustees.

Solicitation of Donations

Solicitations of businesses and individuals will be made in accordance with the highest ethical and business fund raising practices. Appeals to vendors and businesses will be made in the spirit of philanthropy with no overt or implied promise of future business or threat of withdrawal of business.

Guidelines for Solicitation

No agreement shall be made between the Mahomet Public Library District and any other library district, agency, person, or organization on any matter that would knowingly jeopardize or compromise the donor's interest.

The role of the Library Board of Trustees and volunteers shall be to inform, serve, guide or otherwise assist the donor in achieving fulfillment of his/her philanthropic purposes and never exercise undue pressure or methods of persuasion. In keeping with this policy, personnel employed or retained by the library district to administer or promote its development program shall be paid a fixed salary and shall never receive a commission related to gifts received.

Confidential Information

All information concerning a donor or prospective donor shall be kept and held strictly confidential unless permission is obtained from the donor to disclose information. An employee found to have violated this policy will be subject to dismissal.

Acceptance of Donations

Donations to the Mahomet Public Library District will be accepted for unrestricted use or for any designated exclusively public purpose in the program service areas adopted by the Board of Trustees in its bylaws.

Undesignated Gifts

Gifts to the Mahomet Public Library District will be pooled with the operating or savings funds of the public library district unless otherwise determined by the Board. If a donor requests that the gift be placed in a separate fund or bank, it must be reviewed and approved by the Board of Trustees.

Donations to the Mahomet Public Library Endowment Fund

The library welcomes donations of any amount to the Mahomet Public Library Endowment Fund. The Fund was established in December 2010 as a means to assure the long-term financial health of the library by providing interest income to support the library's programs and services. The Fund is permanent; the principal will not be spent. The Fund resides at the Community Foundation of East Central Illinois, located in Champaign, IL. Persons who wish to donate to the Fund may contact the Library Director or may send donations to that address in care of the Mahomet Public Library Endowment. Donations to the library's Endowment Fund in the amount of \$2,500 or greater will be acknowledged on the Donor Wall in the library's entry hall.

Legacy Gifts (Bequests)

The library can accept bequests from wills or trusts. Charitable bequests in the amount of \$2,500 or greater will be acknowledged on the Donor Wall in the library's entry hall.

Named Endowed Funds

The Board of Library Trustees of the Mahomet Public Library District has the authority to accept, on behalf of the public library district, contributions to establish or add to an identified endowment fund named for the donor (or for such other person or designation as the donor may have requested). The Library Board of Trustees will meet prior to accepting new funds; legal counsel will be consulted, as needed.

Identified or named endowment funds may be permanently created with a gift to the Mahomet Public Library District of \$5,000 or more. The library district may accept an identified endowment fund initiated by a gift of less than \$5,000. Under these circumstances, the Mahomet Public Library District reserves the right to review the progress of the fund. At the end of two years from the date the fund was created and if the carrying value of the fund is less than \$5,000, the Board of Trustees may elect to transfer the fund to the unrestricted general fund of the library district or to the library's own Endowment Fund.

Donated Securities

Upon receipt of gifts of donated securities, the Board of Trustees will notify the Treasurer (or, by designation, the Library Director), who will consult with legal counsel and an accountant as to whether the donated securities should be sold at market or retained for investment purposes. If the Board of Trustees directs the immediate sale of the securities, they will be placed with a responsible securities broker with instructions to sell at market and the proceeds there from will be used in compliance with the donor's wishes or, if none, then as the Board will direct. If the decision of the Board of Trustees is to retain the securities, they should be deposited for safe keeping with a financial institution and thereafter, at least annually, the Board of Trustees will review its decision regarding their retention.

Use of Legal Counsel

The Mahomet Public Library District will seek the advice of legal counsel in all matters pertaining to its planned and deferred gifts program, and will execute no agreement, contract, trust or other legal document with any donor without the advice of legal counsel.

The prospective donor will be advised to seek the counsel of his/her attorney in any and all aspects of the proposed gift, whether by will, bequest, trust agreement or other. He/she will be advised to consult his/her attorney or other advisors on matters related to the tax liability of a gift and matters related to the planning of his personal estate.

Authorization to Negotiate Agreements

The Library Board of Trustees will be authorized to negotiate any of these selected agreements with any donor. Other agreements, arrangements, or planned and deferred giving vehicles not previously authorized by the Board of Library Trustees will be brought to the attention of the full Board.

Examples of planned and deferred giving vehicles that can be accepted without further approval include:

- Bequests
- Cash
- Securities
- Life insurance policies
- Charitable remainder unitrusts
- Charitable remainder annuity trusts
- Charitable lead trusts
- Charitable gift annuities
- Life estate contracts
- Conveyance in Trusts
- Warranty Deed, Quit Claim Deeds
- Endowment funds

XV-E: State Officials and Employees Ethics Act

It is the policy of the Mahomet Public Library District to comply with the State Officials and Employees Ethics Act [5 ILCS 430/1]. The library has adopted an Ethics Statement for Public Library Trustees (Appendix A-6).
