

SALT SPRING ISLAND PUBLIC LIBRARY

FINANCIAL POLICIES

TABLE OF CONTENTS

1.0	Overview	2
1.1	Roles and Responsibilities - General	2
1.1.1	Financial Responsibility and Accountability of the Board	2
1.1.2	Financial Responsibility and Accountability of the Library Director	2
1.2	Role of the Library Director	2
1.2.1	Compensation and Benefits	2
1.2.2	Asset Protection	3
1.2.3	Budgeting	3
1.2.4	Financial Stability	4
1.2.5	Partnership, Sponsorship and Grants	4
1.2.6	Discretionary Spending	4
2.0	Investment Management	5
2.1	General Investment Management	5
2.1.1	General Description of Funds	5
2.1.2	Roles and Responsibilities	6
2.1.3	Investment Manager's Performance	6
2.1.4	Conflict of Interest	7
2.1.5	Policy Review	7
2.2	Endowment Investment Policy Statement	8
2.2.1	Endowment Fund Policy	8
2.2.2	Investment Goals and Objectives	8
2.2.3	Risk	8
2.2.4	Annual Draw Rate	8
2.2.5	Asset Allocation	8
2.2.6	Asset Class Guidelines	9
2.2.7	Cash Flows and Rebalancing	9
3.0	Gifts and Fundraising	10
3.1	Gift Acceptance	10
3.1.1	Overview	10
3.1.2	Types of Gifts	11
3.1.3	Transparency and Reporting	13
3.1.4	Naming Opportunities	13
3.1.5	Return of a Gift	14

1.0 OVERVIEW

The Board of Trustees (the Board) has been elected by the membership of the Salt Spring Island Public Library Association (the Library) and is accountable under the Library Act of British Columbia to manage, administer and control its assets, revenue and expenditures, business and other affairs of the Library. The Board meets its obligations by establishing such policies and directions as it deems appropriate and by delegating responsibility to the Library Director for meeting the financial goals of the Library.

All financial management processes and actions will be built upon sound financial and business practices and carried out in accordance with Library policies, and applicable legislation.

1.1 ROLES AND RESPONSIBILITIES - GENERAL

1.1.1 FINANCIAL RESPONSIBILITY AND ACCOUNTABILITY OF THE BOARD

- Establish broad financial policy that will guide the Library;
- Direct and approve the preparation of annual operating budget;
- Direct and approve appropriate levels of Operational and Capital Reserve funds
- Direct and approve a Five-Year Financial Plan annually, with year one of the plan representing the annual budget proposal for the current operating year;
- Monitor financial performance throughout the year based on comparison of budget to actual revenue and expenditure reported in financial statements prepared by staff;
- Appoint an accountant annually to review and provide an opinion on the annual financial statements;
- Submit annual reviewed financial statements, as part of a Statement of Financial Information, to the Public Library Services Branch prior to its deadline.
- Direct and approve the preparation of an Annual Report that includes the financial results of the Library.

1.1.2 FINANCIAL RESPONSIBILITY AND ACCOUNTABILITY OF THE LIBRARY DIRECTOR

- Develop an annual operating budget that meets the Board's direction;
- Manage operations to ensure that budget is met;
- Monitor financial performance throughout the year;
- Advise the Board promptly of any material changes to the Library's financial situation.

1.2 ROLE OF THE LIBRARY DIRECTOR

The Library Director is accountable to the Board for the application of Board financial policies and directions, and for the financial management of the Library.

1.2.1 COMPENSATION AND BENEFITS

The Library Director will ensure that employment, compensation and benefits for employees, consultants and contract workers is managed to the highest ethical standards.

Consequently, the Library Director will not:

- Change their own compensation and benefits.
- Establish compensation and benefits that:
 - a) deviate materially from the geographic or professional market for the skills employed in similar service sectors.
 - b) create obligations over a longer term than revenues can reasonably be projected.
- Fail to promptly disclose to the Chair of the Board any circumstances in which the Library Director or any designate may be perceived to be in a conflict-of-interest situation with a third party.

1.2.2 ASSET PROTECTION

The Library Director will protect and maintain the assets of the Salt Spring Island Public Library Association.

Consequently, the Library Director will, in consultation with the Board:

- Insure against theft, casualty losses to a minimum of 80 percent replacement value, and against liability losses to Board members, staff or the organization itself in an amount greater than the average for comparable organizations.
- Provide a program of regular and preventive maintenance for equipment and facilities owned by the Library.
- Maintain controls over funds, accounting records and preparation of financial information that are considered satisfactory to the Board-appointed accountant's standards

1.2.3 BUDGETING

The Library Director, in preparation of annual budgets and the multi-year budget for approval by the Board, will adhere to the Board's Mission and Goals and priorities, ensuring financial integrity. Budget preparation will be done with the Board Treasurer.

Consequently, the Library Director will:

- Prepare budgets that contain sufficient detail to enable accurate projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
- Prepare budgets that contain sufficient detail to enable accurate projection of operating capital requirements.
- Prepare a budget that is based on Board goals and long-term planning.
- Budget so that expenditures do not exceed revenues and contingency at the end of the fiscal year, unless otherwise authorized by the Board.
- Budget sufficient funds for Board meetings, Board development, fiscal reviews and legal fees.

1.2.4 FINANCIAL STABILITY

The Library Director will act to maintain the financial health and stability of the Salt Spring Island Public Library and ensure the effective and efficient use of financial resources.

Consequently, the Library Director will ensure that:

- Expend only funds that have been received in the fiscal year unless otherwise authorized by the Board.
- Indebt the organization only for amounts that can be repaid by current funds or an existing bank line of credit.
- Use Special Project funds only for expenditures designated by the Board and with the knowledge and consent of the Board Executive.
- Maintain a sufficient level of available cash to settle payroll and debts in a timely manner.
- File tax payments or other government-ordered payments in an accurate and timely manner.
- Not permit current liabilities to exceed current assets.
- Expend money in a manner presented in the annual budget approval process of the Board.

1.2.5 PARTNERSHIP, SPONSORSHIP AND GRANTS

In order to maximize the resources and services of the Library, the Library may participate in sponsorship, partnership, or grant opportunities.

The Library Director or their designate may contact local and other suitable agencies for partnership and sponsorship opportunities to enhance the services of the Library. Such opportunities will be arranged on a case-by-case basis to ensure the most beneficial outcomes for both the Library and the participating agency. In every case the goals of the Library should be kept foremost.

The Library Director or their designate will also search out available grants, completing necessary applications and proposals and the subsequent reporting involved upon completion of necessary requirements.

1.2.6 DISCRETIONARY SPENDING

Reallocation

The Library Director, at their discretion, may reallocate funds from one budget line item to another. Reallocation of budget items of more than \$2500 per budget line item, as well as over \$5000 aggregate reallocations in any budget year are reported to the Board.

Operational Contingency

The Operational Contingency is a budget line item and is only used as needed if reallocation from one budget line to another is not possible. An amount is recommended by the Finance Committee and is approved by the Board when the following year's budget is finalized. In the event that it is necessary, the Library Director, at their discretion, may use funds from the Operational Contingency to cover unforeseen costs. If it is necessary to spend more than the Operational Contingency allows, the Library Director must seek approval from the Board

2.0 INVESTMENT MANAGEMENT

This document governs the General Investment Management Policy of the Library and, in addition, specifically the Endowment Investment Policy.

2.1 GENERAL INVESTMENT MANAGEMENT

This Investment Management Policy Statement (“Policy”) is intended to govern the investment practices of the assets of the Library so that all individuals with either direct or indirect responsibility may effectively supervise, monitor, evaluate and manage the Library’s investment assets.

2.1.1 GENERAL DESCRIPTION OF FUNDS

The asset allocation for the Operating Fund, the Operational Reserve Fund and the Capital Reserve Fund will be determined from time to time by the Board of Trustees, in consultation with any managers or advisors, as appropriate. The allocation will reflect the Fund’s investment objective, risk tolerance and the need for liquidity as established under this policy.

Operating Fund: Operating Fund assets are maintained in the chequing and savings accounts that the Association uses for day-to-day operations. The Funds may be invested in other cash-equivalent investments, such as savings accounts, money market accounts, certificates of deposit with maturities appropriate for expected needs, Treasury bills and other easily liquidated investments.

Operational Reserve Fund: Funds not immediately required for operations may be invested as cash flow projections allow. The Funds will be invested with the objective of preserving the long-term real purchasing power of the Funds’ assets while realizing appropriate investment income. Reserve Funds’ assets may be invested in certificates of deposit, Treasury bills and other investments that are easily liquidated after an appropriate period of time to allow sufficient cash flow.

Capital Reserve Fund: The base amount of the Capital Reserve will be set by the Board as part of the annual budgeting process and is intended for emergency capital purchases over the approved budget. Any budgeted funds for capital acquisitions that are unspent as of December 31 of the fiscal year will be added to the Capital Reserve. Any approved emergency capital purchases over and above the budget will be deducted from the reserve. Upon recommendation of the Finance Committee, the Board of Trustees, from time to time, may approve transfers from the Capital Reserve to the Operational Reserve. Capital Reserve Fund’s assets will be invested in certificates of deposits, Treasury bills, and other investments that are easily liquidated.

Endowment Fund: The Endowment Fund is a perpetual fund established with the objective of preserving and enhancing the real purchasing power of the investment assets over time, while providing a predictable contribution to the annual operating budget. The Board will be responsible for holding and managing the original contributions according to the Endowment Investment Policy Statement included in this document. The Board will also be responsible for distributing any income and gain produced by the Endowment Fund, in accordance with the policies, with the purpose of benefitting the Library and furthering its mission and strategic priorities. See 2.2. Endowment Investment Policy Statement for further details

Kertland Fund: The Kertland fund is a distinct perpetual fund set up by a donation from Don Kertland in 1985 to provide an ongoing income for the Library. One half of the interest earned is to be reinvested and one half is to be moved to the Operating Fund.

Special Projects Funds: The Board of Trustees may establish a separate fund using undesignated donations, such as a Strategic Initiative fund which provides the means to fund specific projects or capital expenditures over time that have been approved by the Board. A Special Fund is not part of the Operational Reserve and is not to be used for day-to-day operations. It is not a perpetual Endowment and it can be exhausted over time according to the Board's discretion.

2.1.2 ROLES AND RESPONSIBILITIES

The Finance Committee is authorized by the Board to act on its behalf subject to this Statement. The Finance Committee, in turn, is authorized to delegate tasks such as drawing operational funds to cover expenses and decisions with regard to investing operational reserves, endowment fund, and other funds held by the Library from time to time. Authority to invest these funds is delegated jointly to the Treasurer and a designate from the Finance Committee. This delegation of authority allows for sufficient flexibility in the management process to capture investment opportunities as they arise.

The Finance Committee is delegated the authority to appoint:

1. Investment Manager
2. Chief Investment Officer (CIO) if the Finance Committee is of the view that a CIO is necessary.

The Finance Committee is responsible for:

1. Establishing and maintaining the General and Endowment Investment Policy Statements and target asset allocation.
2. Monitoring the performance and risk profile of the funds.
3. Prudently diversifying the funds' assets to meet the agreed upon risk/return profile.
4. Recommending the hiring, terminating, or replacing of an Investment Manager or an external CIO to the Board (if appointed).
5. Reviewing and addressing all potential conflicts of interest.
6. Considering relevant social, environmental and ethical issues in the management of the fund.

The Investment Manager is responsible for:

1. Investing funds according to the instructions of the Finance Committee and consistent with the Investment Management Policy

The external CIO (if appointed) is responsible for:

1. Selecting, rebalancing, terminating, and making tactical shifts between Investment Managers.
2. Monitoring the appropriateness of each Investment Manager's strategy given the Library's overall investment strategies, philosophies, and objectives.
3. Monitoring the investment performance of each Investment Manager compared to the benchmark established for that Investment Manager.
4. Overseeing the Library's investment assets and reporting on the status of the investments to the Finance Committee and/or Board.

2.1.3 INVESTMENT MANAGER'S PERFORMANCE

The Treasurer and a designate from the Finance Committee and/or CIO will review the performance of the funds with the Investment Manager and report to the Finance Committee as required.

2.1.4 CONFLICT OF INTEREST

Any situation where there is or where there may appear to be a conflict of interest should be brought to the attention of the Finance Committee; committee members should be sensitive to the appearance of impropriety. Generally, a conflict of interest exists whenever litigation, a contract, or other relationship is being entered into, reviewed, or modified is:

- Between the Library and a committee member, or the employer, business partner, or immediate family of the committee member; or
- Between the Library and an organization in which the committee member's employer, business partner, or immediate family is director, officer, or legal representative, or has a material financial interest.

This policy is not intended to prohibit investing with any firms or investment managers with whom a Board Member or Committee Member is affiliated; rather such relationships must be disclosed and the affiliated Board or Committee Member should recuse himself from any decisions pertaining to the affiliated firm.

2.1.5 POLICY REVIEW

This Investment Policy Statement will be reviewed annually by the Finance Committee and be either reaffirmed or amended and submitted to the Board for approval.

2.2 ENDOWMENT INVESTMENT POLICY STATEMENT

The Endowment Investment Policy Statement is intended to govern the investment practices of the Endowment Fund so that all individuals with either direct or indirect responsibility may effectively supervise, monitor, evaluate and manage the investment assets.

This Policy addresses the following in regard to the Endowment Fund:

- The specific investment objectives of the Fund
- Asset Allocation and rebalancing policies
- Measurement and evaluation of investment performance

2.2.1 ENDOWMENT FUND POLICY

Endowment assets will be managed on a total return basis while considering the level of liquidity required. The Finance Committee recognizes the importance of the long-term preservation of capital and adheres to the principle that varying degrees of investment risk are generally rewarded with commensurate returns over the long term. Therefore, investments with different types and degrees of risk are appropriate for the Endowment, provided that such risks are regularly identified and managed.

2.2.2 INVESTMENT GOALS AND OBJECTIVES

The investment objective for the Endowment is to preserve and enhance the real purchasing power of these assets over time, while providing a reasonably predictable contribution to the annual operating budget.

2.2.3 RISK

The Endowment should experience risk as measured by volatility or variability of return not materially higher than that of the composite benchmark defined as 60% equity 40% fixed income.

2.2.4 ANNUAL DRAW RATE

The Board determines the draw with input from the Finance Committee. The draws shall be made in January and shall be established by determining the actual percentage increase realized in the value of the Endowment fund averaged over the end of the prior twelve quarters. All distributions shall be made only to the Library. Draws may be deferred in any particular year.

2.2.5 ASSET ALLOCATION

The Treasurer and designate of the Finance Committee and/or the external CIO, in partnership with the Investment Manager, will evaluate and adjust asset allocation targets and ranges for the Endowment and will report to the Finance Committee as required.

The Endowment should follow a passively managed, index replication approach. At all times, at least 25% of the Endowment should offer daily liquidity, and at least 50% of the Endowment should be able to be liquidated within one year.

2.2.6 ASSET CLASS GUIDELINES

The following are examples of investments appropriate for the Endowment Funds:

- Cash investments with the focus on liquidity and safe assets
- Real Return Bonds
- Canadian Bonds
- Canadian, US, and International equity funds
- Real Assets including real estate, energy, timber, and commodities

2.2.7 CASH FLOWS AND REBALANCING

Interest and dividends not automatically re-invested will be re-invested twice a year. Contributions will be invested within two weeks of their receipt.

3.0 GIFTS AND FUNDRAISING

This section will be superseded should the Library establish a charitable foundation.

Donations to the Library normally can be classified as gifts of materials, artwork and/or money, securities, sponsorships, grants, and bequests.

3.1 GIFT ACCEPTANCE

3.1.1 OVERVIEW

The purpose of the Gift Acceptance Policy is to provide guidance to the Library Director and the Board of the Library on the acceptance of gifts and how they are handled. The policy also serves as a source of information for potential donors who are interested in supporting the Library's activities.

This policy applies to gifts received through all fundraising activities of the Library including undesignated donations planned gifts, designated gifts, special fundraising initiatives and campaigns.

The Library solicits and accepts gifts that are consistent with its mission, vision, and values.. The Library will protect its integrity, autonomy and funding freedom, and does not accept gifts when a condition of such acceptance would compromise these fundamental principles. The Library reserves the right to decline any gift. The Library issues charitable tax receipts for all eligible donations, in accordance with Canada Revenue Agency regulations. Undesignated gifts will be used for future special projects or for ongoing operations at the discretion of the Library Board in consultation with the Library Director.

The Library may, from time to time, solicit and accept gifts for specific projects. All gifts received for specific projects, regardless of the amount, will be used for the specific purpose.

The Library may receive unsolicited designated gifts, which will be used for the purposes for which they were provided.

The Library will be accountable to donors through appropriate acknowledgment, and accurate and timely reporting by the relevant Library staff. Where appropriate, gift agreements will be recorded between donors and the Library and these will be adhered to by the Library.

All gifts will be recorded and receipted in accordance with the rules and regulations set out by the CRA. The Library will issue an official receipt for gifts of \$10 or more that qualify as charitable gifts, in accordance with CRA guidelines.

If, following internal consultations, uncertainty remains as to whether a gift qualifies as a charitable gift, a ruling may be sought from the Library's legal counsel, accountant and/or the CRA.

Memorandum of Agreement

If deemed necessary, the Library may prepare a memorandum of agreement outlining the terms of accepting the gift.

3.1.2 TYPES OF GIFTS

The Library accepts gifts, donations, grants and funds from individuals, foundations, organizations, associations, employee groups, corporations and other donors that are consistent with its mission, vision and long-term direction. The following types of gifts are eligible for acceptance by the Library:

- Gifts of cash, cheques, money order, on-line and cash equivalents
- Publicly traded securities (including stocks, mutual funds and bonds)
- Gifts of real and personal property (including real estate, art, computer equipment, and jewelry)
- Bequests, life insurance policies, gifts of residual interest, retirement funds, and annuities
- Charitable remainder trusts and residual interest gifts

3.1.2.1 PUBLICLY TRADED SECURITIES

As a general rule, the Library will only accept gifts of securities that can be easily converted into cash, including stocks, stock options, bonds, and other securities commonly considered to be readily marketable.

The amount of the tax receipt issued for such a donation is determined by the value of the security on the date of receipt of the donation.

3.1.2.2 GIFTS OF REAL AND PERSONAL PROPERTY

All proposals for property gifts to the Library shall be reviewed by the Library Director in conjunction with the Library Board, and with legal counsel if necessary. Gifts of property will be reviewed with special care to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the use of the gift. For Real Estate, an environmental assessment may be required to determine the presence, nature and extent of any toxic wastes or other environmental hazards. This item will not be satisfied until the Library accepts and approves a written assessment. The donor pays for the assessment.

Gifts of property valued over \$1,000 given to the Library with the intent of the donor to receive a tax receipt, must receive an independent external appraisal at the donor's expense.

3.1.2.3 BEQUESTS

OVERVIEW

Bequests made to the Library may qualify as a charitable gift if the terms and conditions of the bequest are acceptable under the Library gift acceptance policies. Undesignated bequests are preferable as they give the greatest flexibility to the Library. The Library accepts the following types of bequests:

- A specific bequest that provides the Library with a specific sum of money, stated percentage of an estate or a specific property, such as real estate or securities
- A residual bequest that leaves all or a portion of an estate to the Library after providing for other beneficiaries
- A contingency bequest that ensures the Library receives all or a share of an estate in the event of the prior death of certain other beneficiaries
- A residual bequest subject to life interest that applies when the donor chooses to have the Library receive the bequest following the death of certain other beneficiaries who have use of the assets in the estate for their lifetime.

UNDESIGNATED BEQUESTS

For undesignated bequests the Library Director in consultation with the Board, decide how the funds will be used.

DESIGNATED BEQUESTS

Upon request, the Library shall provide a donor and their lawyers and/or financial planners sample bequest language to ensure that a bequest is appropriately designated, deemed acceptable at the time of designation and that proper legal title for the Library is used. The Library encourages donors to provide information regarding their bequest provision and send a copy of the section of their will that names the Library. All designated gifts or bequests arrangements less than \$20,000 shall be reviewed for acceptance by the Library Director. Designated gifts and bequests of \$20,000 or over, will be reviewed by the Library Director in consultation with the Board, except those designated for a campaign or project already approved. The Library reserves the right to decline any gift or bequest if it's judged that the acceptance of such gift would be detrimental to the mission and values of the Library or the proper administration of its resources. If possible, a memorandum of agreement will be drawn up with the donor giving permission to the Board, in the event that circumstances make the specified use of an accepted designated bequest no longer practical or desirable, to make changes in its use while keeping as close as possible to the spirit and general intent of the bequest.

Official receipts will be issued to the estate of the deceased. The Library requires a copy of documents naming the Library as a beneficiary for our files, prior to a tax receipt being issued.

3.1.2.4 LIFE INSURANCE POLICY

The Library will accept a life insurance policy as a gift if it is named as beneficiary or is both the irrevocable owner and beneficiary. The value of the tax receipt issued will be determined according to CRA Guidelines.

Any premiums due are the responsibility of the donor. If the insurance policy lapses for non-payment prior to maturity because a donor fails to provide for premium payments, the Library may:

- continue to pay the premiums,
- convert the policy to paid up insurance, or
- surrender the policy for its current cash value.

When a life insurance policy is absolutely assigned to the Library, any consent that is required by provincial regulations to change a beneficiary must be signed before the transfer represents a valid charitable donation.

The Library will accept the proceeds of a retirement fund as a gift if it is named as beneficiary. The value of the tax receipt issued will be determined according to CRA Guidelines

3.1.2.5 CHARITABLE GIFT ANNUITIES

The Library will consider charitable gift annuities on a case-by-case basis.
The value of the tax receipt issued will be determined according to CRA Guidelines

3.1.2.6 CHARITABLE REMAINDER TRUST AND RESIDUAL INTEREST

The Library will accept a charitable remainder trust as a gift if it is named as capital beneficiary. The value of the tax receipt issued will be determined according to CRA Guidelines.

Certain types of gifts will be reviewed by the Board prior to acceptance due to the special liabilities they may pose for the Library. Examples include gifts of:

- Real property
- Personal property

3.1.2.7 SECURITIES

The Library may seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate including:

- Gifts of securities that are subject to restrictions or buy-sell agreements
- Documents naming the Library as trustee or requiring the Library to act in any fiduciary capacity.
- Gifts requiring the Library to assume financial or other obligations.
- Transactions with potential conflicts of interest.
- Gifts of property which may be subject to environmental or other regulatory restriction.

Donors must notify the Library in advance of transferring publicly traded securities and provide a completed Securities Transfer form.

3.1.3 TRANSPARENCY AND REPORTING

Gifts shall be accounted for in a manner which allows donors and the public to develop a fair picture of how the Library conducts its activities.

The Library will respect donors' wishes for anonymity and consult with donors to obtain their permission before public disclosure of their gift.

The Library will conduct itself in accordance with all Canada Revenue Agency regulations.

The Library urges prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

3.1.4 NAMING OPPORTUNITIES

Final Library authority to name Library-owned and Library-related assets rests solely with the Board.

Assets for Naming

Assets which may be named in recognition of a contribution include the following:

Tangible assets

- Buildings and parts of buildings
- Collections
- Equipment
- Outdoor gardens and courtyards
- Other facility features or physical improvements

Naming Principles

The following principles apply to all naming decisions taken by the Board:

- They are consistent with other policies of the Board including its adherence to the Canadian Federation of Library Associations Position Statement on Intellectual Freedom.
- Naming assets after individuals only rather than corporations or businesses is the Board's normal practice.
- All naming is for a defined period of time, usually the useful life of an asset.
- If an asset will be replaced or substantially altered in its form, nature or use, the Board may rename the asset at its discretion, but will continue to recognize earlier benefactors and honourees when appropriate.
- Naming decisions are taken by majority vote of the Board.
- Naming in recognition of a benefactor can only occur after the Library receives a significant portion of the donation.
- Naming in honour of a member of the Library staff or Board shall not be conferred until two years following the honouree's retirement or death.

Confidentiality

All naming opportunities are kept confidential by Library staff and Board until they are announced publicly.

Naming Committee

Whenever the Board is considering a naming opportunity it may direct the Chair to appoint an ad hoc committee to consider the opportunity and make a recommendation.

Information to Consider

Information that the Board will consider before making its decision includes the following:

- A description of the naming opportunity being proposed.
- A summary of the life, career and meritorious activity of the person to be recognized.
- In the case of a benefactor, the nature and impact of the gift and how it qualifies for a naming opportunity according to criteria in the Library naming policy.
- The reason the naming is important to the Library.
- The proposed duration of the naming.
- The effect on other naming opportunities for the Library.
- Any special adverse or advantageous effects of the naming.

Terminating or Revoking a Naming

The Board does not commit to a naming beyond the useful life or existence of the asset that is named. It may revoke a naming if in its opinion retaining the name would be prejudicial to the Library's reputation. The decision to revoke a naming is based on a similar level of due diligence as should appropriately be used to make a naming decision.

Memorandum of Agreement

If the Board deems it necessary, it may prepare a memorandum of agreement outlining the terms of the naming.

3.1.5 RETURN OF A GIFT

The Library shall investigate the possibility of returning a gift only upon a donor's request. In special cases, such as the cancellation of a construction project, the CRA may allow the return of donated funds

to the donor. However, complex legal considerations, going beyond income tax considerations, can apply to the return of gifts and legal advice should be sought as required. In these cases, the Library shall make every effort to work with the donor to find a suitable alternative purpose for the gift.