LIBRARY BOARD POLICY
Section F3 – Donations and Gift Acceptance

Policy Name:	**Donations and Gift Acceptance**	Policy #:	**F3**
Version History: Approval March 3, 1999; Revisions: Dec 2006; Sep 16, 2010; May 21, 2015; Sep 10, 2026			

Purpose

To set clear, Canada Revenue Agency (CRA) compliant rules for the acceptance, refusal, documentation, receipting, and stewardship of gifts to Port Moody Public Library (PMPL)—protecting the library's mission, neutrality, and reputation while providing donors with clarity and confidence.

Scope

This policy governs all charitable gifts—monetary and in-kind—made directly to PMPL, and applies to trustees, staff, and volunteers engaged in gift acceptance activities.

Not covered here: fundraising methods and corporate sponsorships (see F4), recognition/naming (see F5), nor collection development (D1).

Definitions

- Advantage: Any benefit, good, service, or other consideration that a donor receives or is entitled to receive in return for making a donation.
- Eligible amount / Advantage: For split-receipting, the eligible amount for a tax receipt equals fair market value minus any advantage.
- Gift/Donation: Voluntary transfer of property to PMPL without expectation of return benefit other than a receipt if applicable. Services are not property and cannot be receipted.
- Gift-in-kind: Non-cash property (e.g., equipment, works of art, special collections). A "modest" gift-in-kind would be a good or service of minor value that can be readily accepted, used, or disposed of by the library without significant cost, storage impact, staff time, or administrative burden.
- Restricted/Designated Gift: Gifts given with a specific purpose identified by the donor for a specified board-approved purpose.
- Split-receipting: The method used by the CRA to calculate the eligible amount of a charitable gift when the donor receives an advantage (a benefit) in return for the donation.
- Unrestricted Gift: Gifts given without a specific purpose by the donor.
- Variance Power: Delegated authority to deviate from approved fundraising goals, budgets or allocated parameters within defined limits, including the ability to reallocate funds, provided such variances are reported and remain consistent with overall organizational objectives.

Underlying Principles

- Mission and Neutrality: PMPL greatly values its relationships and welcomes gifts that support its mission and services. However, it may not be able to accept particular gifts if they compromise neutrality, intellectual freedom, or equity of access**.**
- Donor Respect and Privacy: PMPL respects donor anonymity and privacy and will acknowledge gifts appropriately.
- Compliance: PMPL follows CRA receipting rules and sector ethics (AFP Code, Donor Bill of Rights).
- Transparency and Stewardship: PMPL will be transparent about the use of funds and stewardship practices.

Policy Statement

1. Roles, Authority, and Decision Rights

   1.1. Board of Trustees

      1.1.1. Approve or decline non-routine or higher-risk gifts (see §3.2).

      1.1.2. Approve or decline gifts ≥ $50,000.

      1.1.3. Approve or decline gifts with new ongoing obligations.

   1.2. Director of Library Services (or designate)

      1.2.1. Make recommendations to the Library Board to either accept or decline all non-routine, higher risk gifts.

      1.2.2. Exercise operational oversight and due diligence.

      1.2.3. Approve all routine gifts (unrestricted cash, online donations, ordinary designated gifts, modest gifts-in-kind)**.**

      1.2.4. May decline a proposed gift that does not meet this policy and report such declines at an in-camera meeting to the Library Board if material.

   1.3. Staff

      1.3.1. Receipting, audit trail, and record keeping.

      1.3.2. Conduct activities per this policy and related procedures.

      1.3.3. Identify and manage conflicts of interest.

      1.3.4. Follow procedures (checklists, acceptance forms, gift agreements, appraisal templates) approved by the Library Director.

2. Acceptable Gift Types

   2.1. Monetary Gifts: Cash, cheque, EFT, credit card, bequests, estate distributions, life insurance beneficiary designations, and registered plans payable to PMPL.

2.2. Gifts-in-Kind (non-cash property): Tangible personal property (e.g., equipment) or library materials (per *Collection Development Policy (D1)*); PMPL retains the right to use, sell, or dispose of items at its discretion.

2.3. Artworks: Given PMPL's mandate, art gifts will generally be declined unless a work has clear relevance to the library and is suitable for public display with sustainable maintenance. Any acceptance requires the Director of Library Services' approval and may require Library Board approval.

3. Acceptance and Decline Criteria

3.1. Acceptance (all must be satisfied):

3.1.1. Alignment: Advances PMPL's mission and strategic priorities.

3.1.2. No undue restrictions: Any restrictions are feasible and consistent with policy and law; PMPL must retain direction and control.

3.1.3. Capacity and cost: PMPL can meet any storage, maintenance, reporting, or compliance obligations without undue burden.

3.1.4. Reputational and ethical fit: No conflict with PMPL values or community standards; no real or perceived compromise of neutrality or intellectual freedom.

3.1.5. Compliance: CRA receipting rules can be met (e.g., fair market value determinable; split-receipting calculable; not a gift of service).

3.2. Decline Due to Risk (one or more present):

3.2.1. The gift compromises library neutrality, suggests endorsement, or imposes influence over programs or content.

3.2.2. Acceptance of the gift could reasonably be expected, in the judgement of PMPL, to expose the library to undue public controversy or to adversely affect stakeholder confidence, community relationships, or PMPL's standing as a trusted public institution.

3.2.3. The gift is from a confirmed or suspected illegal source.

3.2.4. The gift includes unacceptable restrictions (e.g., direction to benefit a specific individual, or to pass funds to a non-qualified donee).

3.2.5. The gift would create an undue financial or operational burden (e.g., unmarketable property, excessive maintenance obligations, or insufficient space).

3.2.6. Staff are unable to determine Fair Market Value (FMV) or comply with CRA receipting requirements.

3.3. Valuation Methodologies

3.3.1. To determine the "Eligible Amount" for a tax receipt, PMPL will apply the following:

3.3.1.1. Cash Gifts: The value is the face value of the currency received.

3.3.1.2. Publicly Traded Securities: The value is the closing price on the date the securities are received in the library's brokerage account.

3.3.1.3. Gifts-in-Kind (Tangible Property): For items over $1,000, FMV must be determined by an independent, qualified appraiser who is not the donor or a PMPL employee.

3.3.1.4. The "De minimis" Threshold: Receipting will comply with CRA De minimis guidelines.

3.3.1.5. Sponsorship/Marketing Advantage: If a donor receives recognition that constitutes a "business advantage" (e.g., logo placement with significant market reach), the market value of that advertising must be deducted from the gift before receipting.

4. Appraisals and Valuation (Gifts-in-Kind)

4.1. Fair Market Value: PMPL issues receipts for in-kind gifts at FMV on date of transfer, less any advantage.

4.2. Independent appraisal:

4.2.1. Required when FMV is not readily ascertainable or exceeds an internal threshold; PMPL will require independent, qualified appraisal for items ≥ $1,000 or where valuation is complex (fine art, rare items, specialized equipment). Appraisal costs are the donor’s responsibility unless agreed upon otherwise in writing. PMPL reserves the right to commission its own independent appraisal, at its expense, if the donor’s appraisal is deemed non-compliant with CRA FMV standards before issuing a receipt. The cost of the appraisal may be deducted from the tax receipt issued.

4.2.2. For receipting, appraiser name/address must appear on the receipt when applicable.

4.2.3. Gifts of services (including pro bono labour) cannot be receipted; PMPL may issue an acknowledgement letter. Pro bono services that do not qualify for a charitable receipt under CRA rules may be redirected for consideration under the *Fundraising and Sponsorship Policy (F4)* if the contributor seeks public recognition beyond a simple letter of thanks.

5. Receipting and Acknowledgement

5.1. Official donation receipts will be issued in compliance with CRA rules and will contain all required elements. PMPL will set a minimum receipt amount and will communicate receipting practices transparently.

5.2. Split-receipting will be applied where the donor receives an advantage (e.g., event benefits).

5.3. Timing: Receipts are issued in the calendar year received or per CRA guidance if processed early in the following year.

5.4. Anonymity: PMPL honors donor requests for anonymity in public recognition and/or gift amounts, subject to legal obligations.

6. Restricted (Designated) Gifts

6.1. Restricted/designated gifts must support board-approved priorities.

6.2. If a designation becomes impracticable, impossible, or obsolete, PMPL may apply variance power to use the funds for the nearest related purpose. Prior to doing so, PMPL will make reasonable efforts to consult with the donor or the donor's estate, and will document both the consultation undertaken and the rationale for the decision.

6.3. PMPL cannot accept gifts that direct it to transfer funds to an individual or to a non-qualified donee.

6.4. Investment of held funds: Where designated or restricted gifts are held by PMPL pending disbursement, such funds will be managed in accordance with the Library Board's approved investment policy.

7. Bequests and Planned Gifts

7.1. PMPL encourages legacy gifts (bequests, beneficiary designations, securities, etc.). Donors are encouraged to seek independent legal/financial advice.

7.2. PMPL may decline estate gifts with unacceptable conditions or costs.

8. Disposition and Deaccession

8.1. Upon acceptance, title transfers to PMPL. PMPL may use, sell, or dispose of the property at its discretion unless otherwise agreed in writing.

9. No Donations to External Agencies

9.1. PMPL does not make donations (cash or in-kind) to external organizations, causes, or campaigns.

10. Prohibitions

10.1. No preferential access; no endorsement; no influence on collections/programs; no gifts of service as receiptable gifts; no gifts to individuals or non-qualified donees.

11. Approvals and Agreements

11.1. Gift agreements will be used for complex gifts, and will include revocation/variance/maintenance terms as needed.

12. Privacy and Confidentiality

12.1. Donor records are confidential. PMPL does not share or sell its donor lists.

12.2. Donors are able to review their records upon request.

12.3. Requested anonymity is honored subject to the library's *Privacy and Confidentiality Policy (A2)*.

13. Related Policies

13.1. *Fundraising and Sponsorship Policy (F4)* — governs fundraising methods, sponsorship (non-receiptable), third-party fundraising.

13.2. *Naming and Donor Recognition Policy (F5)* — governs recognition standards and naming opportunities.

13.3. *Collection Development Policy (D1)* — governs donation of library materials.

13.4. *Privacy and Confidentiality Policy (A2)* – governs privacy requirements.