

**Minutes of the Regular Monthly Meeting of the
Alpena County George N. Fletcher Public Library
Board of Trustees**

Call to Order: A meeting of the Alpena County Library Board of Trustees was called to order on Monday, July 17, 2017 at 4:02 p.m. by Vice President Marcia Aten.

Present:

Trustees: Marcia Aten, Kim Krajniak, Ronald Meneghel, Tammy Thomson

Late Arrival: Joseph Garber (4:54 p.m.)

Staff: Beth DeCaire, Susan Jacobs, Jessica Luther and Eric Magness-Eubank

Guest: Mark Sandula -- Straley, Lamp and Kraenzlein, P.C.

Minutes: It was moved by Meneghel and supported by Thomson to approve the Minutes of the June 19, 2017 meeting. The motion carried.

Treasurer's Report: The Treasurer's Report was reviewed. It was moved by Meneghel and supported by Krajniak to file said report. Aten directed that it be filed as presented, subject to final audit.

Review and Approval of Bills: It was moved by Krajniak and supported by Thomson that the bills as presented be approved. The motion carried.

Friends Report: It was noted that current officers of Friends of the Library include Bonnie Altman, President; Judy Reimann, Vice President; MaryAnn Crawford, Treasurer; and Karen Grochowski, Secretary.

Old Business:

- A. 2016 Audit – Mark Sandula presented the Audited Financial Statements and Other Supplementary Financial Information for Year Ended December 31, 2016. He remarked that the Library is in excellent financial position.
- B. Building Project
 1. HVAC Project – Magness-Eubank stated that he is hoping to solicit bids by year end with actual work occurring in February or March of 2018.
 2. Phase 2 Development –
 - a. Public input process will begin soon. If trustees have specific questions for the public, contact Magness-Eubank.
 - b. Schematic Development – Staff placement and departmental lines will be discussed at the next meeting.
 3. Environmental Assessment – Environmental Assessment is complete. Magness-Eubank will email results to trustees upon receipt.

4. Capital Campaign Update –

- a. Gift Acceptance Policy - It was moved by Meneghel and supported by Garber that the Board accept the attached Gift Acceptance Policies and Procedures as presented. The motion carried.
- b. It was moved by Krajniak and supported by Meneghel that the Board accept the attached Gift Recognition Policy as presented. The motion carried.

C. NASA Grant – Magness-Eubank stated that the number of teens participating in the classes is low, but he is pleased with the quality of programming to date.

New Business:

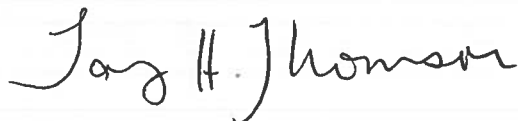
- A. American Library Association Annual Conference Update – Jacobs reported that she, Luther and Tina St. John attended the event in Chicago. Each individual spent time on a different focus including building remodeling, teen programming and marketing. Hilary Clinton spoke at the closing ceremony.
- B. Security Incident – Charges are being filed against a patron who struck a staff member because of library card non-issuance.
- C. Applications are being accepted for cleaning/maintenance staff due to the resignation of Carl Kasubowski. The full time position will likely be split into two part time positions.
- D. Jacobs reported that a cooperative program is in the planning stages with Alpena Senior Center to make homebound delivery of materials available to Meals on Wheels recipients.

Development Coordinator's Report:

Luther reported that a \$500 LSTA Public Library Services Grant for summer science programming aimed at middle and high school age youth was successful. A \$400 grant was also received from First Federal to benefit the 2017 MakerLab Camp.

Adjournment: Vice President Aten declared the meeting adjourned at 5:38 p.m. The next regular meeting is scheduled for Monday, August 21, at 4:00 pm.

Respectfully submitted,



Tammy Thomson
Secretary



Beth DeCaire
Recording Secretary

Alpena County George N. Fletcher Public Library Gift Acceptance Policies and Procedures

The Gift Acceptance Policies identify the types of gifts that the Alpena County George N. Fletcher Public Library (“The Library”) will accept. The purpose is to articulate and standardize, to the greatest extent possible, a fair and consistent approach to philanthropic support. The policies address both outright (current) gifts and deferred (planned) gift. It is the policy of the Alpena County George N. Fletcher Public Library to solicit and accept gifts for purposes that will help the Library to further and fulfill its mission.

The purpose of the procedures is to implement the policies and to set the guidelines that will be observed by the Library staff in accepting and documenting gifts to the Library.

1. Mission Statement

Our mission is to provide resources and opportunities that will help individuals and families of Alpena County, Michigan lead lives that are meaningful to themselves. We help our patrons grow from infants to adults capable of exploring and fulfilling their own pursuits. We strive to accomplish this by developing new readers, by providing access to collections of books and other library materials, by preserving the historical record of Alpena County and the wider region, by providing a safe space, by programming that space to create opportunities for exploration and self-enrichment.

2. Authority to Accept Gifts

- a. The Library Director or other appropriate officer of the Library designated by the Board of Trustees has the authority to accept proposed gifts to the Library, except as provided in these Gift Acceptance Policies or in the case of gifts that pose exceptions to these Gift Acceptance Policies.
- b. The Library Director, Development Coordinator, and two appointed members of the Board of Trustees functioning as a “Gift Acceptance Committee” (“GAC”) will review gifts as provided in these policies and has authority to make exceptions to these policies as special situations may warrant. The GAC has the right to decline any gifts to the Library in its discretion. The GAC will meet as needed.
- c. The Board of Trustees shall be informed of any decision to decline a gift, as provided in these policies, prior to communicating the decision to a donor.
- d. The Library and the GAC may seek the advice of legal counsel and other experts in matters related to acceptance of a gift when appropriate. Consideration should be given to seeking professional or expert counsel for:
 - i. Gifts which require the Library to assume a contractual obligation.

- ii. Transactions that involve a potential conflict of interest between the donor and the Library.
 - iii. Real estate.
 - iv. Oil, gas, and mineral interests.
 - v. Intellectual property.
 - vi. Deferred gift agreements.
 - vii. Other instances in which use of counsel is deemed appropriate by the Board of Trustees or GAC.
- e. The Library and its officers acting on behalf of the Library shall not enter into a non-standard binding agreement, trust, or other legal document with any donor without the service of legal counsel.
- f. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in their support of the Library, the Library pledges to adhere to the Association of Fundraising Professionals Donor Bill of Rights. (Appendix A)

3. Types of Gifts

a. *Outright gifts of cash and checks*

Gifts in the form of cash and checks payable to the Alpena County George N. Fletcher Public Library will be accepted regardless of the amount.

b. *Securities*

i. Publicly Traded Securities:

1. The Library will generally accept gifts of unrestricted publicly traded securities.

a. Stock contributed to the Library will be sold immediately unless otherwise determined.

b. The value of the securities is the average of the high and the low on the date of the gift, in accordance with IRS regulations.

c. The cost of the sale will be generally borne by the Library except in extraordinary circumstances.

2. Publicly traded securities that are subject to restrictions may be accepted subject to the approval of the GAC, taking into consideration, as appropriate:

a. Donor stewardship.

- b. Effect of restrictions on marketability.
- c. Foreseeable tax consequences, if any, to the Library.
- d. Time horizon for liquidation.

c. *Life Insurance*

- i. The Library will accept lifetime gifts of life insurance policies provided that it is under no prearranged obligation to expend its assets to maintain the policy.
- ii. In the event that a policy is contributed to the Library on which premiums remain to be paid, the donor is encouraged to pledge continuing payment of all remaining premiums:
 - 1. Premiums will be recorded as outright gifts.
 - 2. The payment schedule will be recorded as a pledge.
 - 3. If the donor does not continue to make gifts to cover unpaid premium payments for the insurance policy, the Library may:
 - a. continue to pay the premiums,
 - b. convert the policy to paid up;
 - c. surrender the policy for its current cash value; or
 - d. take other appropriate action to preserve the value of the gift.
- iii. The Library will not endorse any insurance company, product, or agent. The Library will generally not borrow against life insurance policies.
- iv. The Library will recognize a gift of a life insurance policy at face value.

d. *Tangible Personal Property*

- i. Gifts of tangible personal property will be accepted. If the gift relates to the mission of the Library it may be retained, otherwise, the gift will be disposed of immediately through sale or donation, in the Library's sole discretion, and the donor shall be informed of this option on the appropriate gift form.
- ii. No commitment will be made to permanently exhibit a gift. The Library shall reserve the right to dispose of the property at a later date through sale

or donation, in its sole discretion, and the donor shall be informed of this option.

- iii. The donor will be generally responsible for obtaining an appraisal of the personal property for valuation purposes.
- iv. The final determination on acceptance of tangible personal property gifts will be subject to the discretion of the Library Director. Prior to accepting a gift of tangible personal property the Library Director will examine the proposed gift in light of the following criteria:
 - 1. Is it related to the mission of the Library?
 - 2. Is the property marketable?
 - 3. Are there any donor-imposed restrictions on the proposed gift?
 - 4. What are the carrying costs associated with the property?

e. *Books and resource materials*

- i. Gifts of books and materials will be evaluated and handled in the same manner as purchased materials.
- ii. Conditional terms of acceptance are not permitted.
- iii. Items determined to be of use to the Library's collection will be integrated as such and standard circulation procedures will be followed.
- iv. Special shelving or sections shall not be designated for gift collections.
- v. Those materials deemed inappropriate for the Library's collection will be disposed of in the same manner as other Library materials.

f. *Special Collections donations*

- i. Gifts of materials to the Special Collections are accepted as unrestricted donations to the Library.
- ii. Instructions pertaining to the disposal of items not retained by the Library must be designated by the donor at the receipt of gift; otherwise disposal will be made at the discretion of the Library.
- iii. The donor is generally responsible for obtaining an appraisal of the gift for valuation purposes.
- iv. Completed donation agreements will be kept on file by the head of Special Collections.

g. Real Estate

- i. Generally, the Library will not accept a gift of an interest in real estate subject to mortgage or other indebtedness, or which, after an initial environmental review, has potential environmental damage. The Library will not accept gifts of non-marketable real estate and generally will not accept time-share.
- ii. Acceptable gifts of real estate may include developed property, undeveloped property gifts subject to prior life interest.
- iii. Prior to acceptance of a gift of real estate, the Library shall require a fair market value appraisal by a qualified appraiser, and in the case of agricultural or commercial property, an initial environmental review of the property to ensure the property has no environmental damage. In the event the initial inspection reveals a potential environmental problem, the Library may decline to accept the property or, may retain a qualified inspection firm to conduct a Baseline Environmental Assessment. The cost of the qualified appraisal, initial environmental review, and the Baseline Environmental Assessment generally will be at the expense of the donor.
- iv. The Library may accept a remainder interest in a personal residence, farm, or vacation property.
- v. The Library may accept gifts of closely-held entities that are engaged in the ownership, operation or management of real estate, provided that any tax or other financial obligations are known.
- vi. Prior to acceptance, all gifts of real estate will require the approval of the GAC, in consultation with the Board of Trustees. Criteria for the acceptance of real estate shall include:
 1. Is the property useful for the purposes of the Library?
 2. Is the property marketable?
 3. Are there any restrictions, reservations, easements, or other limitations associated with the property?
 4. Are there any carrying costs, which may include insurance, property taxes, etc., associated with the property?
 5. Foreseeable tax consequences, if any, to the Library.

h. Oil, Gas, and Mineral Rights

- i. Oil and gas property interests generally may be accepted. A working interest may be accepted only if potential liability and tax consequences are minimal, due to the form of ownership or as a result of an agreed-upon plan.
- ii. Prior to acceptance, all gifts of oil, gas and mineral interests will require the approval of the GAC, in consultation with the Board of Trustees.
Criteria for acceptance of oil, gas and mineral interests shall include:
 1. Gifts of surface rights should have a value of \$20,000 or greater.
 2. Gifts of oil, gas and mineral interests should generate at least \$5000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
 3. The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate or inadvisable.
 4. The property should undergo an initial environmental review to ensure that the Library has no current or potential exposure to environmental liability.
 5. Foreseeable tax consequences, if any, to the Library

i. *Intellectual Property*

- i. Prior to acceptance, all gifts of intellectual property such as royalties, copyrights, patents, contract rights, and similar intangible interests will require the approval of the GAC in consultation with the Board of Trustees.
- ii. Consideration will be given to the appraised value of the intellectual property, the administrative costs involved in accepting such a gift, and whether the donor agrees to assign to the Library all rights related to the intellectual property.
- iii. Criteria for acceptance of intellectual property shall include:
 1. Is it related to the mission of the Library?
 2. Whether ownership of the intellectual property right can clearly be transferred or assigned to the Library.
 3. Whether the intellectual property right is a full or fractional interest.
 4. Whether any costs or administrative burdens are associated with acceptance of the intellectual property right.

5. Whether the donor has requested any restrictions on the retention or use of the property.
6. Foreseeable tax consequences, if any, to the Library.

4. Types of Deferred Gifts

a. Bequests and Trust Distributions

- i. Donors are encouraged to make bequests to the Library in their wills and trusts.
- ii. All bequests and trust distributions are subject to the Library's Gift Acceptance Policies and Procedures.
- iii. Sample bequest language for restricted and unrestricted gifts, including endowments, will be made available to donors and their attorneys to ensure that the bequest is properly designated. Donors will be urged to obtain the advice of a professional advisor to create a bequest that is in their best interest. Donors will also be invited to provide a confidential copy of that section of their estate plans naming the Library as a beneficiary.

b. Funds established at the Community Foundation for Northeast Michigan

When in the best interest of the Library and the donor, the donor may be urged to establish a fund benefiting the Library to be held at the Community Foundation for Northeast Michigan.

c. Charitable Gift Annuities

The Library offers Charitable Gift Annuities through the Community Foundation for Northeast Michigan.

d. Charitable Remainder Trusts

The Library will accept designation as a remainder beneficiary of a charitable remainder trust.

e. Charitable Lead Trusts

The Library will accept designation as an income beneficiary of a charitable lead trust.

f. Retirement Plan Beneficiary Designation

Donors are encouraged to name the Library as a charitable beneficiary of their retirement plans.

5. Miscellaneous

a. *Confidentiality*

Unless otherwise agreed between the Library and an individual donor, the specifics of all gifts and transactions will remain confidential.

b. *Professional Advice*

The Library will recommend all 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.

c. *Conflict of Interest*

- i. No program, agreement, trust, contract, or commitment shall be knowingly urged upon any prospective donor that would benefit the Library at the expense of the donor's interests and welfare.
- ii. No agreement shall be made between the Library and any agency, person, company, or organization on any matter related to investments, management, or otherwise which knowingly jeopardize the donor's interest.

d. *Appraisals*

It is generally the responsibility of the donor to secure qualified appraisals (if required).

e. *Designation of Proceeds*

All gifts will be used according to the donor's wishes, unless the purpose is not in furtherance of the Library's mission or is otherwise impractical. The Library aspires to add undesignated bequest and matured trust gifts to the Library's endowment. Undesignated bequests and matured trust gifts may be used to meet annual operational or capital needs, in the discretion of the Library Director and Treasurer of the Board of Trustees.

f. *Gift Agreements*

- i. Agreements with donors as to gifts shall be loyally observed so long as, in the opinion of the Board of Trustees, they do not conflict with the mission or proper administration of the Library.
- ii. If, in the future, the purpose of the gift becomes unlawful, impracticable, or impossible to achieve, in the opinion of the Board of Trustees, the Board of Trustees shall apply the gift for such purposes as, in the Board's opinion, most closely fulfill the donor's intentions. The donor (or his or her personal representative or descendants if the donor is not then living and not more than 20 years have elapsed since the date of the original gift agreement) shall be consulted whenever possible.
- iii. All agreements with donors shall state that they are governed by the laws of the State of Michigan and any disputes relating to the application, construction, interpretation, or enforcement shall be heard, decided, and resolved in Michigan.

g. *Restrictions on Gifts*

The Library will accept gifts for specific programs and purposes, or subject to restrictions, provided that such gifts and restrictions are not inconsistent with the mission, purposes, and priorities of the Library. The Library will not accept major gifts that are too restrictive in purpose, too difficult to administer, or are for purposes outside the mission or priorities of the Library, as determined by the Board of Trustees upon the recommendation of the GAC.

6. Changes to Gift Acceptance Policies

These gift acceptance policies and guidelines have been reviewed and approved by the Board of Trustees. Any amendments or modifications to or deviations from these policies may be made at the recommendation of the GAC and must be approved by the Board of Trustees.

Exceptions to these policies may be made only by action of the Board of Trustees.

Appendix A

The Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgement and recognition.
6. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Alpena County George N. Fletcher Public Library Gift Recognition Policy

The Alpena County George N. Fletcher Public Library will make accurate and timely acknowledgement to all its donors. The Library will also honor any requests for donor anonymity.

A written Gift Agreement is required for all restricted gifts or gifts that include naming opportunities.

When appropriate, the Library may further choose to recognize its donors in the following ways:

1) Gift Acceptance Committee

The Library Director, Development Coordinator, and two appointed members of the Board of Trustees functioning as a "Gift Acceptance Committee" ("GAC"), in consultation with the Board of Trustees will review gifts as provided in this Gift Recognition Policy and has authority to make exceptions to these Gift Acceptance Policies as special situations may warrant.

2) Naming Opportunities

The Library offers a variety of options to have a space or program named in honor of a person or organization. In general, naming opportunities will be reserved for recognizing significant donations and set at various minimum donation levels according to use, size, location, visibility, etc. An inventory of these opportunities will be maintained and updated by the Library Development team.

Gift Agreements for naming opportunities will outline the scope of the gift and must specify the duration of the naming period in years. If for some reason a gift is not fulfilled in full as set out in the Gift Agreement, the Library may choose to remove the donor's name from the space or program in question and/or offer an alternative recognition opportunity commensurate with the level of giving. A copy of this policy will be provided to donors in addition to a signed copy of the Gift Agreement.

Each type of naming will have its own approval process, which will vary according to the magnitude of the gift.

Notwithstanding any other provision of this policy, no naming will be approved or existing naming continued that will call into serious question the public respect of the Library.

a. Named Spaces

Programming spaces, offices, meeting spaces, and other spaces of the interior and exterior property of the Alpena County George N. Fletcher Public Library may be named. The dimensions, function, location and visibility of physical spaces are considered when determining the giving level of various naming opportunities.

Naming opportunities may include discussions of endowment support for the maintenance, utilities and general upkeep of the space and general operations of the Alpena County George N. Fletcher Public Library.

Named spaces will be determined based on the value of cash gifts. Irrevocable planned gifts may also factor into the determination of appropriate naming opportunities. Revocable planned gifts and in-kind gifts will generally not be considered when assigning naming opportunities.

Spaces may be named for a specific term, or on a sustained basis. Permanent will generally mean the life of the building i.e. minimum of 40 years.

Approval Process:

Recommendation by the Library Director provided to the GAC for their review. Final approval by the Board of Trustees.

b. Previously Designated Spaces

The Library from time to time may determine the need to renovate or alter the purpose of existing named spaces. The donor (or his or her descendants if the donor is not then living and not more than 20 years have elapsed since the date of the original Gift Agreement) will be consulted whenever possible in order to discuss the proposed changes to the space. For those with term or permanent named spaces still in effect, alternate comparable named space will be offered.

c. Named Funds or Programs

A number of programs may be named in recognition of or sponsored by a donor. Programs may be named for a specific term, but typically are not named in perpetuity. The duration of the naming will be noted in the Gift Agreement, along with specific language regarding the sponsorship credit and its usage.

Approval Process for named funds or programs:

Development staff will recommend named programs to the Library Director. Such recognition may be brought to the GAC for their approval from time to time, but only under exceptional circumstances.

3) Annual Fund Recognition

In order to recognize and grow the ongoing operating support of the Library on an annual basis, gifts to the Library Improvement Fund annual appeal will be recognized on the Library's website and annual donor roll.

4) Soft Credit and Matching Gifts

The Library acknowledges matching gifts by providing “soft” credit for gifts. Soft credit enables the Library to acknowledge these donors’ efforts without compromising the Library’s legal obligation to record the gift according to IRS regulations. Soft crediting also allows donors to advance in cumulative giving categories. For example, family members may request to be credited as a family at the appropriate giving level.

5) Endowed Funds

Endowment gifts may be used to establish a new endowment fund or may be added to an existing endowment fund. When establishing an endowed fund, a formal Gift Agreement will be used to specify the name of the donor(s) and the amount of the gift, the name of the fund and the donor’s purpose for use of the earnings. Should the donor wish to designate an endowment gift for a specific purpose, the donor will be asked to describe that purpose as broadly as possible (e.g. “in support of literacy programs”) and avoid detailed limitations and restrictions.

Gifts to establish a named endowment fund for specific purposes must meet the minimum dollar requirement of \$15,000 as established by the Library, either with an outright gift or a pledge to be fulfilled over a reasonable amount of time. The donor, the donor’s family or friends, or members of the public may make additional gifts to any named endowment once established.

6) Recognition for Planned Gifts

Membership in the Library Legacy Society is conferred when a donor notifies the Library of a bequest intention or makes a planned gift during his or her lifetime.

Revocable planned gifts cannot be used for naming opportunities. However, revocable planned gifts will be recognized on the Library Legacy Society listing.

Irrevocable planned gifts may be considered for name recognition. The Gift Acceptance Committee will ensure that the estimated remainder amount of these gifts satisfies the present value of the gift amount that is required by the Library for such name recognition.

7) Special Campaigns

From time to time, the Library may conduct special fundraising appeals or campaigns. Any such campaign will be conducted in accordance with this policy. Separate recognition protocols (such as giving levels) may also be developed.