

# PUBLIC LIBRARY FOUNDATIONS RESOURCES FOR FLORIDA'S PUBLIC LIBRARIES

## 3. WHY A LIBRARY FOUNDATION?

*"Clearly, our library system is one of the local agencies facing severe cutbacks in funding ... This will result in a drastic cut in book purchasing, cuts in programs and reduction of staff ... working to reduce the effects of impending budgetary cuts on three programs ... specifically, the foundation is committed to raising \$3,500 to provide fuel for the Mobile Library, \$30,000 to fund the annual Family Reading Festival and \$40,000 to add 2,000 children's books to the county libraries."*

*Ned Kellar, Executive Director, Brevard Library Foundation. [www.brevardlibraryfoundation.org](http://www.brevardlibraryfoundation.org)*

When the staff and board of a library make the decision to embark upon a serious and professional fundraising effort, they should assess their history and record in fundraising as well as the capability of their institution to solicit funds from the private sector and to then receive and steward such donations.

In some cases, the library will have received solicited and unsolicited donations. Because the library is a public institution, often even private gifts have to be incorporated into the library's general revenue. Without a flexible, non-governmental, nonprofit organization such as a library foundation, these privately-sourced gifts may also have to be spent in accordance with the regulations governing the library and its governmental jurisdiction. The library faces the requirements of a publicly governed entity; this can make the expenditures of privately-sourced gifts difficult, both for the library and the donor. Compounding the complexities of mixing private and public funds, even when local codes do allow flexibility in spending privately-sourced monies, government officials may be tempted to expect these and similar gifts to be used instead of public funds, particularly in tough economic times.

Increasingly, public libraries have chosen to set up library foundations as their fundraising arms. They have done so for several important reasons which include:

- The need to have a legal vehicle to receive gifts and donations which are tax deductible.
- The need to have a group of individuals who will devote themselves to fundraising for their library.
- The need to be able to directly influence the stewardship of the gifts and the ways in which gifts are expended to benefit the library and its users.

Many libraries in Florida have expressed interest in setting up a library foundation to help fund construction projects or provide another source of revenue to pay for some library services because of shortfalls or cuts in public funding. The leadership and resources needed to put into motion a professional, respected and successful library foundation certainly must be considered before undertaking such an effort.

There are, inherent in library foundations, certain flexibilities and opportunities that distinguish this approach from two other approaches to fundraising: utilizing Friends of the Library groups and participating as a dedicated fund in a Community Foundation. (Brief discussions of Friends groups and Community Foundations will be found later in this resource guide.)

An independent library foundation:

- Should be devoted to and focused on one cause — raising funds on behalf of the library.

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- Should have a board of directors that has the ability to raise funds and/or make gifts to the library; a board that understands clearly that this is its primary purpose.
- Is structured to raise funds, account for those funds and dispose of those funds in accordance with its purpose and within the legal requirements of a private nonprofit organization.
- Has the ability to raise and spend money that is outside the revenue and expenditure requirements of the library as a governmental entity.

The creation of a tax-exempt nonprofit library foundation will professionalize the library's ability to raise funds from the private sector. But obviously such a shift in the level of the library's commitment to fundraising will be a major developmental step that requires careful planning and organization.