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Report to / Rapport au:

**Ottawa Public Library Board
Conseil d'administration de la Bibliothèque publique d'Ottawa**

February 23, 2023 / 23 février 2023

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File Number: OPLB-2023-02023-10.5

SUBJECT: 2022 Fund Development Update

OBJET: Mise à jour 2022 sur le développement de fonds

REPORT RECOMMENDATION

That the Ottawa Public Library Board receive this report for information.

RECOMMANDATION DU RAPPORT

**Que le Conseil d'administration de la Bibliothèque publique d'Ottawa prenne
connaissance du présent rapport à titre d'information.**

BACKGROUND

As per the *Public Libraries Act*, RSO 1990, c.P.44 (“the Act”), the Ottawa Public Library (“OPL” or “the Library”) Board (“the Board”) retains accountability for the full range of decisions affecting the organization. The Board has decided, however, to use a model of governance that focuses trustee attention on setting strategic direction and objectives, making decisions on major projects, and monitoring performance. As noted in Board Policy OPLB-002 Delegation of Authority (“the DOA”), the Board retains authority to approve frameworks for advocacy, fundraising, and major sponsorships, and delegates to the CEO authority for their implementation and management, noting that implementation must be in keeping with the overall principles of the DOA.

In December 2018, the Board received a consultant’s report to establish a fund development function, supported the creation of an Ad hoc Committee on Fundraising, and directed staff to begin implementing a fund development program through the budget process.

Staff subsequently began building the infrastructure for fund development. The Fundraising Policy Framework was approved at the March 9, 2021 Board meeting (OPLB-2021-0104) and included amendments to Board policies 002-OPLB Delegation of Authority, 008-OPLB Fundraising and Donations, and 010-OPLB CEO Reporting and Monitoring. As part of the amendments to Policy 002, the Board approved delegation of authority to the CEO for donations acquired through fund development, with an additional requirement for the CEO to report out annually regarding fund development activities and donations.

Over the past few years, fund development activities at OPL have continued to grow. In October 2021, as part of the Ādisōke Project Update and Funding Strategy report (OPLB-2021-1001), the Board approved a fund development target of \$7 million to address a financial pressure for Furniture, Fixtures and Equipment (FF&E) for the Central Library Project. This number was within the consultant recommendation, established in 2018, of a \$10 million dollar goal for the Central Library Project, and consistent with the Campaign Case for Support which recommended \$7.5 million for FF&E and an additional \$2.5 million for programs and pilot projects.

As per Board direction at the November 30, 2021, Board meeting, and subsequent changes to the OPLB Policy 010 CEO Reporting and Monitoring, staff provide the Board with fund development update reports twice a year, normally in March and September.

The purpose of this report is to provide the Board with an update on fund development activities from January 2022 to December 2022.

DISCUSSION

OPL has two fund development streams: Annual giving and the Ottawa Central Library (OCL) *Unlock Potential* Campaign.

Annual giving is an ongoing process that currently uses email appeals (called “eblasts”) to cardholders who agreed to receive information when they registered for a new library card to raise funds for OPL. Over the years, approximately 40,000 individuals agreed to receive fund development information.

The *Unlock Potential* Campaign raises funds specifically for the OPL portion of Ādisōke, the new joint facility with Library and Archives Canada.

Annual Giving

A “Donate” button has been featured on the OPL website since 2012, which directs donors to CanadaHelps, a third-party donation-processing service for the nonprofit sector. On average from 2015 to 2019, online donations through CanadaHelps totaled approximately \$9,600 annually. All donations from this time (2015-2019) were unsolicited, resulting from passive approaches in which donations are made without being actively solicited or cultivated by the organization.

In creating a fund development program in 2018-2019, OPL developed a more active annual giving program. The annual giving program now consists of developing and implementing tactics to raise funds for the overall OPL system. In 2021, OPL reached its goal of \$50,000 for the annual giving campaign, using eblasts as the primary campaign tactic.

In 2022, staff, in collaboration with the OPL Board Ad hoc on Fundraising, set an annual campaign goal of \$65,000. Staff are pleased to report that the 2022 activities have exceeded this goal and received **\$73,101.35** in donations to OPL this year.

In addition to seeing spikes in donations following the release of eblasts, staff note a growing number of donors who choose to give monthly. Donations continue to be made online, via cheques mailed to OPL, or in a branch (by cash, debit, or credit card).

Unlock Potential Campaign

Fund development for the *Unlock Potential* Campaign consists of developing and executing a major gifts program in support of the new Central Library.

The campaign plan is built on the following three phases:

1. Planning - Campaign Readiness: Policies, procedures, communications (campaign materials), prospect identification and research, volunteer recruitment, initial cultivation of major gift prospects (complete).
2. Quiet Phase - Major Gift Fund Development: Cultivation and solicitation of major gift prospects, including individuals, corporations and charitable foundations (in progress).
3. Public Phase - Community Engagement: broader grassroots appeals, enhanced communications, promotion of 3rd party events and other community engagement tactics such as social media (timing TBD).

Unlock Potential Campaign Results

Following a successful 2021 in which the \$1M goal was surpassed, staff, in collaboration with the OPL Board Ad hoc on Fundraising, set a campaign goal of raising \$2M for 2022.

2022 results fell short of this amount, totaling **\$414,137.97**.

This can be attributed to several internal and external factors, including the ongoing COVID-19 pandemic, competing capital campaigns in the National Capital Region, and operational limitations, as described in a memo to the Board listed on the January 31, 2023, Board meeting agenda (Item 13.2, "Fundraising Update").

Staff continue to cultivate and solicit major gift prospects and are building and refining the prospect pipeline. Additional supports for the Fund Development function, if required, are being explored and will be presented to the Board.

Other Funds

As noted in previous Board updates regarding fund development, two additional sources of funds were created in support of the Central Library project prior to the development of the *Unlock Potential* Campaign.

- The Friends of the Ottawa Public Library (FOPLA) have set aside \$100,000 in the FOPLA New Central Library Charity Trust.
 - This fund is valued at \$108,717.10 as of the close of 2022
- Councilor Jan Harder donated proceeds from the Jan Harder Charity Golf Classic to the Ottawa Central Library (OPLF Jan Harder Main Charity Library Fund).
 - This fund is valued at \$109,106.38, as of the close of 2022.

Summary

Staff anticipate sharing information regarding secured gifts (i.e., those with an actionable signed agreement document) with the Board in a timely manner and continuing to provide summary reports to the Board twice annually regarding both annual giving and the *Unlock Potential* Campaign.

CONSULTATION

Consultations on fund development were conducted with members of the 2019-2022 OPL Board Ad hoc Committee on Fundraising, as well as OPL Senior Management and key staff.

ACCESSIBILITY IMPACTS

Ottawa Public Library supports and considers the *Accessibility for Ontarians with Disabilities Act, (2005)* in its operations. There are no immediate accessibility impacts associated with this report.

BOARD PRIORITIES

This report supports the OPL Strategic Directions and Priorities 2020-2023:

“To create the destination experience for the Ottawa Central Library; and develop and implement a fundraising plan.”

BUSINESS ANALYSIS IMPLICATIONS

There are no direct business analysis implications of this report. Staff will continue to require data analysis as part of the process of segmenting donors to maximize fund development potential, as described in this report.

FINANCIAL IMPLICATIONS

Funds raised through the OCL Campaign will offset the \$7 million goal for furniture, fixtures, and equipment (FF&E), as directed by the OPL Board on October 19, 2021.

LEGAL IMPLICATIONS

There are no legal impediments to implementing the recommendations in this report.

INDIGENOUS AND GENDER EQUITY IMPLICATIONS

There are no specific Indigenous, gender or race equity implications associated with the report recommendation, but due to the nature of *Ādisōke*, *Unlock Potential* Campaign activities inherently have implications for First Nations, Inuit, and Métis peoples. The name *Ādisōke* was given to the facility by the Anishinābe Algonquin Host Nation, reflecting the depth and sincerity of the partner institutions' appreciation for the ongoing engagement with Kitigan Zibi Anishinābeg and the Algonquins of Pikwakanagan First Nation. This ongoing engagement will include discussion of spaces and services at the OCL.

RISK MANAGEMENT IMPLICATIONS

There are risks associated with the *Unlock Potential* campaign. Should targets for this campaign not be met, an alternate strategy would be required to support Central Library services and programs. The current mitigation strategy for this risk is to offset potential campaign shortfalls with funding from the Library Reserve. Other viable mitigation opportunities may exist through capital expenditure planning although this approach is not expected to be necessary.

TECHNOLOGY IMPLICATIONS

There are no technology implications associated with this report.

DISPOSITION

Staff will provide the next summary report regarding fund development to the Board in September 2023. Major announcements regarding secured gifts (i.e., those with an actionable signed agreement document) will be shared with trustees prior to that date.