

**Report to / Rapport au:**

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

**April 14, 2015 / 14 avril 2015**

**Submitted by / Soumis par:**

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**File Number: OPLB-2015-0032**

**SUBJECT: Delegation of Authority – Third Party Fundraising**

**OBJET: Délégation de pouvoir – Financement par des tiers**

**REPORT RECOMMENDATION**

**That the Ottawa Public Library Board delegate authority to the Chief Executive Officer for fundraising activities performed by third parties for the library's purposes and to coordinate the issuance of donation receipts with the City of Ottawa's Finance Department.**

**RECOMMANDATION DU RAPPORT**

**Que le Conseil d'administration de la Bibliothèque publique d'Ottawa délègue à la directrice générale le pouvoir entourant les activités de financement menées par des tiers au profit de la BPO et la coordination de la délivrance de reçus officiels de dons avec le Service des finances de la Ville d'Ottawa.**

## **BACKGROUND**

In late 2014, the Canadian Revenue Agency performed an audit of donations received by the City of Ottawa and subsequent receipting practices for the donations.

Recommendations from the audit make it mandatory to have an official agreement in place between all third party fundraising groups and the City of Ottawa (in this case the Ottawa Public Library) for proper tax receipting to occur. In order to comply with the audit's recommendations, the Library should follow suit.

For the past nineteen years an annual running and biking event, The Diefenbucker Classic, has been organized in support of the Ottawa Public Library branches located in the former West Carleton area of the City of Ottawa. The event is organized by a group of benevolent volunteers. The funds raised during this event are transferred to the West Carleton Trust Fund, managed by the City of Ottawa Financial Services Unit. Until December of 2012 all tax receipting for donations received through the event were issued through an official agreement with The Ottawa Public Library Foundation, a not-for-profit organization which no longer exists. The next Diefenbucker Classic will be held May 2, 2015.

## **DISCUSSION**

The authority recommended in this report will enable the Chief Executive Officer to enter into appropriate agreements with third-party fundraising organizers working on behalf of the library. In doing so, the Ottawa Public Library, in conjunction with the City of Ottawa Financial Services Unit and in accordance with the City of Ottawa Donation Receipt Policy, will be enabled to issue charitable donation tax receipts to the participants, and in some cases sponsors, of charitable events. It will also ensure that continuing charitable donations through third-party organizers will be receipted according to the requirements of the Canada Revenue Agency. All third party agreements will be reviewed by the City of Ottawa Legal Services to ensure clauses with respect to fundraising requirements are appropriately worded.

## **CONSULTATION**

There were no public consultations performed for the purpose of this report.

## **LEGAL IMPLICATIONS**

The library currently has no formal donations policy in place. In such instances, the library defers to the City of Ottawa. While currently under revision, the City of Ottawa Donation Policy states “Directors are responsible for preauthorizing all fundraising activities and ensuring these activities are approved by Executive Management Team (EMT) or Council as required.” On that basis, it is suggested by Legal Services at the City, that a motion be brought to the Library Board delegating authority to the Library’s Chief Executive Officer to authorize fundraising activities performed by third parties for the library’s purposes and to coordinate the issuance of donation receipts with the City’s Finance Department.

## **RISK MANAGEMENT IMPLICATIONS**

There is risk associated with this report. If the ability to issue charitable donation tax receipts is not present because of the lack of an official agreement between the Library and third-party entities for future fundraising events, participation in such events could be negatively impacted and a decrease in funding for library purposes could result. Such funding has been utilized in the past for corporate memberships, supplies, professional services, and the supply of advertising services to promote library activities.

## **FINANCIAL IMPLICATIONS**

A possible reduction in charitable donations may result if authority is not delegated to the Chief Executive Officer to enter into official agreements with third party fundraising entities as a result in timing delays in order to get Board approval for individual agreements.

## **ACCESSIBILITY IMPACTS**

There are no accessibility impacts associated with this report.

## **TECHNOLOGY IMPLICATIONS**

There are no technology implications associated with this report.

## **BOARD PRIORITIES**

There are no Board Strategic Priorities impacts associated with this report.

**DISPOSITION**

Upon approval of the recommendation library staff, in conjunction with City of Ottawa Legal department, will prepare official agreements to be used for any third-party fundraising activities.