

# STOUGHTON PUBLIC LIBRARY

## SPECIAL GIFT FUND POLICY

Approved 11-21-18



All gift monies shall be deposited in the Special Gift Fund (Fund 217) with the City. City Finance staff will be charged with investment of these funds according to City policy.

These funds may not be expended without the prior permission of the Library Board. Separate accounts shall exist to distinguish how gifts shall be used.

### I. **DESIGNATED**

Donations and grants with a specific purpose (i.e. audiovisual materials, memorial book etc.) shall be classified as Designated and will be deposited in the Designated account of the Special Gift Fund (Fund 217) for the stated purpose.

Designated funds should normally be expended within 12 months of the donation unless special plans have been made for these funds.

### II. **UNDESIGNATED**

Donations and grants with no specified purpose other than general support of the library shall be classified Undesignated and will be deposited in the Undesignated account of the Special Gift Fund (Fund 217). The Board will review and recommend distribution of the Undesignated funds as needed.

### III. **BUILDING FUND**

A. Donations and grants with the specified purpose of future library expansion, major remodeling or other non-operating expenditures shall be classified Building Fund and will be deposited in the Building Fund account of the Special Gift Fund (Fund 217). Structural or mechanical repair, maintenance and/or replacement would not be considered major remodeling and would remain the responsibility of the city.

B. The Building Fund will be preserved for future library expansion, major remodeling or other expenditures outside the regular scope of the operating budget. Future library expansion could include: costs related to feasibility studies, architectural fees and other preliminary expenses to a building project, and furnishings and equipment that may be needed to make the new or remodeled space function as intended. Major remodeling could include: moving a wall to change the function or usage of existing space, moving or redesigning office or public areas to provide increased productivity and adapting existing space to provide a new or improved service.

C. During the first quarter of each fiscal year, at least 50% of the prior year's interest of the Special Gift Fund (Fund 217) may be moved to the Building Fund account at the discretion of the Library Board. This percentage will be determined annually. The remaining interest will be added to the Undesignated account of the Special Gift Fund and may be spent at the discretion of the Library Board.

Adopted: October 9, 2003  
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