

***Policy and Procedures
For Grants from TMLF to TML
December 4, 2018***

Policy Principles

1. TMLF raises funds to support the library in both the short run and the long run, using some funds to support **annual services** and using some funds to enlarge the **TMLF endowment** for long-run stability.
 - a. Annual Services are defined as the following TML offerings: educational and cultural programs, continuing education, new collections, and new resources (e.g. toys, tools, or other expenditures) for implementing these annual services and programs.
 - b. The TMLF endowment is used primarily for major future needs, as it was used for the 2015 renovation. The endowment policy, adopted in 2016, allows the TMLF board to use 4% of its prior year's balance for the next year's budget.
2. TMLF believes that the Library Director and staff, due to their training, experience, professional networks and daily contact with library users, are the best position to determine the specific uses of the annual services funds.
3. TMLF also believes that the Library Director and staff are best capable of managing, staffing, promoting and evaluating the annual services programs and TMLF will make no recommendations on these aspects.
4. The grant process provides flexibility and confidence in the availability of the funding so the Library Director can make commitments to program providers in a timely fashion.
5. TMLF will publicly share library users' excitement about the impact of the library and librarian, helping maintain the strong public support the Library currently enjoys.
6. Capital Campaign funds are used only for FF&E (furniture, fixtures, and equipment) since that was the intent of the donors to the 2014-15 capital campaign.

Grant Process for Annual Services Funds

1. **Level and Timing of Annual Services Allocation:**
 - a. Each year the full TMLF Board will vote at the **January meeting** on the level of the annual services funds to be awarded to the Library Director for annual services so the total amount available is known for a year. This helps implement policy principles #1 and #4.
 - b. The first allocation for that year will be available within 30 days of the full TMLF vote.

- c. The level of the annual services allocation for any year will depend on the level of donations to the annual appeal during the prior calendar year, the performance of TMLF endowment and the completion of reports on the use of funds by TML in the prior calendar year.

2. Grant Process and Timing of Allocations:

- a. No proposal on how the annual service funds will be required from the Library Director prior to receiving the four installments. This approach is consistent with the practice in 2018 and with policy principles #2 and #3.
- b. As the funds in the first installment are spent, the Library Director can submit a report on their use to the Treasurer and the President and request a second installment at any time. If the report on the use of the prior installment of funds is adequate (See 4. Below), the Treasurer and the President will proceed to provide the next installment as specified in the annual budget adopted by the full Board.
- c. If all four installments are used prior to the next January annual budget, the Director can request additional funds. However, these additional funds will require a new vote from the full Board and are not guaranteed.

3. Ongoing programs:

- a. If the Library Director decides to continue programs which have been funded in a prior year due to their popularity (e.g. summer concepts or receptions for the art gallery), these can be funded through the “annual services” annual allocation.
- b. If the Library is seeking volunteers to help deliver or manage programs, individual members of TMLF can volunteer as citizens.

4. Reports on Spending and Programs:

1. In order to implement principle #5 (provide feedback to the donors and the public), the Library Director is expected to provide reports after the implementation of the programs funded by TMLF on the following:
 - i. **Part I:** Name of annual services for which the funds were used, the amount spent, copies of receipts for these amounts, and the name of the librarian responsible for managing this this annual service and the names of those funded for continuing education.
 - ii. **Part II:** A brief description of the program or service that includes:
 1. For each of the programs funded in the prior installment:
 - a. The goals of the program or service, i.e. how is the program supposed to make a difference for the patrons, and
 - b. number of attendees.
 2. For one of the major programs funded or partially funded by TMLF or closely related to a TMLF funded programs in the prior period:

- a. Explain briefly how your stated goals were met by this program series or services and any ideas you are exploring for improving the program;
- b. Provide one or more examples of patrons' feedback which is beneficial and provides a potential story idea that could be used in collaboration with the story .

To receive the next installment, Part I of the report on the prior period for which funding was already provided. Part II can lag by one period because it requires additional work.

Grant Process for Requests for FF&E Using Capital Campaign Funds:

1. Definition of FF&E (Furniture, Fixtures and Equipment)

“Furniture, fixtures and equipment, abbreviated FF&E or FFE, are movable furniture, fixtures or other equipment that have no permanent connection to the structure of a building or utilities. These items depreciate substantially over their long-term use, but they are definitely important costs to consider when valuing a company, especially during liquidation procedures. Examples of FF&E include desks, chairs, computers, electronic equipment, tables, bookcases, and partitions.” <https://www.investopedia.com/terms/f/ffe.asp>

2. History of FF&E and 2025 Capital Campaign.

The Town of Capital Elizabeth asked TMLF to raise \$400,000 for FF&E. TMLF's 2014-15 Capital Campaign raised \$720,000 and gave \$570,000 to the Town in 2015 for FF&E. The FF&E funds cover all the furniture in the library, including book shelves, tables, computers, video screen in the conference room and other electronic equipment.

Since the library has opened, the \$150,000 balance has been spent for additional FF&E items that were not anticipated prior to settling in. As of late 2018, there is *about \$90,000 remaining in the capital campaign fund.*

3. Grant Process of Requesting Capital Campaign Funds for FF&E:

- a. Requests for capital campaign funds are done individually for items that qualify as FF&E.
- b. The proposal should cover the following:
 - i. Why the new item is needed and will benefit patrons;
 - ii. Estimates of the cost of the item, including delivery and annual maintenance.
 - iii. Discussion of how annual maintenance will be funded.
- c. The Executive Committee will review and then either suggest clarifications to the Director or directly recommend acceptance to the full Board.
- d. The initial proposal should be sent to the Executive Committee at least one month ahead of the next full board meeting and the final request

should be sent to the full board at least one week ahead of the meeting for a vote.

- e. *Upon approval by the Full Board, the funds for this FF&E proposal will be available within 30 days.*