



# URBAN LIBRARIES COUNCIL

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## Leadership Brief: Maximizing the Library-Foundation Partnership Fall 2013

### About this Leadership Brief

During the past 25 years, library foundations have become increasingly valuable resources for public libraries to build community support and enhance fiscal health by raising funds to supplement, leverage and stretch public dollars. And the opportunities that strategic fundraising make possible are crucial as libraries continue to broaden and deepen their role as an essential community resource.

The success of a library foundation's work on behalf of the public library depends on:

- A clear mission and goals that align with the library's mission and goals
- An open and mutually supportive partnership between the foundation executive and the library director
- Strong organizational, community and philanthropic connections to attract financial support for the library
- The foundation executive's personal commitment to the library's vision and mission
- Extensive knowledge of and experience in philanthropy and fundraising

This leadership brief highlights the growing importance of library foundations and identifies critical leadership roles for foundation executives and boards to maximize the library-foundation partnership.

*The Urban Libraries Council thanks the foundation and library executives who met during the 2013 ULC Annual Forum to discuss the library-foundation partnership, which provided the framework for this leadership brief.*

### Library Foundations Support Library Goals

Most library foundations are nonprofit, 501(c)(3) organizations established to help secure the future of the public library through systematic and strategic fundraising. Examples of foundation fundraising opportunities include major gifts for endowments, planned giving programs, venture capital for library initiatives and ticketed events such as literary galas that generate critical resources and raise the library's profile.

A foundation can serve as an innovation engine to help the library take on new challenges by providing:

1. A legal, nongovernmental, nonprofit organization to receive and distribute privately sourced gifts for the library
2. Expanded eligibility for grants that are open only to qualified nonprofit organizations
3. Investment flexibility to maximize the value of financial contributions
4. A platform for raising money to support programs and capital projects, and to strengthen the library's long-term financial health
5. Experienced and knowledgeable staff who are dedicated to raising money on a full-time basis and supporting a culture of philanthropy within the library system
6. An expanded circle of potential contributors that reaches beyond traditional community supporters
7. Enhanced visibility for the library through foundation-financed programs and events
8. Increased confidence among potential contributors who are accustomed to contributing to nonprofit, charitable organizations using a variety of tax-deductible financial vehicles

While library foundations are usually separate organizations led by their own boards of directors and executives, the work of the foundation and the public library system are fundamentally intertwined. The foundation's mission is to support the library's mission. And the boards and executives who lead the foundation and the library system must be similarly intertwined to achieve their mutually dependent missions.

## Foundation Board Roles

A foundation board is generally made up of community leaders—"movers and shakers"—who are themselves library contributors and who help coordinate large fundraising efforts, promote the library and the value of giving to it, and "know where the money is." The board is sometimes appointed by government leaders, similar to appointments for the library boards of trustees, or may be self-selecting. In either case, creating structural links between the library and the foundation board—such as having select members serve on both boards or creating ex-officio positions on the foundation board for the library board chair and/or library director—facilitates sustained collaboration.

Library and foundation executives say this "cross-pollination" between the boards ensures that fundraising supports the library's strategic goals and that library leaders are aware of and involved in creating the fundraising goals and strategy. Beyond establishing and monitoring fundraising goals, a foundation board provides an opportunity to engage new and different people and the organizations they represent in supporting the library and contributing to its success. Foundation board members expand the library's circle of influence, often bringing people and organizations to the table that might not typically connect with the library.

## Foundation Executive Roles

A foundation executive helps build and sustain a successful library-foundation partnership by shaping and implementing a fundraising strategy with input from the library director, staying well-informed about library priorities, working closely and regularly with the director, and running an effective organization that is respected by potential donors. As foundations become more and more essential to the financial strength of public libraries, these six leadership roles are particularly important for the foundation executive:

1. **Partner** to the library director
2. **Ambassador** about the library's value and impact
3. **Matchmaker** between the library's vision and donor interests
4. **Manager** who runs an efficient, effective and well-respected organization
5. **Educator** about the value of philanthropy
6. **Catalyst** for fundraising action

The following sections provide more details on each of these leadership roles.

### Partner

While library foundations and library systems are separate organizations, the respective directors must see themselves as partners working together to achieve a shared mission. "Walk with me" is how one library director described the process of building a relationship with a newly appointed foundation director. A successful partnership is built on trust, open-mindedness and communication.

Foundation executives become partners with their library directors by:

- Sharing information regularly and proactively to ensure the director is aware of the foundation's work and fundraising progress and results
- Staying connected to and aware of library programs, services, future plans and emerging needs to identify fundraising opportunities
- Scheduling regular meetings with the library director to maximize working time together
- Understanding and respecting the library director's challenges and pressures
- Working on the foundation budget with the library director to ensure a close understanding of needs and to communicate issues and constraints
- Supporting the library director and his/her work
- Sharing to-do lists, calendars and activities on behalf of the library with the director to ensure awareness of actions and progress on agreed-upon goals
- Providing opportunities for the library director or designated staff to be involved in planning foundation activities and events
- Exploring opportunities for joint committees/ advisory groups to carry out shared priorities

## Ambassador

The strategic role of library foundations goes beyond fundraising. Their work in the community and their wide circle of influence brings significant value to the library beyond money raised.

Foundation executives serve as library ambassadors by:

- Knowing what the library does and why it matters in the community
- Being a passionate library champion whether or not that passion leads to financial support
- Engaging and recruiting people to serve on the foundation board or support the library system in other ways, such as providing expertise through pro bono services
- Creating new and different connections that enhance the library's profile in the community
- Communicating the value of the library to the community and the benefits of financial support
- Advocating for continued public financial and political support for the library
- Supporting the library director in meetings and other outreach that contributes to the library's value proposition in the community
- Inspiring enthusiasm for the library through outreach, relationships, connections and knowledge about the library's contributions in the community
- Positioning the library to be as important as other groups when competing for private-sector dollars

## Matchmaker

Foundations succeed when the connections they make leverage contributions that help secure the library's financial future. Matchmaking involves more than finding donors and securing one-time contributions. It requires the ability to connect the library's mission, goals, programs and services with donor priorities and giving interests.

Foundation executives carry out their matchmaking role by:

- Developing a deep understanding of the library's role in the community, including details about its mission, vision, hopes, dreams and challenges
- Conducting donor market intelligence to cultivate relationships, identify funding agendas and monitor contribution cycles

- Engaging foundation board members in strategic outreach to potential donors with special interests that intersect with library needs
- Working with the library director to identify specific fundable needs or create opportunities that fit with donor interests
- Matching donor interests with library needs to produce results that help the library carry out its goals

## Manager

The foundation's reputation as a well-run organization contributes to confidence among donors, which leads to successful fundraising. Knowledgeable and skilled staff, clear and consistently administered policies, and well-designed program activities are essential to foundation effectiveness.

Foundation executives carry out their organizational manager role by:

- Connecting the foundation's overall mission and purpose to its day-to-day activities
- Recruiting and supporting a stream of board members who bring value to the foundation
- Meeting all nonprofit regulatory and reporting requirements
- Adhering to strict accounting policies, including conducting an annual independent financial audit
- Developing and implementing internal operating controls, including investment of donated funds, gift acceptance, use of contributed funds to meet donor intent and use of donated funds for administrative overhead
- Ensuring transparency in how funds are raised, invested and spent by publishing annual reports and regularly sharing information with the community
- Developing and maintaining fundraising metrics that provide valuable information to donors when considering contributions to the library
- Communicating regularly with current and potential donors through newsletters, annual reports, a website, periodic meetings and events
- Maintaining a database of donor information
- Recruiting, hiring and managing staff to support the foundation's mission
- Being a reliable, trusted steward of contributed funds

## Characteristics of a Successful Library-Foundation Partnership

- Shared vision about the library's future
- Mutual understanding of library and foundation roles, responsibilities and challenges
- Trust, respect and open-mindedness
- A comfortable and productive working relationship between the foundation and library directors
- Participation in each other's board work
- Regular communications
- Financial transparency

## Educator

Foundation executives serve as a bridge between potential donors and the library system by educating donors about the library's community impact and helping library leaders embrace and understand how a culture of philanthropy contributes to the library's long-term financial future. For some library directors, large-scale philanthropy—endowments, sponsorships, earmarked or limited-use funds, venture capital, planned giving—can be unfamiliar territory. Foundation executives play an important role in educating their library system colleagues about the opportunities, challenges, risks and limitations of fundraising campaigns including how to attract, recognize, thank and retain donors. Understanding and learning about each other's world is an important part of a successful library-foundation partnership.

Foundation executives carry out their educator role by:

- Regularly sharing information with the library director about approaches, opportunities, strategies and timeframes for generating revenue
- Connecting general philanthropic and fundraising expertise to the library context in a way that makes sense to library leaders
- Being open about where foundation-raised money goes, including the distributions for direct library support, foundation administration and non-fundraising activities such as cultural programming, advocacy, public awareness and processes for making grants to the library
- Engaging the library director in developing and embracing a culture of philanthropy and what that means for the library

## Catalyst

Foundation executives generate interest in giving to the library, create connections with donors and close the deals. Sometimes the foundation executive may serve as an "arranger" to connect the donor to the library leader for a more in-depth conversation about funding needs and how the money would be used.

Foundation executives carry out their role as a catalyst for action by:

- Making the right connections at the right time
- Deciding who should deliver the "ask" based on donor expectations
- Working with donors to provide information, respond to questions and sustain the connection
- Engaging the library director in the process of closing the deal, if needed, with sufficient advance notice and clear information about roles, expectations and donor background
- Constantly building a donor pipeline that will produce results

## Maximizing the Partnership

The money, opportunities and visibility that a successful foundation brings to the library system are essential to long-term success. For some systems, foundations generate millions of dollars that help libraries achieve their visions for building community, enriching lives, inspiring ideas, enhancing learning and more. The bigger the library vision, said one foundation executive, the more we can attract donors.

As public libraries continue to grow the programs, technologies, resources and opportunities they offer, having a trusted resource that brings in significant new money is more than nice to have—it is essential. The success of the relationship between the foundation and the library system it was created to support depends on openness, collaboration, mutual understanding and trust. With those factors in place, libraries and foundations can do wonderful things together for the communities they serve.

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*The Urban Libraries Council (ULC) is the premier membership organization for North America's leading public library systems. For more information, please visit [www.urbanlibraries.org](http://www.urbanlibraries.org).*