

**FRIENDS OF THE UNIVERSITY PARK PUBLIC LIBRARY FUNDING
ACTION ITEMS REQUESTED OF THE CITY COUNCIL**

1. Approval of the Corporate and Professional sponsorship approach and the assumption that incremental expenses beyond the Library's budget would be covered by the sponsorship and the remainder credited to the Friends. (please see page 5)
2. Approval of the grants approach and the assumption that incremental expenses beyond the Library's annual budget would be covered by the grant and the remainder credited to the Friends. (please see page 8)
3. Approval of naming and signage criteria for key named components of the Library.

<u>Gift Level</u>	<u>Options</u>
\$250,000	Fiction Nonfiction Biography Study Rooms (2)
\$500,000	Local (Texana Room) Teen Area Quiet Study Room
\$1,000,000	Community Room Children's Area
\$1,300,000	Lobby (Mattie Caruth Byrd)
\$3,000,000	Library

FRIENDS OF THE UNIVERSITY PARK PUBLIC LIBRARY FUNDING DISCUSSION GUIDE

Background

In fiscal year 2012-2013, Friends of University Park Public Library transitioned from a long history of operating the University Park Public Library (please see Attachment A, Historical Timeline) to serving as a support organization partnering with the City of University Park in the operation of the Library by undertaking to raise funds to provide approximately 50% of the Library's annual operating budget and providing volunteers to support Library operations and programs.

The initial strategy to meet the first requirement was to design and implement an endowment campaign that would raise approximately \$11.3 million. Once collected, these funds were envisioned to generate 4% interest, the result of which would be an annual contribution of approximately \$300,000-\$450,000 out of an investment account to the City of University Park to support Library operations and programs.

A strategic planning project and subsequent fundraising campaign was launched in the summer of 2011. There was no feasibility study conducted prior to campaign launch because the City had already secured the space and it was believed that there were two or three donors who were likely willing and able to contribute \$5 million toward the effort. These donors were approached early in the process and have thus far declined invitations to make leadership gifts.

In the year following the initial effort, several attempts were made to identify, cultivate, and solicit contributions over \$100,000. It became clear over time that the community was not ready to fund an endowment at this level and a new strategy was developed in the form of an annual major gifts approach.

Approach for Discussion

At this time, the Friends have approximately \$1.5 million of liquid assets and are prepared to provide a minimum of \$300,000 annually to the operations of the Library (approximately 50% of each annual budget approved by the Friends). Given the inability of the committee and the board to raise endowment capital, the following funding model is offered for consideration.

Objectives of this Model

1. Describe potential primary sources of funding for the Friends' portion of the Library's annual operating budget;

2. Illustrate a three-year projection from these sources;
3. Articulate the procedures for handling the funds and the donor recognition; and
4. Describe the critical importance of including the Friends in the Library's annual operating budget planning process.

Additional detail on each program is attached for further explanation and documentation.

KEY SOURCES OF FUNDING

At this time, we envision three primary sources of funds to be pursued by the Friends:

- 1) Friends Annual Memberships;
- 2) Corporate and Professional Annual Fund and Sponsorships; and
- 3) A Bridge Fund while we are building a Permanent Endowment for the Library.

We expect that Friends Memberships will eventually provide one third of the Friends' funding needs, Corporate and Professional Annual Fund and Sponsorships will provide an additional third, and the Bridge Fund and eventually the Permanent Endowment will provide the final third. In the short term (3 to 5 years) the Friends will be dependent on Bridge Funds from major donors to meet most of our obligations to the City.

Grants from foundations and other organizations are also being sought in this effort, but it is not yet determined how successful our solicitation efforts will be.

Individual Friends Memberships

Friends of the University Park Public Library Membership Levels and Revenue Projections

Gift Analysis (Cash Basis)	Membership Level	# of Members/ Transactions by 2015	FY2013 (25% of target)	FY2014 (50% of target)	FY2015	FY2016	FY2017	Total
Individual Memberships								
Senior	\$ 30	50	\$ 375	\$ 750	\$ 1,500	\$ 1,500	\$ 1,530	\$ 5,655
Reader	\$ 50	100	\$ 1,250	\$ 2,500	\$ 5,000	\$ 5,000	\$ 5,100	\$ 18,850
Patron	\$ 100	100	\$ 2,500	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,200	\$ 37,700
Collector	\$ 250	250	\$ 15,625	\$ 31,250	\$ 62,500	\$ 62,500	\$ 63,750	\$ 235,625
Conservator	\$ 500	5	\$ 625	\$ 1,250	\$ 2,500	\$ 2,500	\$ 2,550	\$ 9,425
Director	\$ 1,000	15	\$ 3,750	\$ 7,500	\$ 15,000	\$ 15,000	\$ 15,300	\$ 56,550
Library Lion	\$ 2,500	20	\$ 12,500	\$ 25,000	\$ 50,000	\$ 50,000	\$ 51,000	\$ 188,500
TOTAL			\$ 36,625	\$ 73,250	\$ 146,500	\$ 146,500	\$ 149,430	\$ 552,305
Corporate and Professional Memberships								
Library Lion	\$ 2,500	20	\$ 12,500	\$ 25,000	\$ 50,000	\$ 50,000	\$ 51,000	\$ 188,500
Library Leader	\$ 5,000	10	\$ 12,500	\$ 25,000	\$ 50,000	\$ 50,000	\$ 51,000	\$ 188,500
Library Supporter	\$ 10,000	5	\$ 12,500	\$ 25,000	\$ 50,000	\$ 50,000	\$ 51,000	\$ 188,500
Library Sponsor	\$ 25,000	2	\$ 12,500	\$ 25,000	\$ 50,000	\$ 50,000	\$ 51,000	\$ 188,500
TOTAL			\$ 50,000	\$ 100,000	\$ 200,000	\$ 200,000	\$ 204,000	\$ 754,000
General Friends Donations								
TC TOTAL	\$ 10	300	\$ 750	\$ 1,500	\$ 3,000	\$ 3,000	\$ 3,060	\$ 11,310
GRAND TOTAL			\$ 87,375	\$ 174,750	\$ 349,500	\$ 349,500	\$ 356,490	\$ 1,317,615
Bridge Fund or the Permanent Endowment								
Select Item from Book	\$ 10,000	20	\$ 50,000	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ 200,000
Select Item from Book	\$ 25,000	5	\$ 75,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ 125,000
Select Item from Book	\$ 50,000	5	\$ 100,000	\$ 100,000	\$ 50,000	\$ -	\$ -	\$ 250,000
Various Opportunities	\$ 100,000	10	\$ 200,000	\$ 300,000	\$ 500,000	\$ -	\$ -	\$ 1,000,000
Signage Opportunity	\$ 250,000	2	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ 500,000
Major Signage Opportunity	\$ 1,000,000	1	\$ 250,000	\$ 500,000	\$ 250,000	\$ -	\$ -	\$ 1,000,000
Total			\$ 925,000	\$ 1,275,000	\$ 875,000	\$ -	\$ -	\$ 3,075,000

(Target \$146,500 annually by 2015)

Individual and family annual memberships to Friends of the University Park Library currently range from \$30 for a Senior Reader to \$2,500 for a Library Lion. Through May 31, 2013, the Membership Committee has secured 806 (10% of UP families) memberships and collected \$78,528 revenue toward a goal of \$37,000 in 2013 and \$73,000 in 2015. (Please see Attachment B for levels and benefits.)

Friends Memberships Key Points for Consideration

- The structure of the membership program is mature.
- There is a well-functioning membership committee with experienced volunteer leadership.
- As the program grows in popularity, there is an opportunity to create more formal database management and administration of member relations and communications.
- Members of the Friends should be considered top prospects for the endowment effort and for volunteer recruitment opportunities (e.g., for Corporate and Professional membership committee and Friends Board membership.)
- Focus should be placed on acquisition (set target based on current levels here) retention (target 75% renewal), and upgrade (suggest top 2% increase to Library Lions' next level each year.)
- There will need to be a clarification of reporting responsibility and targets so that the volunteers responsible for the solicitation of memberships have understanding of the resources available to them and to whom they are accountable.
- An increased number of volunteers will be required to pursue memberships as time progresses.
- Multiple-year terms on the membership committee and for the leadership of this committee are desirable.

Resources Required

- Membership materials (print, electronic)
- Membership premiums (window sticker, yard sign, discounts for Friends' programs, etc.)
- Database (suggest Cloud-based)
- Database manager (can be volunteer)
- Website presence/online membership opportunities

Note: No contribution of any size to the Friends of the University Park Public Library includes a library card. Library cards must be acquired separately in accordance with

City policies. However, Friends may secure cards for major donors and sponsors at their expense as long as they are assigned to specific individuals.

Acknowledgement

- All memberships will be acknowledged by membership chair(s).
- In addition, memberships of \$1,000 and above will receive a letter from the President of the Friends.

Recognition

All Members of the Friends will be recognized on lists for a period of 12 months following the date of their membership activation. Lists include:

- Web
- Scrolling membership list on screen savers at the library
- Other?

Benefits Administration

- Benefits of membership will be administered by the Membership Committee of the Friends of the University Park Library.

Corporate and Professional Memberships and Sponsorships

(Target \$200,000 annually by 2015)

Corporate and Professional Membership in the Friends: Memberships are offered at \$2,500 and above. See Attachment C: Corporate and Professional Membership Levels. To date, the Corporate and Professional Committee has solicited approximately 150 companies and professional firms that service the Park Cities community. Additionally 1,600 solicitation letters were mailed before the 2012 holidays. To date we have received three gifts and \$4,000 in contributions.

Business and professional entities, individuals and/or foundations may select to sponsor a program at the Library. These sponsorships will be sought by a committee of the Friends. Additionally there have been two formal sponsorship conversations with major corporate prospects and one informal conversation. One sponsorship agreement with Briggs Freeman has been secured. The City of University Park is a key stakeholder in the sponsorship program.

In the event that a Sponsorship Agreement is reached, the Agreement must be approved by the City of University Park, the Sponsor, and the Friends. Revenue from the Sponsorship will be recognized and collected by the Friends and paid over to the City prior to the Library's execution of the program.

Sponsorship Packages will be unique to each Agreement and may include benefits such as use of the building or a room in the building, naming of a program for a period of time, or naming of a room for a period of time. All Agreements will be negotiated by the City and the Friends with the Sponsor.

All proceeds of Friends-initiated sponsorships will be attributed to the Friends as part of the commitment to the City. If there are expenses incurred by the Library outside the Library's annual budget, these will be covered by the sponsorships first and the remainder credited to the Friends.

Corporate Membership Key Points for Consideration

- The Corporate program is a new program that needs time to mature and be embraced by the community.
- There is a Corporate membership committee that is in its infancy, which with the right number of members under dynamic leadership has significant potential.
- The Corporate database should be maintained in the same system as the individual database so that there can be relationships established between accounts.
- Members of the Corporate program should be considered excellent prospects for the Board and other leadership positions.
- Focus should be placed on establishing a well-managed program that ensures positive outcomes for the Corporate members.
- There will need to be a clarification of reporting responsibility and targets so that the volunteers responsible for the solicitation of Corporate memberships have understanding of the resources available to them and to whom they are accountable.
- An increased number of volunteers will be required to pursue memberships as time progresses.
- Multiple-year terms on the membership committee and for the leadership of this committee are recommended.

Resources Required

- Corporate membership materials (print, electronic)
- Corporate membership premiums (book, item for the office, etc.)
- Database (suggest Cloud-based)
- Database manager (can be the same as the individual membership database manager)
- Website presence/online membership opportunities

Recognition

Sponsor recognition may include (but not be limited to):

- Web
- Listings
- Newsletter stories
- Interviews
- Announcements
- Program naming
- Priority in reservations for the Community Room

Benefits Administration

The administration of benefits of sponsorship will be managed by the City of University Park. Benefits may include (but not be limited to):

- A predefined number of uses of the Library/area of the Library for private functions
- Library cards
- Logo representation/live links from the City website to sponsors' websites
- Opportunity for Sponsor leadership to speak at program functions on behalf of the Sponsor
- Opportunities for Sponsor name association with the Programs in print and on recordings
- Others to be determined/negotiated as appropriate.

Bridge Funds and Endowment:

(Bridge Target: \$925,000 in 2013; \$1,275,000 in 2014 and \$875,000 in 2015)

Under the banner of the UP With the Library Capital Campaign, the Friends have received 66 gifts for a total of \$525,000 and \$150,000 in pledges to date. There have been five gifts/pledges of \$100,000, and one gift of \$150,000. Only the entrance lobby (in recognition of the M C Byrd bequest to the City of UP) of the named components of the Library have been committed so far (not included in the total to date), though five specific calls to fund major components have been made.

Acknowledgement

- All contributions (outright gifts and pledges) will receive a form letter serving as the official tax receipt. This letter will be generated by the Donor Relations Chair and signed by the Capital Campaign Chair. (Note that the reference to the tax deductible portion of the gift will reference any cash received in the tax year in question, and will not reference the amount of a pledge.)
- In addition, all contributions will receive a thank-you letter from the President of the Friends. This letter will be generated by the Donor Relations Chair within 48 hours of receipt of the contribution.

- As appropriate, the Donor Relations Chair or other officer of the Friends may also elect to add personal notes or gestures.

Recognition

- Donors who have contributed any amount will be listed in a book of donors to be housed in a visible, accessible area of the library. Listing in this book will be managed by the Donor Relations Chair and will be updated monthly.
- Donors of \$5,000 and above will be able to select an item from a list of items in the book with which they may associate their gift. For example, a donor might elect to associate their gift with a computer or a particular piece of furniture. It should be noted that by electing to associate their gift with an item, the donor is not restricting the use of their contribution to the purchase or maintenance of said item.
- Donors who have contributed \$10,000 or more will be recognized on a donor wall in the main lobby of the library entrance. Donors' names will be listed on tiles, with sizes and placement based on the timing of receipt of their gift and size of their gift. Tiles have been divided into zones. See Attachment D: Naming and Signage. Maintenance of the tiles will be managed by the Donor Relations Chair. Tiles will be updated quarterly.
- Donors who have contributed \$250,000 or more may select specified naming opportunities. Additional appropriately-sized signage near the area in which they have designated their gift will be offered and will require approval by the City of University Park. See Attachment D: Naming and Signage.
- Donors to the first library campaign will also be recognized as well with appropriately sized signage and placement on the donor wall or elsewhere in the Library.

Note: Contributions that are restricted by the donor for a specific purpose that is not included in the annual operating budget of the Library will only be accepted in the event that the Library staff has requested or agreed that the Friends seek or accept such a contribution, and will use the funds for the stated purpose. In the event of such a contribution, the Friends (with the assistance of the Library staff) will be responsible for maintaining a record of compliance with the requirements of the gift.

In the event that the Friends secure a grant restricted for an existing program or budgetary item, the Friends (with the assistance of the Library staff) will be responsible for maintaining a record of compliance and with meeting reporting requirements of such a grant.

Bridge and Endowment Key Points for Consideration

- The solicitation of bridge funding will be critical to the ability of the Friends to meet their commitment to the operations of the Library.
- The success of bridge and endowment campaigns will be most dependent upon the chair(s). This person/people will need to have influence with a broad spectrum of philanthropists in the community.
- There will need to be a clarification of reporting responsibility and targets so that the volunteers responsible for the solicitation of campaign gifts have an understanding of the resources available to them and to whom they are accountable.

Resources Required

- Campaign materials (print, electronic)
- Recognition and signage opportunities
- Database (suggest Cloud-based)
- Database manager (can be the same as the individual membership database manager)
- Website presence/online membership opportunities
- Communications strategy

Grants

Grants from foundations and other institutions have been received and currently are being sought. Receipt of grants is uncertain, and can involve a long time between the request submission and action thereon. Further, foundations typically prefer to grant funds for specifically identified projects, rather than for endowments or other unrestricted funds which recent applications have sought at the City's request. Consequently, grants from foundations are not emphasized or relied upon in the proposed funding model, although they will be pursued and could be a supplemental source of funding from time to time.

Those grants that the Friends receive will be attributed to the Friends as part of their commitment to the City. If there are expenses incurred by the Library outside of the Library's annual budget, these will be covered by the grant first and the remainder credited to the Friends.

Note: Contributions that are restricted by the grant for a specific purpose that is not included in the annual operating budget of the Library will only be accepted in the event that the Library staff has requested or agreed that the Friends seek or accept such a grant, and will use the funds for the stated purpose. In the event of such a grant, the

Friends (with the assistance of the Library staff) will be responsible for maintaining a record of compliance with the requirements of the grant.

In the event that the Friends secure a grant restricted for an existing program or budgetary item, the Friends (with the assistance of the Library staff) will be responsible for maintaining a record of compliance and with meeting reporting requirements of such a grant.

Volunteers

The fundraising efforts described above are conducted principally by directors and advisory directors of the Friends, with assistance of individuals recruited by them and advice and logistical support from consultants paid by the Friends. Some of these individuals also serve as volunteers to supplement the paid Library staff. To keep these individuals motivated to work for the good of the Library, it is important that they feel that they have input into decisions regarding the Library and its budget and concur in decisions made by the City regarding the Library.

Friends of the University Park Public Library Historical Timeline

- 1950 Harriet Lowe (Mrs. Jack Lowe) goes to the City Council to request that University Park ("*UP*" or "*the City*") open a public library for its citizens.
- 1958 UP is identified as one of the largest U.S. cities without a public library.
- 1976 Highland Park ("*HP*") and Dallas begin to charge UP citizens to use their libraries.
- 1987 Cub Scouts raise \$4,000 to begin to fund a UP Library.
- 1989 UP Master Plan Report submitted by Walter J. Humann recommends building a full-service Park Cities library which would be a combined HP and UP library with cooperative agreements with SMU and the Highland Park Independent School District.
- 1989 The Friends are incorporated as The Friends of the Library for the Park Cities in the hope that HP and UP would join together in developing a library to serve both HP and UP.
- 1992 The Friends receive a determination letter from the IRS that the Friends is an organization described in IRC Section 501(c)(3) and that donors may deduct contributions to the Friends.
- 1997 \$300,000 is raised to begin a capital campaign for a Library facility. The Pioneer 200, a group of dedicated supporters, is founded and contributes to the capital campaign.
- 2000 Albert Huddleston, former Friends Board member, leases to the Friends a home in a 5,500 square foot old law office in the Chase Bank on Hillcrest for \$1.25 per year.
- 2001 Four Girl Scouts collect books from citizens and the "Book Bank" is born as UP's first Library. Open four hours per week, the Book Bank is staffed by volunteers and furnished with donated books.
- 2002 UP City Council grants funds for a professional librarian, and the Library is now open 20 hours per week and achieves state accreditation. First Lady Laura Bush accepts the position as Honorary Chairman.
- 2005 Name of the Friends is changed to the Friends of the University Park

Public Library after it became clear that there will not be a joint HP/UP library and that the Friends' focus will be on developing a Library for UP and finding a permanent home for it.

- 2007 A full-time Children's Librarian is hired with funding help from La Fiesta de las Seis Banderas, and hours have expanded to 41 hours per week. Volunteers donate over 5,000 hours per year to assist staff, shelve and cover books, hold quarterly book sales and serve as Board members, officers and on the Advisory Board.
- 2011 The City and the Friends enter into a public/private partnership agreement pursuant to which the Library will become a City department and the Friends undertake to raise significant funds to support the Library and provide volunteers to assist in staffing the Library.
- 2012 The City of UP and the owners of The Plaza at Preston Center enter into a non-cash transaction which trades the streets and alleys in Preston Center East in exchange for second-floor space of 17,000+ square feet for the Library and a 2,000 square foot third floor space in a commercial building for a Community Meeting Room, which the City will then lease to the Friends in a condominium arrangement.
- 2012 The Library moves into interim space in the City's service center at Worcola in preparation to the move into its permanent home at the Plaza.
- 2012 Pursuant to the 2011 partnership agreement with the City and the Friends, the Library becomes a City department, with benefits to employees, and the Friends undertake to provide half of the \$600,000 initial annual cost of operating the Library, as well as continuing to provide volunteers to assist in staffing the Library. The City hires Sharon Perry Martin, MLS, as Library Director.
- 2013 The Library opens in a wonderful new facility in The Plaza at Preston Center to help create young readers, provide a comfortable community meeting place, stimulate imagination and satisfy curiosity of life-long learners. Former First Lady Laura Bush was the Honorary Opening Day Chair.

Friends of the University Park Public Library 2013 Membership Benefits:

Senior Reader (65+) \$30+

- Membership sticker for admission to Friends' events (to be placed on your Library card)
- Friends' "Check It Out" e-newsletter
- Discounts to attend Friends' programs
- Evites to Friends' Events
- Reusable Book Tote

Reader \$50+

All benefits at the previous level plus:

- Membership stickers for all cardholders age 18 +in your household

Patron \$100+

All benefits at the previous level plus:

- Invitation to a Patron event

Collector 250+

All benefits at the previous level plus:

- Recognition in printed materials

Conservator \$500+

All benefits at the previous level plus:

- Book plate in your name placed in a new book purchased by Library

Director \$1000+

All benefits at the previous level plus:

- Invitation to "Dinner with the Director"

Library Lion \$2500+

All benefits at the previous level plus:

- Invitations to annual Library Lions events

Friends of the University Park Public Library Corporate & Professional Partners Campaign

Corporation/Business/
Professional Firm

(Please print name exactly as it should appear in printed material, including capitalizations and punctuation)

Contact Name

Business Address

City/State/Zip

Contact
Phone

Contact
Email

YES! We support the Friends of the UP Public Library. Count on us at the following level of support:

[] \$10,000

- Name recognition on the Corporate and Professional Partners Plaque at the UP Public Library for each year gift is made.
- Recognition in all press releases and printed materials for each year your contribution is made.

[] \$5,000

- Name recognition on the Corporate and Professional Partners Plaque at the UP Public Library for each year gift is made.
- Recognition in all press releases and printed materials for each year your contribution is made.

[] \$2,500

- Name recognition on the Corporate and Professional Partners Plaque at the UP Public Library for each year gift is made.
- Recognition in all press releases and printed materials for each year your contribution is made.

[] \$1,500

[] Other amount \$_____

[] Check enclosed, payable to Friends of the UP Public Library

[] Please bill our credit card. Complete the information below for credit card donation.

MC/Visa/Discover #	_____	Sec. Code	_____
Cardholder's Name	_____	Exp. Date	_____
Signature	_____		

We pledge \$_____ to be paid in _____ monthly/yearly* (circle one) installments (*not to exceed 3 years).

Installments will be paid on or before _____, _____, and _____.

*Please return your completed commitment to: Rita Clinton, Treasurer, Friends of the UPPL,
3419 Westminster, Suite 335-G, Dallas, TX 75205*

All gifts/pledges made to the Friends of the University Park Public Library are fully tax-deductible.

Thank you!

Campaign Naming & Signage



For Discussion: June 2013

Pending final approval by UP City Council

Naming and Signage Criteria

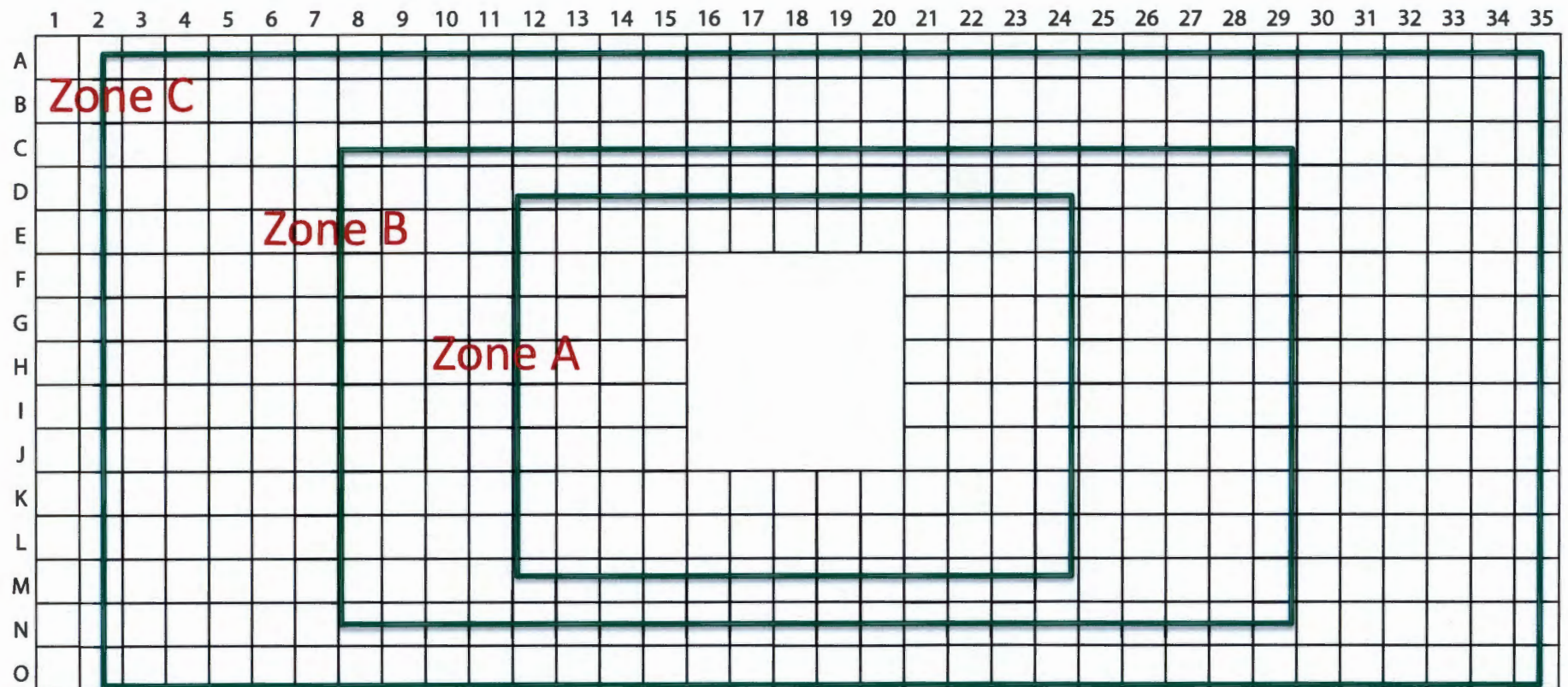
Gift Level	Size of Tile on Donor Wall	Other Naming Opportunity	Signage Opportunity	Tile Selection Priority
\$10,000	Small (3.75)	Select from list: recognition in print	n/a	Zone C: Perimeter
\$15,000	Small (3.75)	Select from list: recognition in print	n/a	Zone B: Center Edges
\$25,000	Small (3.75)	Select from list: recognition in print	n/a	Zone A: Eye level center
\$50,000	Medium (7.75)	Select from list: recognition in print	n/a	Zone C: Perimeter
\$75,000	Medium (7.75)	Select from list: recognition in print	n/a	Zone B: Center Edges
\$100,000	Large (11.75)	Select from list: recognition in print	n/a	Zone A: Eye level center
\$250,000 +	Large	See below	See below	First Priority
Center Tile	Center Tile	n/a	n/a	n/a
Pioneer 200	Large	n/a	n/a	Zone A: Eye level center

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Gift level	Number Available	Options	Status	Number Sold
\$250,000	5	Fiction Non-Fiction Biography Study Rooms (2)		
\$500,000	3	Local Teen Area Quiet Study Room		
\$1,000,000	2	Community Room Children's Area		
\$1,300,000	1	Lobby	Confirmed	1: Mattie Caruth Byrd
\$3,000,000	1	Building		

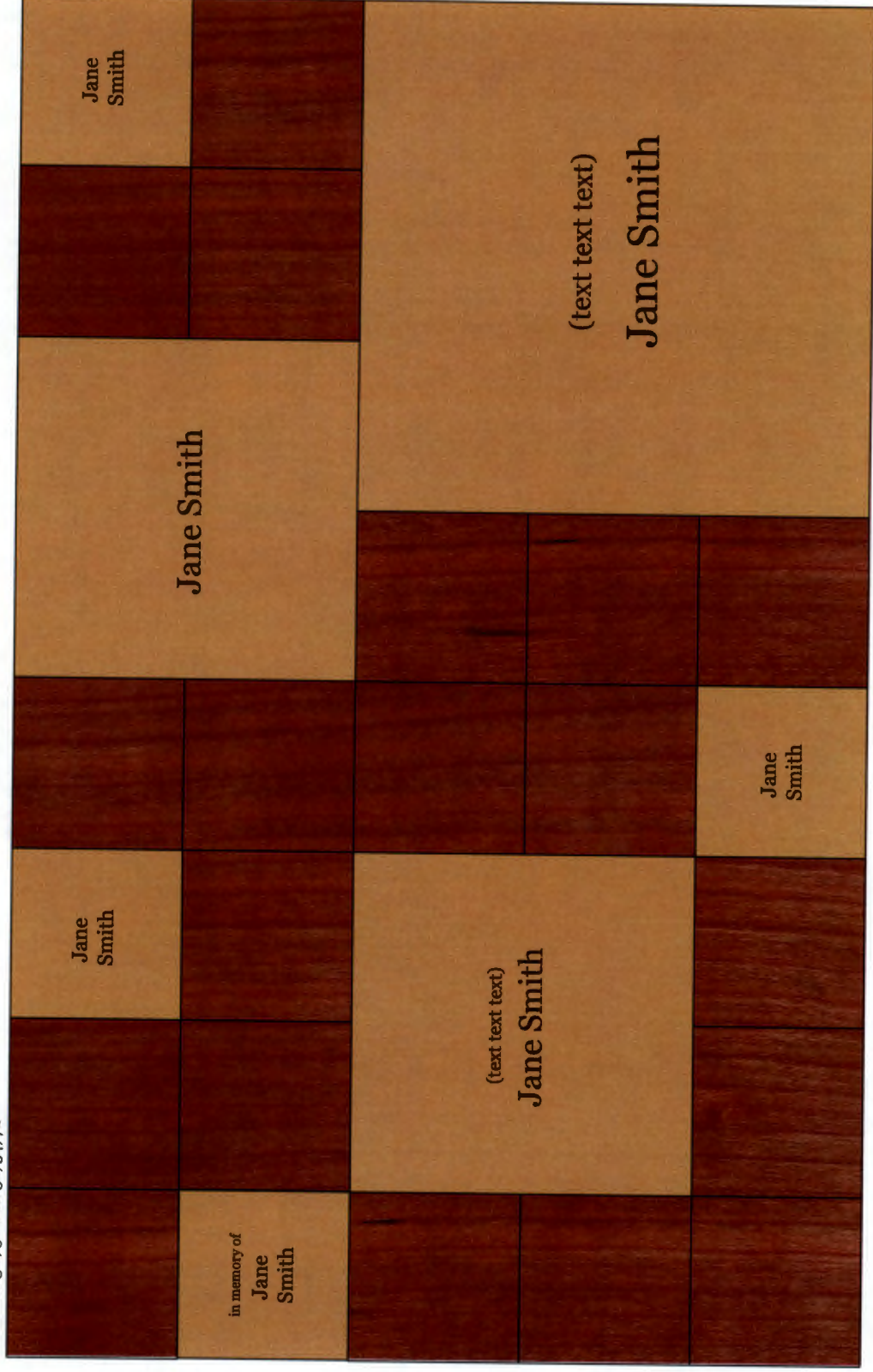
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Donor Wall Zones



Donor Wall Tile Styles

Font: Georgia; 3 Sizes: 36, 54, 72



Lobby Signage Design

