

## **KFPL Report to the Board**

**Subject:** KFPL Endowment Fund Disbursement 2023

**Prepared by:** L. Carter, Chief Librarian/CEO

**Date of meeting:** June 26, 2024

### **Background:**

The Community Foundation for Kingston and Area (CFKA) manages the Kingston Frontenac Public Library Endowment Fund and the Flora B. Grant Endowment Fund.

The Flora B. Grant Fund was first established in 1998, with the direction that the interest generated by the fund be used annually for the benefit of children and teens at the Sydenham Branch.

At its June 28, 1998 meeting, the Kingston Frontenac Public Library Board approved the transfer of approximately \$100,000 in funds from estates and donations to establish the Kingston Frontenac Public Library Endowment Fund. In 2018, an investment of \$11,819.01 from the Boucher bequest was added to the KFPL Endowment Fund. The Flora B. Grant Investment Fund, previously invested as a GIC, moved to CFKA at this time.

At its November 2018 meeting, the Board provided approval “for the library to promote contributions to the Kingston Frontenac Public Library Endowment Fund in 2019 with the goal of increasing the fund to \$200,000” (Motion 2018-64). Promotion of the Endowment has increased as part of the general fundraising activities, and a successful matching campaign in 2021 resulted in a \$1,000 donation from the CKFA. Donations to the Fund may be made through the CFKA or through the Library.

Previous payouts from the Fund have helped to fund the interactive early literacy wall at the Rideau Heights Branch, along with contributions from the Friends of the Kingston Frontenac Public Library, and funded furniture and equipment for the Central Branch following the renovation.

### **Analysis:**

The Community Foundation for Kingston and Area had previously guaranteed a minimum disbursement rate of 2.5%, regardless of market returns. They revised their Spending Policy in 2023 because the granting amount calculated was less than the 2.5% minimum due to 2022 market returns and in consideration of the impact of the increase in the Canada Revenue Agency Disbursement Quota. Based on that review,

the Spending Policy was amended for the 2024 to use the 5-year average rate of return and to provide a minimum spending percentage of 3.0% and a maximum of 5.0%.

The information about the Flora B. Grant Endowment Fund is included for information. In keeping with the original bequest, the \$971.74 available to grant this year will be requested. \$2,831.11 was disbursed in 2023, following extenuating circumstances during the COVID-19 pandemic when proceeds were rolled over. The balance of the fund as of December 31, 2023 was \$22,338.75.

The KFPL Endowment Fund reached a market value of \$154,736.66 at December 31, 2023 with \$6,731.04 available to grant for 2024. \$23,625.66 was granted to the Library from the Fund in 2023 after three years of rollover and was deferred to 2024 to be used for translation and design for the Statement of Solidarity and Acknowledgment.

The Foundation offers three options for disbursement of the annual returns: payout; rollover (monies are reinvested in the KFPL fund); add to capital (treated as a new contribution to the fund's permanent capital) or a combination of the three. Available amounts may be rolled over for up to three years.

With the Isabel Turner Renovation getting underway, staff recommend that the funds be rolled over so they remain available for 2025 or 2026 disbursement.

### **Recommendations:**

That the Kingston Frontenac Public Library Endowment Fund returns available for disbursement in 2024 be rolled over.

## KFPL Report to the Board

**Subject:** Governance Review Committee Recommendations

**Prepared by:** A. Brunner, Chair - Governance Review Committee

**Date of meeting:** June 26, 2024

### Background:

Following discussion at the January and February Board meetings about board governance, board self-evaluation and board member engagement, a motion was passed to strike a committee to oversee a review of governance policies and processes.

A Governance Review Committee was formed at the February 28, 2024 regular Board meeting to oversee a review of current governance policies and processes, including:

- Research into the governance principles, policies and practices of comparative organizations in Canada, with a focus on public libraries with a Carver board.
- Reviewing the Ends, Executive Limitations, Governance Process and Board-Staff Relationship policies, and making recommendations for revisions and improvements.
- Facilitating discussion at the June Board meeting around committee recommendations and incorporating feedback received into a final draft of the policies for review and approval at a later Board meeting.
- Making recommendations for improved processes related to the updated governance policies (i.e., self-evaluation, ownership linkages, orientation).

As of June 18, the committee has met a total of six times.

### Analysis:

#### General

The Committee first considered governance roles/responsibilities, through an in-depth review of Carver principles and the policies/practices of other Ontario Carver libraries.

All Committee members read; *The Policy Governance Model and the Role of the Board Member, Ends and the Ownership, and Evaluating CEO and Board Performance*. All these are books in the Carver Policy Governance Guide.

As the Board uses the Carver model it is essential that all Board members have a good understanding of the model.

The Committee recommends that there be additional training for all Board members on the Carver style of governance and this could include a review of the resource guides.

### **Ends Policies**

The End Policies are an essential part of the Board's work. The Ends policies are developed by the Board and should be driving the work of the library.

The current end statements need to be revisited in order to:

- To affirm or revise the content of the Ends.
- Devise ways of monitoring progress toward these Ends.

### **Executive Limitation Policies**

The Executive Limitation Policies define the means of operation of organization, placing boundaries on the authority granted to the CEO. They are written in the negative to set limits to the CEO's authority but also to grant the CEO the freedom to act within these limits. It is the responsibility of the CEO to interpret the policies and provide supporting evidence. The Board must monitor organization performance against the Executive Limitation Policies.

- The Board needs to understand how to accurately assess/evaluate monitoring reports and how they relate back to the Executive Limitations policies.
- The Committee looked at the Executive Limitation Policies and has recommended some revisions.

### **Board-Staff Relationship Policies**

These policies establish how power is delegated and monitored and outline the authority and accountability of the CEO.

- The Committee recommends some revisions of the existing policies.

### **Governance Process Policies**

Governance Process Policies specify how the Board defines, carries out and monitors its own task.

- Policies were revised to clarify and better define Board governance responsibilities.

### **Recommendations:**

- The Board should participate in training on the Carver Governance style.
- The Board needs to revisit the Ends Policies to affirm or revise them and devise a means of monitoring progress towards these Ends.

- The Board examine and discuss the revisions to the policies as recommended by the Committee.
- The Board accept or revise the changes to the policies that the Committee has made.
- The Committee should continue until the recommendations have been accomplished.