PRIVATE CONTRIBUTIONS ENHANCE PUBLIC LIBRARIES

by Timothy L. Seiler

"*O n this little fund we began. The books were imported; the library was opened one day in the week for lending to the subscribers on their promissory notes to pay double the value if not returned. The institution soon manifested its utility, was imitated by other towns and in other provinces. The libraries were augmented by donations; reading became fashionable; and our people, having no public amusements to divert their attention from study, became better acquainted with books, and in a few years were observed by strangers to be better instructed and more intelligent than people of the same rank generally are in other countries.*"—Benjamin Franklin (Haight, 1941) [Emphasis added]

When Benjamin Franklin wrote about launching a subscription library two hundred seventy years ago, he effectively described the basis of how to begin the process of expanding a funding base. Today, and into the twenty-first century, this passage holds true for library fund raising. Many issues important to lending libraries echo in Franklin's words – the concept of fines for materials returned late, or not returned; the practicality of a book-lending institution for its users; the heightened image of a community with a library; the entertainment value; and the "bragging rights" of a literate, informed citizenry. All are important still today. Yet what is even more startling about this passage is the keen intuition of Franklin the philanthropic fund raiser in quietly making the case for private support for libraries.

In citing some of the benefits of this first library in colonial America, Franklin helps even the late 20th century library director or development director understand the mutually beneficial relationship between public funding and private support. While Franklin's "fund" was in truth a subscription fee and annual dues, the premise formed the base of support for public libraries. In fact, Franklin's experience in developing the subscription library laid the groundwork for the future development of public libraries in America. It was the shortage of booksellers in the colonies which prompted Franklin to gather a number of bibliophiles to pool their own books into a lending collection. This start-up enterprise, however, was not without its financial challenges. Franklin laments that even with "great industry" he was strained to find even fifty persons with the capacity and the willingness to pay down a modest amount for a public subscription library.

Franklin's experience was the forerunner for the development of public libraries in the United States, and in reality, *"public libraries were born of private philanthropic initiative, not public governmental action."* (Jeavons, p. 18)

Just as Franklin initiated the need for collections of books publicly supported and freely available, so too he ran up against the economic weakness of a fledgling community. *"It was impossible to sustain public institutions, like libraries, until our society, or at least particular communities within it, had developed sufficient wealth to have a tax base from which support for them could be drawn."* (Jeavons, pp 18-19)

The real history, then, of American public libraries, is more one of private support than of public support, at least in the origins of libraries. Prior to Franklin's founding of the subscription library, private support for public libraries is usually traced to the bequeathing of a private, personal library to a colonial college in 1636. This was, of course, John Harvard leaving his private collections to a college, which today is known as Harvard University. Other examples of private philanthropists contributing to the development of public libraries include Jacob Astor (New York City), Joshua Bates (Boston), Enoch Pratt (Baltimore), and of course Andrew Carnegie in more than 1,500 communities throughout the U.S. (Burlingame, 1994)

It is important to recall this historical pattern of the development and support of public libraries as a series of partnerships between private philanthropy and public (governmental) support of a public institution. This pattern spells out several essential ideas about public libraries today, and especially tomorrow, and the role of private funding in public libraries. First, it is critical to recognize the role of private individuals in initiating the development of public libraries. Second, public library funding, from the beginning, has been a mix of private and public funds. Third, historically, private funds supported construction or new programs, public funds basic operating costs. These historical patterns are instructive as public libraries today, looking towards funding challenges into the 21st century, grapple with the appropriate mix of private and public monies in their funding base.

Public libraries face the same critical challenges as most public institutions face today: budget cuts, growth in demands for services, opportunities for new services, and other factors which call for expanded or new resources.

Public libraries have responded in predictable fashion: they have increased their fund raising activities and efforts. And they have done so with good justification, the same way good nonprofits address the challenge of meeting community needs. All fund raising for philanthropic purposes derives from mission fulfillment. Philanthropy, in its best form, serves the public good. Libraries, arguably more than many philanthropic organizations, serve the public good. *"Insofar as they fulfill any or all of the three roles that have been part of their historical missions— education, support of a democratic polity, or economic and community development— they are fulfilling a very important function in their communities. Where libraries can evaluate and demonstrate the value of their public service to the community in one or more of these three realms, they should be able to make a strong claim on public financial support as well as on private philanthropic support."* (Jeavons, p.25) Library fund raising is critical to meet the increasing needs of users in a competitive funding environment. Private support coupled with public funding will secure the financial base of public libraries into the twenty-first century.

FOUNDATION SUPPORT

Philanthropic support of libraries and information services continues to grow, proving that there is a readiness to provide private support for libraries. People tend to think first of foundations (private, corporate, and community) as likely sources of private dollars for libraries. There is good evidence that the foundation market is strong for library fund raising. One key source is the *National Guide to Funding for Libraries and Information Services*. The fourth edition of this guide, published in 1997, shows an increase of 17% in number of pages over the third edition, published only four years earlier. The 1997 edition lists 644 grantmaking foundations, direct corporate giving programs, and community foundations which have shown interest in libraries or information services, either as stated areas of funding interests or through grants of $10,000 or more. The *Guide* lists 1,065 grants for $152 million in support of a variety of organizations concerned with libraries and information services. Of the 579 grantmaking foundations listed 277 (48%) made grants to libraries or information services in 1995.

The Big Book of Library Grant Money, a publication of the Taft Group, lists in its 1994 publication profiles of 1,471 funders who give grants to libraries or express a willingness to consider grant proposals from libraries. This total is three times the number of funders identified and profiled in one guide before. *The Big Book* lists grants as small as $1,500 to the Blackwell Public Library (Blackwell, OK) from the Cordelia Lunceford Beatty Trust, to one as large as $1.4 million from the Vincent Astor Foundation to the New York Public Library in its capital campaign. Both of these publications contain introductory material about how to conduct research to find a match between library needs and interested funders, how to make initial contact with a

potential funder, how to prepare an effective grant proposal, and how to maintain contact and deepen a relationship with a funder (even when the proposal is not funded at first).

The Big Book offers this summary advice of how to make a compelling case for grant support: *"Grantmakers are not passive dispensers of cash. They want to work with you to solve a problem or meet a need. Your challenge is to convince them that your library is an expertly run organization, indispensable to the people you serve, and worthy of their investment."* [p. ix] Just as in Franklin's day, libraries which demonstrate their community value can attract private dollars to further their missions.

There is little question that foundations provide generous support to libraries. Developing a fund raising plan which includes foundation fund raising merits attention from the library's fund raising team. It must be noted, however, that foundation grants to libraries tend to come from local foundations, especially small family foundations. These grants are typically small grants and are designated for capital fund drives and special collections. This limits the potential for many libraries to raise substantive dollars from foundations.

It should be recognized generally that total philanthropic giving annually from foundations hovers between six and eight percent of total philanthropic activity recorded in *Giving USA*, a regular publication of the American Association of Fund-Raising Counsel. In 1996, of the $150 billion contributed to philanthropy, 7.8% ($11.83 billion) came from foundations. This represents an increase over the 7.3% given in 1995, and a continuing strong stock market will enable foundations to continue to make larger and larger grants. Nevertheless, the total given by foundations remains only a modest percentage of total philanthropic support.

So while foundation giving has grown as a source of library support, it is imprudent for a library to rely too much on foundation grants as a way to increase philanthropic income. Vartan Gregorian, former director of the New York Public Library and recognized by many as an effective fund raiser, especially for his success in renewing the New York Public Library, cautions that foundations *"can only study and serve as catalysts."* [Dreifus, 1997]

Foundation dollars can get things started, or rejuvenate languishing projects, and they can inspire confidence in other givers. But sustained private support over time must come from other sources in addition to foundations.

CORPORATE SUPPORT

The astute library fund raising team scans the horizon for other funding sources to add to whatever funds it can secure from foundations. One of the most visible sources of funds is the partnership, especially the corporate partnership. Corporate giving has undergone significant

changes in the past decade. What was once viewed as a social responsibility to support societal needs, based on the premise that the corporation comes from the community which allows its incorporation, corporate philanthropy has taken on several different faces in the 1990's. Strategic fund raising for libraries recognizes these different faces and puts on its own appropriate face to secure corporate support. One of the new models of corporate giving is the corporate productivity model [Burlingame and Young, 1996]. This model is built on the premise that corporate giving is intended to help the corporation increase profits. Corporate gifts or grants are made with an eye towards helping the corporation market its products, increase employee motivation, lower corporate costs, or improve corporate public image. Where does the public library seeking corporate support fit this model?

The enterprising fund raising team understands that the corporate productivity model demands that grant requests are built on projects that can improve corporate productivity. The grant proposal should make it clear that support of the library contributes to the bottom line efficiency of the corporation. How does a library make this case?

One criterion that all successful corporations share is adequate, accurate up to date information. Perhaps the quintessential characteristic of libraries is that they gather, hold, and make accessible information. Whether the information is the traditional hard copy directory, book, or periodical, or the very latest technological database, the public library is often the prime source of information for corporate employees in human resources, business, and even law. One of the strongest cases for the library is that it is an accessible source of freely available information. This is a partnership opportunity for the library and potential corporate funders. Such a collaboration between a library and a corporate funder allows the library to fulfill its mission by serving the information needs of its community and provides corporate contributions decision makers with evidence that access to information helps the corporate bottom line.

One of the keys to success in building partnerships with corporate funders is to make it easy for the corporate giver to justify how a grant to a library supports the work of the corporation. This requires effort on the part of the library fund raising team and necessitates a thorough understanding of what the funder wants to accomplish. The effective grant proposal is developed in close discussion with the interested funder in order to develop a *"common understanding of the goals of the partnership, and ensure that all partners are on the same wave length as to objectives, deliverables, roles, and timelines."* [Nevins, 1997]

Libraries can successfully solicit corporate support. Resource guides such as *The Big Book of Library Grant Money* and *The National Guide to Funding for Libraries and Information Services* are evidence of that. It's part of a good

fund raising strategy, then, to have a plan for systematically seeking corporate grants and partnerships. The same caveat, however, as applies to seeking foundation support applies to seeking corporate support. The production of gift dollars is relatively low. All corporate giving in 1996 amounted to $8.5 billion, only 5.6% of total philanthropic giving. Corporate and foundation giving combined amounted to 13.4% in 1996. Even when religious giving is factored out of the equation of philanthropic giving, because nearly 50% of all philanthropic giving goes to religion, corporate and foundation giving still totals less than half of all giving.

INDIVIDUAL GIVERS

These numbers argue for fund raising strategies which develop relationships with individuals as givers. In 1996, individuals contributed $130.38 billion to charitable organizations. This represents 87% of the total philanthropic contributions. Eighty percent of this total was given outright, and another 7% was given through bequests. It is true that nearly half of these gifts went to religion. Factoring the religious giving out, the bulk of charitable gifts still came from individuals. The lesson is that successful library fund raising will recognize the individual as donor. Good fund raising sustained over time will build a diverse funding base, including governmental grants, foundation support, corporate gifts, and especially individual gifts, both current and deferred (or planned), such as bequests, trusts, life insurance, and other estate gifts.

How does the library fund raising team build this individual donor base? First, by making a strong case for support built on the mission of the library. Why did Franklin start the subscription library in the colonies? What was the need? Historically, libraries have maintained their mission of supporting democratic societies, contributing to the education of the public, and providing economic and community development. These missions are still important today. Libraries meet real needs. They provide a public benefit. Fund raising for libraries builds on this mission fulfillment.

As libraries develop a case for philanthropic support, they need to provide answers to three key questions: Why do we (libraries) exist? Why are we worthy of gift support? What benefits accrue to donors who give us gifts?

These are not rhetorical questions but real questions demanding answers. Building a compelling case for gift support stems from persuasive answers to these questions. Library fund raising which demonstrates to potential donors that the library is a community benefit providing value to donors and to others in the wider community will be successful fund raising.

Where does this work begin? At home, with the staff and the board working together interdependently to build and sustain a fund raising program. Fund raising can be distilled into three steps: finding (prospective donors), communicating (articulating the reasons the library deserves

gift support), and asking (for charitable contributions). Library staff and board members need to accept their roles in this process and systematically fulfill the tasks of inviting others to participate in the fulfillment of the mission by making charitable gifts to the library. Part of soliciting gifts is articulating clearly the benefit to the donor for supporting the library.

The most effective fund raising is that which understands the relationship between a donor's need and the institution's need. It is critical to recognize that people have many needs – for affiliation, recognition, repaying, altruism, for example – and that gift-giving is often a way to meet these needs. Fund raising based on matching donor needs to institutional needs (financial support for carrying out programs and services) depends on understanding that fund raising and gift giving represent an exchange of mutually beneficial values. Understanding this dynamic places fund raising in a context of asking for financial support from a position of pride in the philanthropic tradition, a glorious tradition of generous voluntary support for important institutions.

Board members and staff working together can identify people they know to be interested in libraries and their usefulness, their importance in their own lives and in building and maintaining vibrant communities of informed, literate citizens. The fund raising team should build lists of interested persons, including people they know to be frequent users of the library, parents and grandparents of children who frequent the library, and community leaders and decision shapers who advocate the role of public libraries. All persons who can be seen as stakeholders in the library should be considered as potential donors to the library. Exploring the interests of such persons in maintaining public libraries will help broaden the base of private support to the library.

While there may have taken place a shift in the ways libraries are funded, the role that libraries continue to play in today's communities has not diminished. Whether people take pride in being "better instructed and more intelligent than people of the same rank generally are in other countries" as in Franklin's day, or whether the library is appreciated for its utility (whether that means books are available or videos are available), libraries today are still more generally appreciated and respected than many public institutions. Their case for support continues to be strong and readily accepted. Fund raising, then, in a time of shifting resources plays a critical role in assuring that libraries can continue to fulfill their mission. Matching the value of the public library to the interests and needs of donors to support worthwhile causes enables the fund raising team to offer many people every day the opportunity to participate in something much bigger than they are by themselves. In the words of Hank Rosso, the founder of The Fund Raising School, *"Fund raising is the gentle art of persuading people to experience the joy of giving."* Fund raising is an opportunity for staff and board together to invite others who share the values of libraries to fulfill personal and community needs by making philanthropic gifts. The joy of giving to the library is in seeing this well-respected institution flourish throughout the ages.

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