

Frequently Asked Questions Public Library Endowment Challenge Program April, 2008

1. What is the Public Library Endowment Challenge Program? The Challenge, introduced in the 2008 Legislative Session as Senate File 29, was passed by the Legislature to become Senate Enrolled Act 40 and signed into law by the Governor as Wyoming Statute 18-7-201 to 18-7-205. Directors, library board members and library foundation officers should read the entire legislation which is currently online at <http://legisweb.state.wy.us/2008/Enroll/SF0029.pdf> and in this packet. A total of \$9.1 million is available for this endowment challenge: \$7.3 million in this bill, an additional \$1 million transferred from the school permanent fund reserve account, and \$800,000 transferred from the state's general fund.

2. What does this Challenge Program mean to the library, board and foundation? This is an unprecedented opportunity to raise permanent funds for the library system and its future through the library's foundation endowment. County commissioners cannot substitute endowment funds or state matching funds for the standard budget of the library.

3. When does this start? This statute is effective July 1, 2008. Gifts, pledges and transfers for the challenge money can be received by the library through June 30, 2013. Receipt of any pledge or transfer has to be completed no later than December 31, 2014. The Statute does not have a final date for requesting the matching funds from the State Treasurer so that last date for submission will be clarified by the Treasurer.

4. Should the foundation accept money for the match now? Do not accept any gifts that would be directed to the endowment before July 1, 2008. Gifts made on or after July 1, 2008 would be eligible for the state match.

5. Should the foundation accept pledges for the endowment now? No. The pledge for the endowment must occur on or after July 1, 2008 to be eligible for the match. Talk to potential donors about the statute and the library endowment at any time but do not have any documentation showing the pledge was made before July 1, 2008.

6. What should the foundation do about unsolicited donations and gifts currently coming to the library foundation endowment? Do not hesitate to contact donors who send checks for the foundation between now and July 1 to ask them to defer the contribution to July 1 in order to be counted towards the match. Ask the donor if you can destroy that check with the understanding that they will send a new check on or after July 1 and help achieve the match.

7. Does this endowment affect the work of the Friends of the Library? No. The Friends should continue their projects. If they donate any of their earnings to the Foundation for the Endowment they should do so after July 1.

8. How do branches participate in the Endowment Challenge Program? Branch staff and branch Friends of the Library are encouraged to work with the county's library foundation to maximize the benefits of this Endowment Challenge for the entire library system. Money from fundraisers for a branch can be deposited into the permanent endowment to benefit the library system. The library foundation should work with all potential donors throughout the county to build the endowment and receive state matching funds.

9. Can the foundation take gifts of stock, art, or real estate to count towards the match? Yes. The current value of the gift received by the Foundation on or after July 1 counts towards the endowment match. Discuss this with the endowment advisor or trust department. It is recommended that non-cash gifts be converted to cash and be applied to the match.

10. Can local government contribute to the Library Foundation Endowment to help obtain the state match? At the present time the committee does not have an answer. Counties, cities and towns may have different policies on such contributions.

11. How will the library submit requests for my matching funds from the State Treasurer? A specific form will be sent from the State Treasurer's Office that the library will use to request the match.

12. Can the library send a match request to the State Treasurer if not in \$10,000 increments? Yes. The State Treasurer will keep track of all requests for match. The library can submit the Treasurer's form for less than or more than \$10,000. As a \$10,000 increment is reached the Treasurer will release that part of the match.

13. How will the library receive the State match? After documentation has been received by the State Treasurer an electronic funds transfer (EFT) will be initiated by the State Auditor to transfer money from the program into the library's checking account. Then the money is to be transferred to the library foundation's account. The State Library will work with libraries to change their state payment form from receiving checks to EFT.

14. Should the foundation set up a separate bank or financial institution account for this endowment and the state match? Yes, for the time being it is highly recommended that a separate account be established in order to track donations, the state match, and, interest earned for the annual reports to the State Treasurer. Discuss long-term options with your bank, trust department, endowment consultant or the Wyoming Community Foundation.

15 What reports are required? The Challenge Program requires that each library submit a report to the State Treasurer before October 1 of each year on the foundation endowment matching program for the fiscal year (July 1 to June 30) that just concluded. The State Treasurer will identify what is needed in that report.

16. In what ways will WLA help the library and foundation? WLA will provide workshops and training on various elements of endowment development over the next year, including foundation board development, fundraising, investment strategies and grant writing. WLA annual conference programs in Casper in October, 2008 will also address these topics. Onsite consultation is available from Paul Heimer at the Albany County Library Foundation, Debbie Sturman at the Niobrara County Library or others on the list at the end of this FAQ. Bookmark the WLA website at www.wyla.org for ongoing updates.

17. Will the library receive other training concerning all aspects of this Challenge Program? Yes. Library directors will receive announcements of workshops, webinars and other events to share with the library and foundation boards as they are planned. The Wyoming Community Foundation’s Philanthropy Days on June 18-20 in Laramie can help you fast track some of your foundation and endowment work. Go to <http://www.wycf.org/philanthropydays.asp> for more information.

18. Can the State of Wyoming take back any of its challenge funds? The Statute requires the State Treasurer to pay out money from the approved fund. Only the remaining unclaimed state funds in the Challenge Program at the end of the program reverts to the general fund.

19. How were tiers decided? What tier is my library? Tiers were based upon county assessed valuation in 2007. The following spreadsheet shows how the endowments would grow.

County	State Match Formula	Maximum State Match	Maximum Private Funds	Bonus \$100,000*	Total that can be realized
Albany	3 for 1	295,652	98,550	100,000	494,202
Big Horn	3 for 1	295,652	98,550	100,000	494,202
Campbell	1 for 1	295,652	295,652	100,000	691,304
Carbon	2 for 1	295,652	147,826	100,000	543,478
Converse	2 for 1	295,652	147,826	100,000	543,478
Crook	3 for 1	295,652	98,550	100,000	494,202
Fremont	1 for 1	295,652	295,652	100,000	691,304
Goshen	3 for 1	295,652	98,550	100,000	494,202
Hot Springs	3 for 1	295,652	98,550	100,000	494,202
Johnson	2 for 1	295,652	147,826	100,000	543,478
Laramie	2 for 1	295,652	147,826	100,000	543,478
Lincoln	2 for 1	295,652	147,826	100,000	543,478
Natrona	1 for 1	295,652	295,652	100,000	691,304

Niobrara	3 for 1	295,652	98,550	100,000	494,202
Park	2 for 1	295,652	147,826	100,000	543,478
Platte	3 for 1	295,652	98,550	100,000	494,202
Sheridan	2 for 1	295,652	147,826	100,000	543,478
Sublette	1 for 1	295,652	295,652	100,000	691,304
Sweetwater	1 for 1	295,652	295,652	100,000	691,304
Teton	1 for 1	295,652	295,652	100,000	691,304
Uinta	2 for 1	295,652	147,826	100,000	543,478
Washakie	3 for 1	295,652	98,550	100,000	494,202
Weston	3 for 1	295,652	98,550	100,000	494,202
		6,799,996**	3,743,470	2,300,000	12,943,466

* Each county will receive an extra \$100,000 from the state once \$2.3 million has been raised collectively across the state.

** Numbers for the \$295,652 do not include cents so there is a four dollar discrepancy in the Maximum state match column.

20. Who can I contact with my questions? Any member of the WLA Ad Hoc Committee listed below can be contacted. Go to the WLA website <http://www.wyla.org> for additional resources and contacts for the Challenge Program.

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