17. Bookkeeping and Fundraising

While a library does not require a large budget, you will have some expenses. This chapter covers planning for expenses, keeping accounts (bookkeeping), and fundraising.¹

**Expenses: what expenses can you expect and how will you pay them?**

First make a list of needed supplies (stickers, posters, poster boards, paint, labels, boxes, tape, exercise books/logs for record keeping, stamp, etc.). See chapter 3 for a list of required and optional furniture, equipment, and stationery. After you have checked which items you already have and which you need to purchase, you can develop a budget.

Second, decide whether the librarian will be paid. If so, how will the funds be supplied? Here are some possibilities:

- Librarians are paid through school fees.
- Ask the community council or the district administrator to fund a librarian.
- Membership fees: a small amount per person or per family paid once each year (pick a price that fits your community).
- Schools could reduce or waive school fees for a student if a parent/guardian works as the librarian.
- For a community library, hold a community meeting to get ideas to find solutions for hiring a librarian.
- For a school library, hold a parent–teacher meeting to get ideas from parents and teachers.

Most libraries have to fundraise to cover their expenses. Suggestions for fundraising are given later in the chapter.

¹ Some of the information in this chapter is from Libraries for All, a manual written by Laura Wendell for UNESCO (1998), used with permission from UNESCO.
How to keep simple accounts

Why keep accounts?
Keeping account records helps you check how much money you have spent on the library. It will also help you budget how much money you need to spend on the library next year. At a school library, the school accountant will also need to see your records.

The librarian and the library committee must work together to safeguard the money raised by the library and to keep clear records of how it is used. It is essential to keep a record of everything you spend on the librarian, library room, furniture, equipment, stationery, and stock.

This will involve two main tasks:

1. Always ask for a receipt (a note of the cost of your purchases and the date, written on headed paper with the seller’s signature) when you buy anything for the library. Keep all receipts in a safe place.
2. As soon as you have bought any item, write down the date, the amount spent, and a short description of what you have bought in your accounts notebook (see figure 17.1 below).

One of the first decisions you must make is where to keep the money raised by the library. The best place is in a bank account or an account at the post office. In order to open a bank account, you must decide who will have the authority to take out money on behalf of the library (anyone who knows the account number can deposit money). Generally, the treasurer and/or president can take out money. Requiring both of them to sign for the money improves security, but it can be very inconvenient.

To open an account, the person(s) who will have signing authority must bring the money and their identification papers to the bank. Often, a passport or other document with a photo is required. The bank clerks will help them fill out the necessary forms. They will probably have to present their identification papers each time they
withdraw money at the bank (shops may also want to see identification before accepting a cheque). In some countries, you can also get an account at the post office, which may be more convenient than the bank.

If you live in a place where political instability or other factors make it undesirable to keep the library’s money in a bank, you will need to find another solution. A strong box with a good lock will generally discourage most thieves, even more so if the box is hidden from view. If someplace in the community has a safe, such as a shop, a church, or an NGO, they may be willing to let you use it. In general, your chances of avoiding theft will be greatest if only a few people know where the money is kept.

Once you have decided where you will store the library’s funds, you will need to set up a system for keeping track of them. Keeping good records will allow you to report to the community, see if you are within your budget, plan your budget for next year, show your donors how their money was spent, know what equipment or furniture the library owns, and know at all times how much money the library has. The easiest way to keep track of these funds is to record all of the library’s deposits and purchases by date. After each entry, record the total amount left in the account. This is called a balance sheet. You can buy special notebooks called ledgers for recording this information or make your own. Here is an example of all the income and expenses for a small library for the month of January:

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Expense</th>
<th>Income</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Jan. 2013</td>
<td>Benefit party (this money was used to open the account)</td>
<td>$200.00</td>
<td>$200.00</td>
<td></td>
</tr>
<tr>
<td>10 Jan. 2013</td>
<td>Books from the Book Corner</td>
<td>$98.50</td>
<td>$101.50</td>
<td></td>
</tr>
<tr>
<td>12 Jan. 2013</td>
<td>Tape, pens, stamp pad from Ahmed’s shop</td>
<td>$15.00</td>
<td>$86.50</td>
<td></td>
</tr>
<tr>
<td>13 Jan. 2013</td>
<td>Donation from the literacy club</td>
<td>$20.00</td>
<td>$106.50</td>
<td></td>
</tr>
<tr>
<td>17 Jan. 2013</td>
<td>Candles and Kerosene</td>
<td>$3.00</td>
<td>$103.50</td>
<td></td>
</tr>
<tr>
<td>20 Jan. 2013</td>
<td>Desk and four chairs from Mr. Finch, the carpenter.</td>
<td>$70.00</td>
<td>$33.50</td>
<td></td>
</tr>
<tr>
<td>25 Jan. 2013</td>
<td>Dictionary from the Book Corner</td>
<td>$20.00</td>
<td>$13.50</td>
<td></td>
</tr>
<tr>
<td>27 Jan. 2013</td>
<td>Sale of donated corn</td>
<td>$65.00</td>
<td>$78.50</td>
<td></td>
</tr>
</tbody>
</table>

Figure 17.1. Sample balance sheet.
In addition to keeping a balance sheet, you should also save the receipts for all of the purchases you make. You can use the receipts to verify how the money was spent and correct any errors made when entering the numbers in the balance sheet. If necessary, the library committee can always check a receipt by talking to the person who issued it. Most shops will automatically provide a printed receipt. If they do not, be sure to ask for one. Within your community, people may not be used to giving receipts. In that case, a simple handmade receipt is fine (see figure 17.2 for a sample).

I (name) received (the amount of money) from (the library) for (list the good or services) on (date).

(signature)

For example:

I, Mr. Finch, received $70.00 from the community library for one table and four chairs on 20 January 1997.

Edward Finch

Figure 17.2. Sample receipt.

Often, the librarian is responsible for recording all the income and expenses of the library, and the treasurer is responsible for actually writing cheques and making the bank deposits and withdrawals. It is a good idea to have two different people responsible for keeping the records and getting the money from the bank.

The following examples show why:

Example 1: The library holds a big fundraising event. The treasurer collects all of the money and takes it to the bank. Then he or she records the amount deposited in the record book. Since no one but the treasurer knows how much money was raised, what is to stop the treasurer from taking some money and depositing the rest? If, however, someone else records each donation (or, better yet, gives
people receipts for their donations and keeps a carbon copy of the receipts for the library), then there will be a record of how much money was raised and everyone will know if some of it is missing.

Example 2: The librarian takes out $50.00 from the bank account, but only records taking out $30.00. He or she spends $30.00 on supplies for the library and $20.00 on a new outfit. If no one but the librarian is responsible for the bank account and the record book, he or she may never get caught. If, however, the treasurer has to go to the bank to get the money for the librarian, then the librarian will have to account for the total amount to the treasurer.

These examples are not meant to imply that the librarian or anyone on your library committee is dishonest. They simply show that when all the records and the money are in the hands of the same person, there is no way to verify that the money is being handled responsibly. Someone could be dishonest or not – there is no way to tell and there is no way for the librarian to defend himself or herself against any accusations. You want your accounting system to clearly show the community and your donors that their money was used for the library. It is therefore in your interest to have two different people responsible for keeping records and signing at the bank.

Action steps

- Set up a bank or postal account or make another plan to keep the money safe.
- Keep records of all the library’s income and expenses.
- Save receipts from purchases.
- Clearly divide responsibilities between the treasurer and the librarian.
Fundraising

Raising money is one of the most important (and challenging) jobs of the library committee. Here are some tips to make your fundraising more successful:

1. Demonstrate that the library committee is responsible and trustworthy by reporting to the community how past donations were spent.

2. Involve as many people in the fundraising as possible. People are more likely to make donations when asked by their friends or family than when asked by a stranger. You may wish to form a ‘friends of the library’ club. For any event, ask your best supporters to bring 10 people each.

3. Be focused. If you want to raise money for books, make a list of specific books. People prefer to give money when they know exactly how it will be used.

4. Set realistic goals. It is better to beat a small goal than fall short of a large one.

5. Keep track of who contributes. People who give once are more likely to give again.

6. Don’t ask the same people for money in the same way too often. Use a variety of approaches.

7. Always thank every donor!

Here are some ideas for fundraising activities:

Auctions
Ask people in the community to donate goods or services (e.g. repairing a roof). Then ‘auction off’ the donations. Each person who wants to buy an auction item must offer a higher price than the one before. Whoever offers the highest price for an item buys it.

Dances or parties
Try to get musicians or someone with a good collection of recorded music (a DJ) to provide free music and/or someone to donate food and drinks. You can charge
people a small fee to get into the party, and you will also make money on the food and drinks.

**Sell school supplies or snacks**
Libraries in communities where school supplies are not readily available sometimes sell them to make money. This requires money to buy the first group of supplies. If there are already people selling school supplies in your community, try to think of something else you could sell, such as cookies, drinks, or other items. Perhaps you can sell them at a community event such as sports day.

**Church collections**
If your church or other religious institution regularly takes a collection from the congregation, you can ask them to make a second collection for the library.

**Solicitations**
Ask people to make donations to the library. The donations do not have to be money. In many places, it might be easier for people to give some of their crops at harvest time or donate crafts or goods that they sell. The library committee can either sell, auction, or raffle off these donations for money. They may also be able to use them to pay the librarian. Some community members who work or study in distant places may only return for special holidays or festivals and you may therefore want to ask for donations or hold a fundraising event during these times.

**A library garden**
If you live in a farming community, perhaps someone on the library committee or in the community would let you use a piece of land to raise crops for the library. This is a lot of work, but can potentially be a great source of income. Finding people to work the land may be difficult. The library committee should take a leading role in volunteering their time. During planting and harvesting, the whole committee can work together. When there is not as much work, you can rotate the responsibilities. In urban areas, try planting a courtyard garden. You could even
grow peppers, tomatoes, or herbs in pots on a rooftop, porch, or balcony.

**Sporting events**
Ask players or teams to hold a match and charge people a small sum to come and watch.

**Performances**
You could put on a play, puppet show, storytelling session, concert, reading by a local author, or other performance at the library and charge people to attend.

**Movies**
If your library is able to get a DVD player, VCR, or film projector, you can have movie nights. Charge an admission fee and sell drinks and snacks. (Ensure that guests keep the drinks and snacks outside!)

**Grants**
Some NGOs and/or governmental organisations will give money to a library. This is called a grant. Each donor organisation generally has its own application forms and guidelines. It is best to write them a brief letter (or, better yet, visit their offices) to explain the project and ask for an application. If there is an American Peace Corps Volunteer or other aid worker in your community, they can sometimes work with you to get grants to help with a project. Since the process of applying for a grant can be very long and complicated, make sure you contact someone at the donor organisation to find out if your project qualifies before filling out all the forms. It is best to talk with someone at the organisation in person to get advice about the process before you begin. If possible, also talk with someone who has received a grant from the donor.

**Book sales**
Sell the books that can no longer be used in the library (see chapter 5).
You can apply for a grant of US$1,000 from the International Association of School Librarianship (IASL) to purchase books for school libraries, but be aware that they receive many more applications than they can fund.

Applications may be in print or electronic form. The application should be sent to the Chairperson of the Awards Committee of IASL at:

International Association of School Librarianship
PO Box 684
Jefferson City, MO 65102
USA

Website: http://www.iasl-online.org/awards/books.html
Email: laura@penman-winton.com

Applicants must guarantee shelves, space, personnel, and service, and verify this through a letter or other documentation from the school’s headteacher or designated supervisor. Information should also be provided about the school (see the online form for the requested details). The name of the contact person, mailing address, telephone number(s), fax number, and email address (as available) should be included with the application. Applicants should demonstrate their ability to make effective use of the funding by responding to the questions on the application form. Two letters of support are needed to accompany the application. These may come from the school’s headteacher or other designated education or library authority.

The letters should provide details of the school or institution and the library and guarantee facilities and availability of personnel to care for books. The deadline for receipt of applications is April 1 each year.
**Haircuts**
Ask a local hairdresser to donate his or her time and spend a day giving haircuts and/or styling at the library. This is really fun and may encourage some people to visit the library who have never been there before.

**Small coin jar**
Ask library users to bring a penny to contribute. At a school, you can have a jar in each classroom and have a competition. The class that contributes the most gets a small prize.

**Car washes**
Volunteers wash cars for a fee.

**Fun walks**
Each participant contributes a fee and/or each participant asks sponsors to pledge donations if they complete the walk.

**Wearing private clothes**
At a school library, you can allow the students to come to school without a uniform if they make a small contribution to the library.

**Used goods sales**
Ask for donations of clothing, dishes, etc., and sell them.

**Logo items**
Create T-shirts or other items with the library name on them and sell them. Be careful that you don’t spend more money on materials than you make on the items. You might want to design the item and figure out how much it will cost, then take orders. That way, you will only purchase as many items as you have buyers.

**Raffles**
This is a simple way to turn one donation into many. The basic idea is to sell people chances to win a prize. The more the prize is worth, the more people will be willing to pay for the chance to win it.
Example: Esther donates a cow for the library raffle. The library committee sets up a table at the market and sells people raffle tickets (slips of paper on which they write down their name and address or phone number). The tickets are stored in a closed box or bag until the end of the raffle period (a day, a week, or a month) when the winner is chosen by pulling out one ticket.

**Fees/fines**

This is a very important issue. Some libraries decide to charge a yearly membership fee and/or to charge fines when books are not returned on time (see chapter 11). While this may bring in money for the library, it may also prevent some people from using it. This is an issue the committee will need to discuss at length before deciding.

Using the list above, and your own creativity, the committee should make a list of fundraising events you plan to do. For each one, list how much money you expect to raise. Remember that you may need to purchase supplies or pay people to help with some of the fundraising. You will need to plan very carefully to make sure that you don’t spend more on these fundraising events than you can raise. In reality, it is very hard to predict how much money you will make from a fundraising event until you do it a few times. You should therefore plan on more fundraising events than you think you actually need in case some do not work out. When you do a fundraiser, keep careful notes of the procedures you followed so that if you want to repeat it, you will have all the information.

**Action steps**

1. Recruit as many volunteers as possible to help with fundraising.
2. Select fundraising events from the list above or create your own.
3. Set goals for each fundraising event – how much you want to raise and why.
4. Report back to the community how much you raised and how it was spent.