



Policy Name: Sponsorship Policy

Policy Number: 2015-03

Motion Number: #2015-MAR-18

Approval Date: March 23, 2015

Revised Date: \_\_\_\_\_

Review Date: \_\_\_\_\_

### 1.0 POLICY

The Town of Vegreville recognizes sponsorship as an opportunity to offset some costs of municipal programs and operations and as a way to recognize individual or corporate partnerships supporting programs and operations.

### 2.0 PURPOSE

2.1 The purpose of this policy is to create an authorized environment for entering into sponsorship agreements and partnerships. The intent of this policy is to:

- Protect the Town of Vegreville from adverse effects on public safety or on the Corporation's image
- Ensure an open and competitive process is used to secure sponsorship opportunities
- Provide employees with guidelines and procedures with respect to the sponsorship of Town assets including land, facilities, structures, services, programs and events, based on best practices
- To uphold the Town's stewardship role to safeguard the Town's assets and interests.

2.2 The policy provides an enabling environment for the Town of Vegreville to enter into naming rights agreements with corporations, groups, or individuals within set guidelines and procedures for the purpose of enhanced financial sustainability.

### 3.0 PRINCIPLES

3.1 The Town of Vegreville supports the ongoing practices of entering into marketing sponsorship agreements with third parties where such partnerships are mutually beneficial to both parties in a manner that is consistent with all applicable policies set by the Town. Under the condition of this policy, Town staff may continue to solicit such marketing sponsorships.

**3.2 The Town of Vegreville will seek out marketing sponsorship opportunities with third parties who reflect the values and maintain operation policies that are not in conflict with the Town's values, mandate or operating policies, have a positive public image and reflect a high level of integrity.**

**a) Sponsorships shall not be solicited from businesses, organizations or individuals who, in the sole discretion of the Town Manager, are inappropriate partners for the municipality in that their products or business activities do not align with the Town of Vegreville values as expressed in our community plan. Examples of inappropriate sponsorships would include those that:**

- Promote the use of tobacco and alcohol;**
- Promote religious or political messaging specific to any group or faction;**
- Present imaging that is derogatory, prejudicial, harmful to or intolerant of any specific group or individual;**
- Create fiscal hardship for the Municipality and/or its residents;**
- Make them inappropriate sponsorship candidates for reasons not specified herein.**

**b) The Town of Vegreville will seek out marketing sponsorship opportunities with third parties whose purchasing practices embed environmental and ethical criteria into their own purchasing procedures and supply chain management processes**

**3.3 The Town of Vegreville recognizes and supports marketing sponsorships as a revenue generating strategy that balances the benefit of entering into sponsorship agreements with the Town's role as steward of public assets and interests.**

**3.4 It is necessary for the Town of Vegreville to be recognized for those facilities, programs, services etc., where it makes an ongoing significant contribution to capital or operating costs. Clear and permanent identification of the Town will be displayed in adherence to branding guidelines established by the Town.**

**3.5 The Town shall not relinquish to the sponsor any aspect of the Town's right to manage and control the Town's assets or facilities.**

**3.6 The Town reserves the right to terminate an existing sponsorship agreement should any of the following occur:**

- The sponsor organization uses the Town's name outside the parameters of the sponsorship agreement, without prior consent;**
- The sponsor organization develops a public image inappropriate to the Town's values and/or objectives.**

**3.7 Within the first ten opportunities for sponsorship or the first 24 months of this policy being passed, Town administration will bring all sponsorship requests to Council for approval.**

#### **4.0 APPLICATION:**

4.1 This policy applies to all Town departments and divisions.

4.2 This policy does not apply to:

- Independent foundations or registered charitable organizations that the Town may receive benefit from. However, where assets are owned and managed by the Town, this policy shall apply unless otherwise approved by order of Council.
- Gifts or unsolicited donations to the Town
- Funding obtained from other orders of government through formal grant programs
- Town sponsorship support of external projects where the Town provides funds to an outside organization.
- Third parties who lease Town property or hold permits with the Town for activities or event

#### **5.0 PROCEDURES**

5.1 Concept approval for sponsorship projects will be obtained from the appropriate department manager before potential sponsors are approached or agreements are made.

5.2 Sponsorship proposals should be in writing and outline the marketing benefits that will be exchanged between both parties

5.3 Sponsorship agreements that have a purchasing element (i/e. naming rights) or have a value of greater than \$50,000 annually will go through either an Expression of Interest or a Request for Sponsorship Proposal process unless otherwise approved by the appropriate department director.

5.4 Sponsorship agreements over \$1,000 will adhere to the following procedures:

- a) Be confirmed in writing and a copy of the signed contract to be sent to the appropriate department manager for information
- b) Be signed by an authorized representative of both the Town of Vegreville and the sponsor.
- c) Outline the term of the agreement. Terms for all agreements shall not exceed 5 years unless authorized by the appropriate department manager
- d) Include details of the exchange of marketing benefits, including both what the Town will receive from the sponsor, and what benefits are to be provided to the sponsor.
- e) Use of templates prepared and approved by the Town Solicitor for sponsorship agreements are recommended to minimize risks to the Town and to create efficient internal practices for sponsorship. If templates are not used, agreements should be reviewed by the Town Solicitor to ensure compliance to legislation, etc.

**5.5 Authorization to enter into the sponsorship agreement is as follows:**

- a) Sponsorships under \$25,000 shall be authorized by the appropriate department manager
- b) Sponsorship over \$25,000 but less than \$50,000 shall be authorized by the Town Manager.
- c) Sponsorship agreements between \$50,000 and \$100,000 which pursuant to 5.3 have gone to tender, shall be reviewed by the Town Solicitor and authorized by the appropriate department manager.
- d) Sponsorship agreements over \$100,000, which pursuant to 5.3 have gone to tender, shall be reviewed by the Town Solicitor, authorized by the appropriate department manager, Town Manager and approved by Council.
- e) Sponsorship agreements that involve the sale of naming rights, which pursuant to 5.3 have gone to tender, shall be reviewed by the Town Solicitor, authorized by the appropriate department manager, Town Manager and approved by Council. Council may wish to direct Administration to solicit public feedback on the sale of naming rights to specific sponsors.

**5.6 The following specific guidelines shall be applied when entering into a naming rights agreement for the Town-owned, Town-operated assets:**

- a) An asset analysis and market evaluation is to be completed to determine the value of the asset in the marketplace. This process is to be done in conjunction with the Director of Corporate Services.
- b) A risk/benefit analysis must be completed prior to the acceptance of any naming rights offer
- c) The proposed naming rights purchaser must support the image and values of the Town of Vegreville and the community
- d) The Town shall not relinquish to the purchaser any aspect of the Town's right to manage and control the asset
- e) Proceeds received by the Town for the naming rights sale are to be used for:
  - the enhancement and maintenance of the named asset
  - the provision of programs and services directly related to the mandate of the asset
  - investments whose proceeds contribute to the delivery of Town services
- f) Signage, branding, publicity and advertising shall conform to all applicable federal and provincial statutes, and to all applicable municipal bylaws and policies
- g) Administration will forward a report with recommendations to Council regarding the naming rights opportunity. The report process will be led by the appropriate department manager with participation from all other departments affected
- h) The naming should consider historical and community significance
- i) Costs for promotion of the renaming of a facility shall be incorporated into the naming rights agreement and not the Town's annual operating budget

- 5.7 Pricing of sponsorship over \$50,000 should be done in conjunction with the Director of Corporate Services to ensure industry value standards are applied where available based on market research conducted on behalf of the Town of Vegreville.
- 5.8 Solicitation and negotiation of sponsorships will be conducted by Town staff that is trained in sponsorship practices. All Town sponsorship agreements will be negotiated in good faith and represent the Town in a professional manner.
- 5.9 Use of the Town's logo in combination with the sponsor logos will be in keeping with the Town's Visual Identity Guidelines.
- 5.10 Use of sponsors logos and direct links from the Town's website are permitted within the standard guidelines for web content. Any requests for non-standard use will be considered jointly by the sponsorship strategist and the website administrator.
- 5.11 Council will be advised annually, by confidential memo, a summary of all refusals and sponsorships of over \$50,000. The Town will only enter into agreements with sponsors who are compatible with the Town's values, mandate and policies.
- 5.12 All bylaws of the Town of Vegreville will be adhered to.
- 5.13 All provincial and federal laws governing sponsorship including those regarding the issuing of charitable donation receipts will be adhered to.

## **6.0 RESPONSIBILITES**

Parties involved in sponsorship negotiations and decisions undertake the following specific responsibilities:

### **6.1 Town Council, will:**

- Approve the Town of Vegreville Sponsorship Policy and guidelines as necessary
- Approve sponsorship agreements over \$100,000 or that involve the sale of naming rights

### **6.2 Appropriate Manager:**

- Asset evaluation and pricing of sponsorships over \$50,000 in conjunction with the Director of Corporate Services reviewing and assisting in the development of sponsorship opportunities as requested

### **6.3 Director of Corporate Services:**

- Providing guidance to all Town departments regarding the interpretation and application of the sponsorship policy monitoring/auditing corporate-wide sponsorship projects
- Managing the Town's sponsorship business for the Town of Vegreville

**6.4 Appropriate Department manager**

- Concept approval for sponsorship projects before sponsors are approached or agreements are made
- Authorization of sponsorship agreements in accordance with guidelines
- Annual tracking and reporting of all Town of Vegreville sponsorship agreements over \$1,000
- Ensure that representatives of the Town of Vegreville entering into sponsorships are aware of, and act in accordance with the sponsorship policy

**7.0 RELATED POLICIES**

Land Use Bylaw with respect to the display of signage.

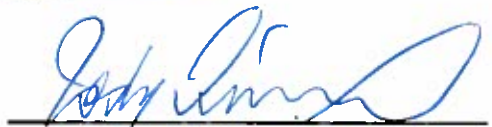
**8.0 ACCOUNTABILITY**

Adherence to policy is a Town employee requirement and non-compliance will be addressed as per all Town policies and procedures.



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Mayor Myron Hayduk



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Jody Quickstad, Town Manager