**Sponsorship Procedure**

## Associated Policy

**This Sponsorship Procedure must be read in conjunction with the Sponsorship Policy**.

## Overview

* 1. These procedures describe the requirements for entering a sponsorship arrangement.
  2. The procedures aim to ensure sponsorship arrangements are consistent with the values, corporate purpose and goals of the Canberra Institute of Technology (CIT) and ACT Government.

## Procedures

* 1. Sponsorship may be in the form of in-kind or financial support, or a combination of both.
     1. In-kind support may take the form of:
* promotional support, such as internal promotion of an event, use of promotional tools such as Newsletters, webpages or email;
* use of facilities (buildings, grounds, equipment);
* intellectual expertise (staff and student); or
* supply of branded merchandise.
  + 1. Financial support will take the form of a monetary amount for which CIT or the Organisation is invoiced.
  1. Sponsorships should possess the following common core criteria:
* be consistent with CIT’s brand attributes, strategic direction and core values;
* provide mutually beneficial outcomes;
* enhance CIT’s reputation;
* provide promotional opportunities for CIT (internally and/or externally);
* strengthen and support brand awareness; and
* contribute towards enhancing the student experience.
  1. Outgoing Sponsorship (provided) by CIT in support of activities undertaken by an external organisation. For example, CIT may consider providing a sponsorship contribution to assist an organisation with the delivery of:
* an award program and ceremony;
* a trade show, business event development and marketing;
* conference and forum hosting;
* community education;
* sporting teams or events; or
* publications.
  1. Incoming Sponsorship (received) by CIT, provided by an entity in support of ACT Government activities. This is sometimes referred to as Corporate Sponsorship. This results in the receipt of cash, products or provision of in-kind support to CIT.
  2. Before seeking Incoming Sponsorship for any CIT event, activity or project the following matters should be considered:
* what rights or benefits can be offered to a sponsor;
* what type of sponsorship support best suits the needs of CIT (cash or in-kind support);
* whether the sponsorship arrangement will be viewed positively by the community; and
* whether the necessary resources will be available to manage the sponsorship.
  1. Where advertisements are placed seeking Incoming Sponsorship, they should include details such as the opportunity, potential benefits to sponsors, the due date for proposals, the format required, the predetermined assessment criteria and the selection method to be utilised.
  2. Direct sponsorship agreements will only be negotiated with organisations whose public image, products and services are consistent with the values, corporate purpose and specific policies of CIT and the ACT Government.
  3. When considering an organisation as a potential sponsor, CIT should evaluate the appropriateness of the type of products or services the organisation markets, the marketing methods used, its public image as an employer and the impact its products and processing have on the environment.
  4. Where there is doubt as to the suitability of an organisation, the sponsorship negotiations should not proceed until advice has been sought from the relevant Director who may escalate the situation to their relevant Executive Director.

## Sponsorship Principles

* 1. The Independent Commission Against Corruption’s (ICAC) ‘Ten sponsorship principles’ are listed with accompanying explanations relating to application within CIT provided at Appendix A. CIT employees are required to adhere to these principles or advise the Director/Executive Director and document any reason for variation from them.

## Managing Sponsorship

* 1. Following negotiation of sponsorship arrangements, an agreement in some form must be executed and may be prepared in the following formats:

| **Amount** | **Delegate** | **Agreement** |
| --- | --- | --- |
| $0-$2,000 | Directors or above | An exchange in writing |
| $2,000-$10,000 | Executive Directors | Sponsorship Letter (Attachment A) |
| $10,000+ | CEO (plus the CIT Board where necessary) | Sponsorship Contract (Attachment B) |

## Legal, contracts and written agreements

* 1. Sponsorship documents should be kept in accordance with CIT’s Record Management Policy and Procedures.
  2. Sponsorship agreements shall be for a specific period and purpose and may be re-negotiated by either party. This ensures CIT will not be financially disadvantaged in the event a sponsor withdraws.
  3. Every sponsorship agreement will contain a clause that allows for the cancellation of an agreement without penalty where information questioning the appropriateness of an organisation as a sponsor comes to light after the agreement has been signed.
  4. The agreement must include the acknowledgement arrangements to avoid any future dispute over the nature of the obligations.
  5. Although sponsorship agreements may provide exposure of the sponsor’s corporate logo or name, the written agreement must not endorse or recommend any product or service.
  6. Attached to this procedure are Agreement examples, further assistance can be sought from the Executive Officer, Industry Engagement and Strategic Relations.

## Acknowledgement

* 1. The extent of acknowledgement should reflect the level of sponsorship and be consistent with the standards and values of CIT and the ACT Government.
  2. CIT’s name, official letterhead and buildings should not incorporate the names or logos of sponsors and should not be used to advertise sponsor’s products.
  3. Suggested forms of acknowledgement are:
* placement of a plaque, signs or banners at events or in an associated colleges or departments foyer or notice at CIT acknowledging the support;
* joint media or promotional opportunities;
* inclusion of the sponsor’s name, logo in presentation slides or other information in leaflets, brochures, web pages, advertisements, or CIT’s newsletters;
* use of facilities, which may include hospitality, preferential seats, opportunity to speak or otherwise participate at a program, event or activity;
* verbal acknowledgement by the master of ceremonies or other speakers at events;
* temporary reciprocal website links between sponsor and CIT’s web pages; and
* defined limited use of CIT’s logo by the sponsor.
  1. CIT’s logo must be prominently displayed in conjunction with any sponsor’s name, logo, trademark or symbol used at an activity on any printed matter or on clothing. CIT’s logo shall be at least the same size as the sponsor’s logo.

## Financial accountability

* 1. Prior to contract execution the sponsorship arrangement must be discussed with the relevant CIT Business Support Manager.

## Monitoring and reporting

* 1. CIT departments, colleges, divisions that enter sponsorship arrangements are required to:
* maintain copies of the sponsorship agreements;
* monitor and report to Directors and the Executive Management Committee as required;
* advise the Director of all sponsorships at the outset of formal negotiations;
* provide the Director with details of sponsorship income and expenditure and how the sponsorship benefited CIT;
* monitor adherence to the principles and mandatory procedures of the policy;
* ensure details of sponsorship income and expenditure are provided to the Director for reporting purposes;
* advise and seek Director (or above) approval for sponsorship negotiation and agreement in line with the CIT Financial Delegations;
* Directors provide advice on and, at times, assist with negotiation for sponsorships;
* make details available of current sponsorship agreements entered during that year for the CIT’s annual report; and

## Contact

* 1. The Executive Director, Industry Engagement and Strategic Relations is responsible for this policy.
  2. For support contact the Executive Officer, Industry Engagement and Strategic Relations

## Complaints

* 1. Any concerns about the application of this procedure or the procedure itself, should be raised with:
* the Executive Director, Industry Engagement and Strategic Relations
* the Complaints Students and Community Members Policy on CIT’s website.

## References

* 1. Definitions

**Sponsorship**: is the negotiated provision of funds, in kind support through the provision of goods or services to schools and central office units in exchange for advertising, publicity or other benefits. Sponsorship:

* may take the form of cash support and/or provision of material goods or other resources, such as labour or facilities, in exchange for agreed acknowledgment
* may be between one or more schools and/or central office units and one or more organisations; and
* does not include direct commercial dealings between organisations and schools/central office units, simple donations of goods and services, or materials developed independently by organisations for use in schools/central office units.

A **Sponsorship Agreement**: is a written document outlining the negotiated terms for a sponsorship. Agreements may be

* with a business or organisation
* the first step to, or the outcome of, links formed with business and other community organisations; or
* part of, or an outcome of, a much wider relationship with the community.

**Sponsorship Agreements** may take the form of:

* an exchange in writing
* the sample Sponsorship Letter (Attachment A); or
* the sample Sponsorship Agreement (Attachment B).
  1. Related Policies and Documents
* CIT Sponsorship Policy
* CIT Finance Policy
* **Attachment A –** Sample Sponsorship Letter
* **Attachment B –** Sample Sponsorship Agreement

***Appendix A - Ten sponsorship principles***

| **Principle** | **CIT Application** |
| --- | --- |
| 1. A sponsorship agreement should not impose or imply conditions that would limit, or appear to limit, a public sector agency’s ability to carry out its functions fully and impartially. | A sponsorship arrangement must not influence or appear to influence CIT’s goals, strategic direction or integrity. Incoming Sponsorship does not allow a sponsor to determine or influence the content of any program or service. All interactions need to be transparent and be able to withstand public scrutiny. If any doubt exists about the propriety of a proposed sponsorship agreement employees must consider whether the arrangement would withstand critical public scrutiny.  It is reasonable for sponsorship to be one factor in determining the priority of some projects; however, this must not affect or compromise core CIT objectives. When drafting a sponsorship agreement, it is important that it does not include conditions that would limit or appear to limit CIT carrying out its functions. |
| 1. There should be no actual conflict between the objectives and/or mission of the sponsored agency and those of the sponsor. | Before entering into a sponsorship agreement, employees should consider whether association with the sponsor/recipient organisation could lead to any conflict, perceived or actual, with CIT’s policies, practices and objectives, or the ACT Government's broader policies and objectives. Sponsorship is in essence partnering CIT’s name and reputation with that of the sponsor/recipient organisation. Outgoing Sponsorship recipients should be reputable individuals or organisations, and there should be no conflicts arising from the personal relationships or financial arrangements of staff involved in sponsorship assessment, approval or administration.  Organisations from which Incoming Sponsorship would generally not be accepted are those with links to, for example, the tobacco industry, heavily linked with political or religious activities and those that are competitors of existing sponsors. Acceptance of proposals in these circumstances should be considered on a case-by-case basis. |
| 1. In general, a public sector agency with regulatory or inspection responsibilities should not seek or accept sponsorship from people or organisations which are or may be subject to regulation or inspection by the agency during the life of the sponsorship. Where adhering to this principle would unduly limit the agency’s sponsorship prospects, the agency should develop alternative strategies to ensure it can carry out its regulatory or inspection responsibilities in relation to sponsors in an open, fair, accountable and impartial manner. | CIT should not provide Outgoing Sponsorship to an organisation that is or could be subject to regulation or inspection by CIT during the life of the sponsorship.  Additionally, when considering accepting Incoming Sponsorship, CIT should consider the public interest, accountability and public perception. Action should be taken to manage potential risks. In general CIT should not seek or accept sponsorship in cases where the individual or organisation would be subject to regulation or inspection by CIT. Reasons for non-adherence to this principle and the strategies implemented to carry out CIT’s responsibilities must be documented in each case. |
| 1. Sponsorship of a public sector agency or activity should not involve explicit endorsement of the sponsor or the sponsor’s products. | CIT will not explicitly endorse a sponsorship recipient’s organisation or products. Use of the ACT Government/CIT logo must be in accordance with the ACT Government Branding Guidelines. It must also be within the terms of the sponsorship agreement, which should include the ways in which the sponsor can use the sponsorship relationship, for example in advertisements or magazine articles. |
| 1. Where sponsorship involves the sponsor providing a product to the agency, the agency should evaluate that product for its fitness for purpose against objective criteria that are relevant to the agency’s needs. | A sponsor’s products should not be accepted simply because they are offered free of charge or at a discounted rate. The relevance and suitability of the products in relation to the sponsored activity should be assessed. For example, products to be provided as a component of in-kind support, for the purpose of ‘giveaways’ at an event, must not be of sub-standard quality or inappropriate to CIT’s activities or the event being delivered. |
| 1. It is inappropriate for any employee of a public sector agency to receive a personal benefit from a sponsorship. | Sponsorship must be used in the public interest and should not benefit individual employees. As detailed in the *ACT Public Service Code of Ethics*, public servants are prohibited from using their positions to obtain benefits. The appearance of influence may damage the employee’s reputation or affect public trust in CIT’s integrity. In instances where a sponsorship agreement specifies, or results at any time in, the offer of gifts/tickets to events and/or hospitality to individual employees these must be treated in accordance to the *CIT Hospitality, Meetings, CIT Ceremonies and Gifts Policy, CIT Chief Executive Financial Instructions*. The *CIT Hospitality, Meetings, CIT Ceremonies and Gifts Policy* details the approval processes, responsibilities and reporting requirements including, where relevant, completion of the CIT Gifts, Benefits and Event Attendance Register.  An example of a personal benefit requiring this treatment would be something a sponsorship recipient gives directly to an individual staff member for their personal use and which provides no benefit to CIT, such as tickets to a sporting event or a holiday. |
| 1. In most circumstances the public interest is best served by making sponsorship opportunities widely known. To this end sponsorships should be sought and granted by using broadly based, open processes that are not limited solely to invited sponsors. | Incoming Sponsorship opportunities have a monetary value and therefore CIT should ‘test the market’ when seeking sponsors. This also provides equality of opportunity to potential sponsors. Whilst public tendering or advertising for expression of interest is the most appropriate method, it may not suit all circumstances. For example, the risk of losing opportunities due to the time taken by such a process may require a different approach.  In some cases, dealing directly with potential sponsors through direct approach, for example when the activity would be likely to be of interest only to one potential sponsor, may be more beneficial. Direct approaches may also be required where there is insufficient response to an advertisement. Appropriate records of the circumstances, decision making processes and corruption risk mitigation must be kept when sponsorship opportunities are not offered widely. |
| 1. Public sector agencies should assess sponsorship proposals against predetermined assessment criteria which have been published in advance and are circulated to organisations that submit an expression of interest. | As noted above predetermined assessment criteria should be made available to prospective applicants as required and for Incoming Sponsorship included on the CIT website as relevant. These criteria are to be developed for each business unit as relevant to their specific objectives. |
| 1. A sponsorship arrangement is a contract and should be described in a written agreement. | Sponsorship agreements are legally binding contracts and should be prepared in the formats specified in Section 5. The more complex or valuable the sponsorship, the more detailed the agreement should be. Agreements ensure there is recourse for resolution of disputes for more detailed sponsorship arrangements (should they arise). |
| 1. All sponsorship arrangements should be approved by the CEO or another designated senior officer of the agency and described in the agency’s annual report in a form commensurate with the significance of the sponsorship. | Section 5 describes the responsibility for the approval of sponsorship arrangements and agreements in CIT.  Assessment processes and reasons behind all decisions made should be documented.  The Chief Minister’s Annual Report Directions have not to date required reporting of the specifics of incoming sponsorship. Therefore, this Principle is not fully adhered to by CIT at present. |