



ADMINISTRATIVE DIRECTIVE

Title: Sponsorships and Donations
Issuing Department: Town Manager's Office
Effective Date: February 15, 2019
Approved: Jamsheed Mehta, Town Manager
Type of Action: Revision

1.0 PURPOSE

This administrative directive establishes a consistent and coordinated approach to soliciting sponsorships and donations for Town events, programs, facilities, or projects, while ensuring that activities are consistent with the Town's Code of Ethics and remain responsive to the public's needs and values.

The Town of Marana does not endorse individual vendors, products, or services. Therefore, any reference to a sponsor is not intended as, and does not constitute or imply, the endorsement, recommendation, or approval of its products or services.

2.0 DEPARTMENTS AFFECTED

All Town of Marana departments and employees.

3.0 REFERENCES

3.1 Marana Town Code Chapter 3-4: Procurement

3.2 Marana Resolutions No. 2015-006, 2016-122 and 2018-010, establishing the Town of Marana Signature Event Series

3.3 Town of Marana Personnel Policies and Procedures, Policy 1-2: Code of Ethics

4.0 DEFINITIONS

4.1 Donation: A gift or contribution of cash, goods, or services given voluntarily toward an event, program, facility, or project where no reciprocal commercial benefit is given or expected.

4.2 In-kind: A donation or sponsorship received in the form of goods or services rather than cash.

4.3 Naming rights: The right to name or re-name Town-owned facilities or property.

- 4.4 Nonprofit support organizations: Organizations designated under Federal Tax Code as 501(c) (3) entities that have formal agreements with the Town, where the sole purpose of the organization is raising funds for Town events, programs, facilities, or projects.
- 4.5 Signature sponsor: The main or title sponsor of a Town of Marana signature event.
- 4.6 Sponsor: A third party who provides the Town or a Town department with cash or in-kind assistance for an event, program, facility, or project with the intent of promoting itself or its products or services.
- 4.7 Sponsorship: A mutually beneficial business arrangement between the Town and a third party, in which the third party provides cash or in-kind assistance to the Town in return for access to the commercial marketing potential associated with the Town; sponsorships may include sponsorship of one or more of the Town's programs, projects, events, or facilities.

5.0 POLICIES AND PROCEDURES

- 5.1 Donations. Town staff may accept cash or in-kind donations for Town events, programs, facilities, or projects at any time, subject to the provisions of this directive. No reciprocal commercial benefit is given or expected for donations. The Town may provide documentation of the donation to the donor. Town staff must not give legal or tax advice regarding any donation.
- 5.2 Sponsorships. Third parties may sponsor Town events, programs, facilities, or projects, in whole or in part, through cash or in-kind assistance. Third parties interested in either type of sponsorship shall submit a sponsorship application to the Town. Sponsors other than signature sponsors will be accepted on a first come, first served basis until the Town has the desired number of sponsors for a given event, program, or project, as determined by the Town.
 - 5.2.1 Cash sponsorship. The Town shall define sponsorship packages for its signature events and may define sponsorship packages for other events, programs, and projects. These packages will outline the marketing benefits provided at each level of cash sponsorship provided. Town staff may also accept cash sponsorships that are not included in the Town's sponsorship packages and shall provide the sponsor with marketing benefits that are determined to be commensurate with the amount of the sponsorship.
 - 5.2.1.1 A contractor awarded a contract to provide goods or services to the Town for an event or program may provide a sponsorship for that event or program in the form of a cash discount on the contractor's goods or services. When this occurs, the Town shall provide the sponsor with marketing benefits that are determined to be commensurate with the amount of the sponsorship.
 - 5.2.2 In-kind sponsorship. When a third party proposes an in-kind sponsorship, Town staff, in its discretion, shall determine whether the proposed in-kind sponsorship is compatible with the event, program, facility, or project, and complies with the provisions of this directive. Town staff shall reject the proposed sponsorship if it is not compatible or not in compliance. If the proposed in-kind sponsorship is accepted, Town staff shall determine the value of the in-kind sponsorship and provide the

sponsor with the same or similar marketing benefits as are provided to a sponsor providing the same or similar amount in a cash sponsorship.

5.3 Signature sponsorship procedures

5.3.1 Only one signature sponsor is permitted per signature event.

5.3.2 For signature sponsorships, the Town shall establish a deadline for sponsorship applications for each signature event.

5.3.3 If the Town receives more than one request for a signature sponsorship of a signature event, the Town shall use the following criteria to determine which sponsor shall be selected as the signature sponsor:

5.3.3.1 Consistency of the prospective sponsor's products, customers and promotional goals with the Town's character, values and service priorities.

5.3.3.2 The ability for the Town to retain its identity as owner/operator of the event.

5.3.3.3 The prospective sponsor's historical participation and association with community projects and events and continued willingness to participate.

5.3.3.4 Anticipated public perception of the association between the Town and the prospective sponsor.

5.4 Solicitation of sponsors and donations. Subject to the provisions of this directive, the Town may solicit sponsors and donations, including signature sponsors, for events, programs, facilities, or projects when there is a significant and justifiable need for assistance for an event, program, facility, or project that enhances or supports the community.

5.4.1 Staff in the Communications/Special Events Division and in the Parks and Recreation Department may solicit sponsors and donations for their respective events, programs, facilities, and projects. Any solicitations by other Town staff members must be approved by the Town Manager's Office.

5.4.2 The following guidelines shall be followed when soliciting sponsors or donations:

5.4.2.1 For any sponsorship or donation valued at less than \$2,500, the soliciting department shall follow operational procedures that provide for obtaining adequate and reasonable competition under the circumstances.

5.4.2.2 No fewer than three businesses shall be solicited for any sponsorship or donation valued between \$2,500 and \$25,000.

5.4.2.3 A formal competitive solicitation process conducted by the Finance Department shall occur for any sponsorship or donation valued at greater than \$25,000.

5.4.2.4 A formal competitive solicitation process may be conducted for sponsorships or donations valued at less than \$25,000 if deemed advantageous to the Town.

5.5 Prohibited sponsors/donors. The following industries and products are not eligible for sponsorships and shall not be solicited for sponsorships or donations:

5.5.1 Companies, subsidiaries and associations with products or services that are prohibited or restricted by Town Code or other governing laws and policies.

- 5.5.2 Companies or subsidiaries whose business is derived from the sale or manufacture of tobacco products or sexual/adult-oriented products where the targeted audience of the event, program, facility, or project is youth under 18 years of old.
- 5.5.3 Alcoholic beverages when the targeted audience of the event, program, facility, or project is youth under the legal drinking age.
- 5.5.4 Parties involved in a lawsuit with the Town.
- 5.5.5 Parties involved in any stage of negotiations for a Town contract unless the contract is directly linked to a sponsorship opportunity.
- 5.5.6 Parties that are suspended or debarred from participating in the Town's public procurement process.
- 5.5.7 Parties with an active land use matter pending before the Town, including, but not limited to, a rezoning request, a general plan amendment, or an annexation case.
- 5.5.8 Religious or political associations or candidates running for any political office.
- 5.5.9 Parties, products or services that are likely to subject the Town to adverse publicity or create an appearance of impropriety.
- 5.6 Media sponsors. The Town may enter into sponsorship agreements with media outlets for events, programs, facilities, or projects, in addition to the cash and in-kind sponsorships discussed above. All media sponsorships shall be in compliance with the Town's procurement code.
- 5.7 Naming rights. The Town may enter into an agreement with a third party for naming rights to a Town-owned facility or property. Any agreement for naming rights must be approved by the Town Council.
- 5.8 Exemptions. This directive does not apply to:
 - 5.8.1 Solicitation of sponsorships by non-profit support organizations.
 - 5.8.2 Funding obtained through formal grant programs or an intergovernmental agreement (IGA).
 - 5.8.3 Town support of external projects where the Town provides funds to an outside organization.

6.0 RESPONSIBILITIES

- 6.1 The Finance Department and the department administering the sponsorship shall evaluate all sponsorships to ensure the Town is receiving fair and competitive compensation and that sponsor recognition is consistent with the scale of each sponsor contribution.
- 6.2 The Legal Department shall provide sponsorship agreements when deemed necessary.
- 6.3 Staff in the department administering the sponsorship, shall ensure adherence to the principles and guidelines outlined in this directive.
- 6.4 The Finance Department shall provide general guidance, cost/benefit analysis, and direction relating to the appropriate budgeting of revenues and expenditures in a manner

that maximizes the benefits of each sponsorship for the initiating department, the Town, and the sponsor.

6.5 The Finance Department shall oversee the preparation of solicitations for sponsorships when the amount of money involved warrants a formal solicitation process.

6.6 Staff accepting or soliciting sponsorships or donations are responsible for exercising due diligence to ensure that the sponsor or donor is not prohibited from sponsoring or donating to the Town by any of the provisions of section 5.5 above. This will require staff to consult with Development Services, Finance/Procurement, and the Legal Department regarding each prospective sponsor or donor.

7.0 ATTACHMENTS

Reserved

REVISION HISTORY

	<i>DESCRIPTION OF CHANGE</i>	<i>DATE</i>
OR	Original Release	6/15/2018
REV	Revision	2/15/2019

Caution: A copy of this Administrative Directive is an uncontrolled document. It is your responsibility to ensure you are using the current version. The electronic version is the only acceptable and controlled Administrative Directive.