

# NETWORK AID SPONSORSHIP POLICY 2023

# **Supporting A Change**





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## Introduction

The following guidelines in this Sponsorship Policy have been specifically designed for NETWORK AID Partnership and Fundraising Unit, while considering that these guidelines may be later adapted and implemented across all sponsorships. Some assumptions regarding this policy are: -

- I. Partnerships for facilities and program development may be pursued based on the NETWORK AID Partnership Policy, encouraging the development of partnerships for the benefit of its constituents, and potential partners. Sponsorships are one type of partnership, and one avenue of procurement for alternative funding resources. The Sponsorship Policy may evolve as the needs of new projects and other events and programs are incorporated into its usage.
- II. Broad guidelines are offered in this policy primarily to delineate which types of sponsors and approval levels are currently acceptable for NETWORK AID sponsorship, fundraising and partnership needs.
- III. The policy ensures that the definition of potential sponsors may include noncommercial community organiz ations (for example: YMCAs and Universities), but does not include a forum for noncommercial speech or advertising.
- IV. Sponsorships are clearly defined and are different from advertisements. Advertisements are one type of benefit that may be offered to a sponsor in exchange for cash or in-kind sponsorship.
- V. The difference between sponsors and donors is clarified, as some employees/volunteers and the public often confuse and misuse these terms.

## **Policy Structure**

This policy is divided into three parts (structure) Part A, B and C. Part A of this document gives the Sponsorship Policy Part B gives the Levels of Sponsorship Tiers and Benefits Part C provides the Vocabulary and Glossary of Sponsorship Terms



## Part A.

# **NETWORK AID Sponsorship Policy 2023**

## A. Purpose

To utilize and maximize the community's resources, it is in the best interest of Network AID to create and enhance relationship-based sponsorships. This may be accomplished by providing local, regional, and national commercial businesses and nonprofit groups a method for becoming involved with the many opportunities provided by the Network AID. The Network AID delivers quality, life-enriching activities to the broadest base of the community. This translates into exceptional visibility for sponsors, donors and supporters. It is the goal of Network AID to create relationships and partnerships with sponsors for the the financial benefit of Network AID programme focus and its constituents.

## a) Sponsorships vs. Donations

It is important to note that there is a difference between a sponsorship and a philanthropic donation. Sponsorships are cash or in-kind products and services offered by sponsors with a clear expectation that an obligation is created. NetworkAID is obliged to return something of value to the sponsor. The value is typically public recognition and publicity highlighting the contribution of the sponsor and/or the sponsor's name, logo, message or services.

The Sponsor usually has clear marketing objectives that they are trying to achieve, including but not limited to the ability to drive sales directly based on the sponsorship, and/or quite often, the right to be the exclusive sponsor in a specific category of sales. The arrangement is typically consummated by a letter of agreement or contractual arrangement that details the particulars of the exchange.

In contrast, a donation comes with no restrictions on how the money or in-kind resources are used. This policy specifically addresses sponsorships, the agreements for the procurement of the resources, and the benefits provided in return for securing those resources. Since donations or gifts come with no restrictions or expected benefits for the donor, a policy is generally not needed.

## **B.** Guidelines for Acceptable Sponsorships

Sponsors should be businesses, nonprofit groups, or individuals that promote mutually beneficial relations hips for the Parks & Recreation Network AID. All potentially sponsored properties (facilities, events, or programs) should be reviewed in terms of creating synergistic working relationships about benefits, community contributions, knowledge, and political sensitivity. All sponsored properties should promote the vision and mission of the organisation as follows: -

#### Vision

Having an informed society that recognizes illiterate women and deprives children of a sustainable, corruptfree, and healthy population.

#### Mission

Enhance the well-being and well-welfare of illiterate women/girls, youths, persons with disability and deprive children development and participation in a sustainable, healthy, productive and corrupt free society".

## Goals

Contribute to the protection, promotion, recognition, dignity, well-being and welfare of illiterate women and girls, youths, persons with disability and deprived children.



## C. Sponsorship Selection Criteria

a) Relationship of Sponsorship to Mission, Vision and Goal

The first major criterion is the appropriate relationship of sponsorship to the above-outlined Network AID's Mission, Vision and Goals. While objective analysis is ideal, the appropriateness of a relationship may sometimes be necessarily subjective.

This policy addresses this necessity by including Approval Levels from various levels of management outlined in Section B, to help assist with decisions involving larger amounts and benefits for sponsorship.

## b) The following questions are the major guiding components of this policy and should be addressed before soliciting potential sponsors:

- i. Is the sponsorship reasonably related to the purpose of the facility or programs as exemplified by the Vision, Mission Statement and Goals of the Network AID?
- ii. Will the sponsorship help generate more funds and/or less cost per participant than Network AID can provide without it?
- iii. What are the real costs, including employee/volunteer time, for procuring the amount of cash or in-kind resources that come with the generation of the sponsorship?

## c) Sponsorships which shall NOT be considered are those which:

- i. Promote environmental, work, or other practices that, if they took place would violate state law
- ii. (i.e., dumping of hazardous waste, exploitation of children, demeaning Network AID constituents, etc.), or
- iii. promote drugs, alcohol, or tobacco, or that constitute violations of law.
- iv. Duplicate or mimic the identity or programs of the or any of its constituents.
- v. Exploit participants or employees/volunteers of the Network AID.
- vi. Offer benefits which may violate other accepted policies or the Sign Code.

## b) Sponsorship Plan and Approval Levels

Each project or program that involves solicitation of Sponsors should, before procurement, create a Sponsorship Plan developed by the Partnership and Fundraising Coordinator with support from the Programme Quality Coordinator specific to that project or program that is in line with the Sponsorship Levels given in

**Part B.** This plan needs to be reviewed by management and approved by the Chief Country Coordinator/Country Coordinator supervising the project and following Partnership, Sponsorship, and Sign Code policies. In addition, each sponsorship will need separate approval if they exceed prespecified limits. The Approval Levels are outlined below: -

Under \$1,000 The program or project staff may approve this level of Agreement, with review by their supervising Management Team Member.

\$1,001 to \$10,000 The Agreement needs approval of a Management Team Member.

\$10,001 to \$25,000 The Agreement needs the approval of the Chief Country Coordinator/Country Coordinator.

Over \$25,000 The Agreement needs the approval of the Chief Country Coordinator (the Chief Country Coordinator may recommend management or an Advisory team member for review).

## c) No Non-Commercial Forum is Permitted

This criterion deals with the commercial character of a sponsorship message. The Network AID intends to create a limited forum, focused on advertisements incidental to commercial sponsorships of programs.



While noncommercial community organizations or individuals may wish to sponsor Network AID activities or facilities for various reasons, no noncommercial speech is permitted in the limited forum created by this policy.

Advertisements incidental to commercial sponsorship must primarily propose a commercial transaction, either directly, through the text or indirectly, through the association of the sponsor's name with the commercial transaction of purchasing the commercial goods or services which the sponsor sells. In such circumstances, Network AID as a non-profit or commercial enterprise has the liberty not to adhere if it breaches the organisation's mission, vision and other policies or standards of fairness and equal opportunity.

The reasons for this portion of the Policy include: -

- i. The desirability of avoiding noncommercial proselytizing of a "captive audience" of an event spectators and participants.
- ii. The constitutional prohibition on any view-point-related decisions about permitted advertising coupled with the danger that Network AID would be associated with advertising anyway.
- iii. The desire of Network AID to maximize funds from sponsorship, weighed against the likelihood that commercial sponsors would be dissuaded from using the same forum commonly used by persons wishing to communicate noncommercial messages, some of which could be offensive to the public.
- iv. The desire of Network AID to maintain a position of neutrality on political and religious issues.
- v. In the case of religious advertising and political advertising, specific concerns about the danger of "excessive entanglement" with religion (and resultant constitutional violations) and the danger of election campaign law violations, respectively.

Guidelines for calculating the Levels of Sponsorship Tiers and Benefits are provided and outlined in Part B

## **D.** Additional Guidelines for Implementation

#### a) Equitable Offerings

All sponsorships of equal levels across Network AID programmes must yield the same value of benefits for potential sponsors.

## b) Sponsorship Contact Database

A designated employee/volunteer of the organisation keeps an updated list of all current sponsors, sponsored activities, and contacts related to sponsorship.

#### Purpose of Maintaining the Database:

- i. Limit duplicate solicitations of one sponsor
- ii. Allow management to make decisions based on the most appropriate solicitations and levels of benefits offered
- iii. Keep a current list of all Network AID supporters and contacts
- iv. Help provide leads for new sponsorships, if appropriate

For employees/volunteers below the management level, access to the database will be limited to printouts of listings of names of sponsors and their sponsored events. This limited access will provide information to help limit duplicated solicitations, and will also protect existing sponsor relationships, while allowing the evaluation of future sponsorships to occur at a management level.



If a potential sponsor is already listed, the employee/volunteer should not pursue a sponsorship without researching the sponsor's history with the most recently sponsored programme. If more than one Unit

wishes to pursue sponsorship by the same company, Managemen shall make a decision based on several variables, including but not limited to: -

- i. History of sponsorship, relationships, and types of sponsorship needed.
- ii. Amount of funding available.
- iii. Best use of funding based on Network AID priorities.

## E. Sponsorship Committee

A committee consisting of the Programme Quality Coordinator, Partnership and Fundraising Coordinator and other management team designees shall meet thrice per year to review the database, exchange current contract samples, and recommend adjusting benefit levels and policy as needed. Changes shall not take effect before endorsement by the Management and approval by the Chief Country Coordinator/Country Coordinator. An international sponsorship committee can be set up that is managed by the Chief Country Coordinator or person designated. The terms of reference for the committee will be developed and approved by the Chief Country Coordinator with advice from the advisory team members.

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## Part B.

# **Levels of Sponsorship Tiers and Benefits**

The following tiers are presented as guidelines for types of benefits that may be presented as opportunities for potential sponsors.

Each sponsorship will most likely need to be individually negotiated. One purpose of these guidelines is to create equity in exchanges across sponsorship arrangements. While for the sake of ease the examples given for levels are based on the amount of sponsorship requested, and the level of approval needed from Network AID employees/volunteers is based on the number of benefits exchanged for the resources.

The levels of approval are necessary because the costs and values for different levels of benefits may vary, depending on the sponsorship. It is important to note that these values may be very different. Sponsors will not typically offer to contribute resources that cost them more than the value of resources that they will gain and, typically, seek at least a 2-1 return on their investment. Likewise, Network AID should not pursue sponsorships unless the total value the organisation receives is greater than its real costs.

A hierarchy of Sponsors for events, programs, or facilities with more than one sponsor is listed below from the highest level to the lowest. Not all Levels will necessarily be used in each Sponsorship Plan. Note that the hierarchy is not dependent on specific levels or amounts of sponsorship. Specific levels and amounts should be designed for each event or program before sponsorships are procured within the approved Sponsorship Plan. Complete definitions of terms are included in **Part C.** 

# Hierarchy of Sponsorship Levels (highest to lowest) Network AID-Wide Sponsor

Facility Title or Primary Sponsor Event/Program Title

Presenting Sponsor (Facility, Event, or Program)
Facility Sponsor
Program/Event Sponsor
Media Sponsor
Official Supplier
Co-sponsor

This hierarchy helps decide the amounts to ask various sponsors for and determine what levels of benefits to provide. It is important to build flexibility and choice into each level so that sponsors can have the ability to choose options that best fit their objectives. Note that the benefits listed under each level are examples of value. The listing does not mean that all of the benefits should be offered. It is a menu of options for possible benefits, depending on the circumstances. These are listed primarily as a guideline for maximum benefit values. It is recommended that each project create a project-specific Sponsorship Plan for approval in advance of Sponsorship procurement, based on the benefits available and the values specific to the project.

## A. Sponsorship Assets and Related Benefits Inventory

TO BE DETERMINED FOR EACH AGENCY BASED ON OFFERINGS (PROPERTIES), VALUATION, AND DETERMINED BENEFITS

A tiered structure of actual values and approval levels should be determined as part of a Sponsorship Plan.

## Part C.

# **Glossary of Sponsorship Terms**

#### **Activation**

The marketing activity a company conducts to promote its sponsorship. Money spent on activation is over and above the rights fee paid to the sponsored property. Also known as leverage.

#### **Advertising**

The direct sale of print or some other types of Network AID communication medium to provide access to a select target market.

## **Ambush Marketing**

A promotional strategy whereby a non-sponsor attempts to capitalize on the popularity/prestige of an event or program by giving a false impression that it is a sponsor. Often employed by the competitors of an Event or program official sponsors.

#### **Audio Mention**

The mention of a sponsor during a TV or radio broadcast, community event, rally etc

## **Business-to-Business Sponsorship**

Programs intended to influence corporate purchase/awareness, as opposed to individual consumers.

## **Category Exclusivity**

The right of a sponsor to be the only company within its product or service category associated with the sponsored property.

#### **Cause Marketing**

Promotional strategy that links a company's sales campaign directly to a non-profit organization. Generally includes an offer by the sponsor to donate to the cause with the purchase of its product or service. Unlike philanthropy, money spent on cause marketing is a business expense, not a donation, and is expected to show a return on investment.

## **Co-sponsors**

Sponsors of the same event or program.

## **CPM (Cost per Thousand)**

The cost to deliver an ad message to a thousand people.

## **Cross-Promotions**

A joint marketing effort conducted by two or more co-sponsors using the sponsored event or program as the central theme.

#### **Donations**

Cash or in-kind gifts that do not include any additional negotiated conditions in return. Synonyms: Philanthropy Patronage.

#### **Editorial Coverage**

The exposure

that is generated by media coverage of the sponsored event or program that includes mention of the sponsor.



#### **Emblem**

A graphic symbol unique to an event or program. Also called a mark.

#### **Escalator**

An annual percentage increase is built into the sponsorship fee for multi-year contracts. Escalators are typically tied to inflation.

#### **Exclusive Rights**

A company pays a premium or provides economic benefits in exchange for the right to be the sole advertised provider, at the most competitive prices, of goods purchased by consumers within facilities and parks.

#### **Fulfillment**

The delivery of benefits promised to the sponsor in the contract.

## **Hospitality**

Hosting key delegates, clients, government officials, employees/volunteers, and other VIPs at an event or facility. Usually involves tickets, parking, site seeing, accommodation, dining, and other amenities, often in a specially designated area, and may include interactions with others

#### **In-Kind Sponsorship**

Payment (full or partial) of sponsorship fee in goods or services rather than cash.

#### **Licensed Merchandise**

Goods produced by a manufacturer (the licensee) who has obtained a license to produce and distribute the official Marks on products such as clothing and souvenirs.

#### Licensee

Manufacturer which has obtained a license to produce and distribute Licensed Merchandise.

## Licensing

Right to use a property's logos and terminology on products for retail sale.

Note: While a sponsor will typically receive the right to include a property's marks on its packaging and advertising, sponsors are not automatically licensed.

#### Mark

Any official visual representation of a property, including emblems and mascots.

#### Mascot

A graphic illustration of a character, usually a cartoon figure, is used to promote the identity of a property.

## **Media Equivalencies**

Measuring the exposure value of a sponsorship by adding up all the coverage it generated and calculating what it would have cost to buy a like amount of ad time or space in those outlets based on media rate cards.

#### **Media Sponsor**

TV and radio stations, print media, and outdoor advertising companies that provide either cash or more frequently advertising time or space, to an event or program in exchange for official designation.



## **Municipal Marketing**

Promotional strategy linking a company to community services and activities (sponsorship of parks and recreation programs, libraries, etc.)

#### **Option to Renew**

Contractual right to renew a sponsorship on specified terms.

#### **Philanthropy**

Support for a non-profit event or program where no commercial advantage is expected. Synonym: Philanthropic Patronage.

## **Perimeter Advertising**

Stationary advertising around the perimeter of an arena or event site is often reserved for sponsors.

#### **Premiums**

Souvenir merchandise, produced to promote a sponsor's involvement with an event or program (customized with the names/logos of the sponsor and the event or program).

## **Presenting Sponsor**

The sponsor has its name presented just below that of the sponsored property. In presenting arrangements, the event/facility name and the sponsor's name are not fully integrated since the word(s) "presents" or "presented by" always come between them.

## **Primary Sponsor**

The sponsor paying the largest fee and receiving the most prominent identification (Would be naming rights or title sponsor if the sponsored property sold name or title).

#### **Property**

A unique, commercially exploitable entity (could be a facility, site, event, or program) Synonyms: sponsee, rightsholder, seller.

#### **Right of First Refusal**

Contractual right granting a sponsor the right to match any offer the property receives during a specific period in the sponsor's product category.

## **Selling Rights**

The ability of a sponsor to earn back some or all of its sponsorship fee by selling its product or service to the property or its attendees or members.

## Signage

Banners, billboards, electronic messages, decals, etc., displayed on-site and containing sponsors ID.

#### **Sole Sponsor**

A company that has paid to be the only sponsor of a property.

#### Sponsee

A property is available for sponsorship.



**Sponsor** 

 $P_{age}$ 

An entity that pays a property for the right to promote itself and its products or services in association with the property.

## **Sponsor ID**

Visual and audio recognition of sponsor in property's publications and advertising; public-address and onair broadcast mentions.

## **Sponsorship**

The relationship between a sponsor and a property, in which the sponsor pays a cash or in-kind fee in return for access to the commercial potential associated with the property.

## **Sponsorship Agency**

A firm which specializes in advising on, managing, brokering, or organizing sponsored properties. The agency may be employed by either the sponsor or the property.

#### **Sponsorship Fee**

Payment made by a sponsor to a property.

#### **Sports Marketing**

Promotional strategy linking a company to sports (sponsorship of competitions, teams, leagues, etc.).

## **Supplier**

Official provider of goods or services in exchange for designated recognition. This level is below the official

sponsor and the benefits provided are limited accordingly.

#### **Title Sponsor**

The sponsor has its name incorporated into the name of the sponsored property.

#### **Venue Marketing**

Promotional strategy linking a sponsor to a physical site (sponsorship of stadiums, arenas, auditoriums, amphitheaters, racetracks, fairgrounds, etc.)

## **Web Sponsorship**

The purchase (in cash or trade) of the right to utilize the commercial potential associated with a site on the World Wide Web, including integrated relationship building and branding.

