

## MANAGEMENT REPORT

Date: February 19, 2021  
Author: Julia Morrison, Director, Corporate Services & Facilities  
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Meeting Date: February 24, 2021

TO: Library Board  
FROM: Director, Corporate Services & Facilities  
**SUBJECT: Changes to the Sponsorship Policy**

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### **SUMMARY**

This report is to provide draft changes to the Library Board policy relating to Sponsorships following review of the City of Vancouver's Sponsorship Policy passed in 2019. It incorporates feedback from the November 16, 2020 and February 16, 2021 CRPD meetings.

### **PURPOSE**

This report is for decision.

### **RECOMMENDATIONS**

That the Board approve the revised Sponsorship Policy.

### **COMMITTEE DISCUSSION**

The Committee discussed the framing of Indigenous considerations, and the importance of considering the Library's priority on Truth & Reconciliation broadly in sponsorship decisions, which should include engagement with Indigenous communities on sponsorship decisions that affect them, and determining the history of a sponsor's interactions with Indigenous Peoples as part of the background checks by staff. This has been incorporated in the Indigenous Considerations section of the policy, highlighted in the attached, and will be included in procedural materials for staff. They also discussed further reasons for disqualification from sponsorship, such as litigation with the City, producing pornography or manufacturing armaments, and the reference to maximum contract term from the City's policy. The definition of maximum contract term has been included, highlighted in the attached.

## **POLICY**

Amendments to established Library Board policy require the approval of the Library Board. The current VPL Sponsorship policy was first approved in 2000, and revised in 2004. VPL has rarely, if ever, used this policy.

The policy “Guidelines on the Relationship between Vancouver City Council and the Library Board” state that the Library Board has sole authority for establishing policy governing the operations of the Library and that the Vancouver Public Library will, where appropriate, adhere to Council policies, as well as that any financial policies will be within the authority limits set by Council. This policy also states that the Library retains two thirds of sponsorship funds arranged by the Library (these contributions established on a multi-year basis involving identification of a commercial supplier as a sponsor) to be used at the discretion of the Library but within the guidelines regarding service increases and new positions, and the Library retains 100% of donations from individuals and unconditional donations or donations requiring minimal sponsor identification from commercial organizations.

## **INDIGENOUS CONSIDERATIONS**

The Library’s policy decisions can have unintended impacts on Indigenous peoples, and as such are opportunities for thoughtful consideration and discussion of how the Library can support the Truth and Reconciliation Calls to Action and implementation of the UN Declaration on the Rights of Indigenous Peoples. In the case of sponsorship, the Library’s decision to accept sponsorship from an organization can link the service or program being delivered to the reputation of the sponsoring organization. As a result, the Library will include in background checks on potential sponsors their history related to Indigenous peoples and their current activities, and consider how this could affect the perception of the Library program or service by Indigenous peoples, and in relation to the Library’s priority of Reconciliation.

VPL will collaborate with Indigenous partners to determine the purpose, need and potential impacts of any Sponsorship being considered for Library programs, services and assets that may directly or indirectly relate to Indigenous communities.

## **BACKGROUND**

In 2019, the City of Vancouver revised its Sponsorship policy and requested that the Boards of Vancouver Public Library, Police, and Parks review the policy and consider adopting the City’s policy or “a policy comparable in spirit and intent”.

The City’s 2019 policy revision process included a discussion of the types of sponsors which should be prohibited from doing sponsorship-related business with the City. At that time, Councillors debated the possibility of adding significantly more prohibitions, for example, against fossil fuel companies and large property developers.

VPL's Board sent a letter to City Council in April 2019 expressing concern about these potential prohibitions and the impact on VPL's ability to raise funds for critical projects.

The final City policy includes prohibitions on parties in litigation with the City; parties that are known to have violated laws; parties in electoral politics, religious organizations, public advocacy groups; producers of weapons and armaments; producers of pornography and illegal sexual services; and other categories at the City Manager's discretion.

In many cases, sponsorship agreements related to the services and programs of Vancouver Public Library would be undertaken by the Vancouver Public Library Foundation, and not by VPL staff or the Board. The VPL Foundation obtains sponsorship for their galas and events, guided by VPL policies. Staff of the Foundation work closely with Library staff on agreements, however, they are a separate organization from the Library and have separate policies.

## **DISCUSSION**

The original VPL sponsorship policy predates the City of Vancouver policy. Several similarities exist between VPL's 2004 policy and the City's policy; the similarities are found in broad principles, while differences exist in the operationalization of those principles. As requested by Council, VPL staff have reviewed the City of Vancouver's Sponsorship policy and compared it to VPL's existing Sponsorship policy. Staff recommend significant revision to the VPL Sponsorship policy to align with the City of Vancouver policy, while retaining the broad principles and special consideration to sponsorships related to children's programming.

This report contains two main sections:

- The first section identifies proposed areas of adoption from the City's policy
- The second identifies differences between VPL's proposed policy and the City's policy

In addition, there are three appendices to this report:

1. The proposed new VPL sponsorship policy
2. The City sponsorship policy, approved in 2019
3. The current VPL sponsorship policy, last updated in 2004

### **Proposed areas of adoption from the City's policy:**

The proposed new VPL Sponsorship policy includes the following items from the City of Vancouver policy:

- Expansion of the definitions
- Delegation of authority to approve sponsorships to different groups/positions depending on the amounts involved (levels retained from 2004 VPL policy)

- Required legal terms and conditions of sponsorship agreements
- Required business terms and conditions of sponsorship agreements, with an amendment to indicate that rights and benefits to the Sponsor must not exceed the monetary value of benefits to the Library, rather than “must be proportionate”
- Sponsorship negotiator’s responsibilities for ethics and integrity

In incorporating changes from the City’s policy related to terms and conditions, similar sections from the previous VPL policy have been removed.

*Differences from the City’s policy:*

The areas where the proposed VPL policy differs from the City policy are:

- The City policy defines three types of sponsorship procurement or solicitation methods (Competitively Procured, Un-Solicited and Direct Solicited) described in sections 7 through 10. In contrast, there is no language in VPL’s policy distinguishing types of sponsorships according to how they are procured. Historically, all sponsorships that VPL has entered into are either un-solicited or direct solicited due to the relatively small size/scale of the sponsorships. Given this, it is considered unnecessary and overly complex to source VPL sponsorships through a proposal or bid process. If, in future, a situation arises where VPL wants to solicit sponsorships through a proposal or bid process, it will follow the City policy.
- The City policy has multiple layers of authorization with respect to different powers and different amounts (section 10). Council approval is required for any sponsorships valued at \$500,000 or more. By contrast, VPL’s delegation of authority for approval follows a simpler structure. Sponsorships valued at \$50,000 per year or less, and with a total value of \$150,000 or less, can be approved by the Chief Librarian; all others must be approved by the Board (with involvement of VPL Foundation or the Friends of the VPL as appropriate). Given the very few sponsorships that VPL undertakes, it is recommended to keep the current VPL approval and authority levels.
- VPL’s proposed policy prohibits sponsorships based on primarily the same criteria as the City’s policy in section 6, however, staff do not recommend a blanket prohibition on sponsorship by public advocacy groups or parties that have previously violated a City bylaw or policy, as in many cases bylaw or policy infractions are not likely to be relevant to the sponsorship. VPL will include bylaw and policy infractions in the due diligence search, and consider the findings. As noted above, staff recommend retaining existing prohibitions for sponsors of programs or services for children, and requiring the involvement of the Chief Librarian for decisions about sponsorships from companies that provide products that may be harmful to the health of the target audience (e.g. alcohol).
- The application of revenue is restricted to Library programs and services.

## Summary

The following principles are common to both policies:

- VPL/City will only enter into sponsorship agreements consistent with their organizational goals and policies
- VPL/City will not endorse the sponsor or its products or services
- Sponsors are required to adhere to VPL/City policies, e.g. procurement policies
- Termination of sponsorship agreements under certain, similar conditions
- VPL/City will conduct background scans on potential sponsors
- Commit to transparency, providing public access to certain aspects of sponsorship agreements

## **FINANCIAL IMPLICATIONS**

Adjustments to the Sponsorship policy, as set out in this report, will have no direct financial implications on the Library, and there are no proposed changes to approval levels. There are no costs associated with making these changes, and they do not impact the budget.

## **FINAL REMARKS**

The proposed changes to the Sponsorship policy outlined in this report reflect updates to incorporate applicable sections of the City's policy.



# BOARD POLICY

<b>SUBJECT: Sponsorship</b>	
<b>CATEGORY: Community Relations</b>	<b>POLICY CODE: VPL-BD-CR-???-2021</b>

## Objective

The purpose of this policy is to create a Sponsorship framework that ensures VPL’s brand, values, image, policies, community commitments, assets and interests are safeguarded while providing opportunities for Sponsorships that allow the Library to enhance, promote and/or market approved Library programs, services, events or activities. This policy provides a systematic approach to negotiating, managing and reporting Sponsorships.

## Scope

This policy incorporates key elements of the City of Vancouver’s Sponsorship Policy (Policy Number COUN-029).

The policy applies to all arrangements whereby a Sponsor (such as a business, not-for-profit organization, or individual) contributes to Library programs, events, activities, or services as defined below in the definition of Sponsorship. This policy does not apply to:

- Philanthropic gifts or donations
- Grants or funds obtained from other levels of government
- Library Presenters and Library Program Partners
- Arrangements where the Library sponsors or contributes to external projects or other organizations
- Relationships with other government agencies

## Definitions

**Background/Ethical Scans** are general searches of a potential Sponsor’s operations, background and reputation that are performed to determine if the Sponsor meets the requirements set out in this policy and the principles of the Library’s Procurement Policy.

**Chief Librarian** means the person appointed by the Vancouver Public Library Board as the Chief Librarian pursuant to the *Library Act*.

**Library Asset(s)** are events, programs, services or other wholly-owned and operated Library activities or assets which the Chief Librarian approves as being appropriate to receive Sponsorships. Examples of other Library activities or assets could include, but are not limited to vehicles, equipment, publications, websites and digital applications.

**A Library Presenter** is an individual or organization that showcases by way of the library their expertise, skills, or creative endeavors.

**A Library Program Partner** is an individual or organization that contributes expertise, content, logistical support, presenters, or other elements in collaboration with the Library in order to produce or co-produce a program or series.

**Maximum Contract Term** means the maximum years (including all options to extend or rights of renewal) in respect of a Sponsorship Agreement.

**A Philanthropic Gift or Donation** is an arrangement where a donor contributes cash and/or in-kind goods or services to the Library without expectation or requirement of a reciprocal benefit. While most donors expect some form of recognition as a result of their gift, the recognition is marginal in value relative to the value of the gift as defined by the Canada Customs and Revenue Agency.

**Sponsor** means the other party to a contract with the Library for a Sponsorship.

**Sponsorship** is a mutually beneficial contractual relationship between the Library and a Sponsor whereby the Sponsor contributes cash, products or in-kind services/benefits to the Library in return for recognition, acknowledgement or other promotional considerations. Sponsorships involve an association between the Sponsor and the Library and/or the specific program, event, service or activity being sponsored. Tax receipts are not issued for cash, products, or in-kind services provided to the Library.

**Sponsorship Agreement** is the contract between the Library and Sponsor setting out their respective rights and obligations in relation to the Library Asset(s) and the Sponsorship.

**Sponsorship Negotiator** refers to the person or persons to whom responsibility has been delegated by the Chief Librarian in accordance with this policy to enter into a Sponsorship negotiation on behalf of VPL.

**Total Value** is the total amount of cash and the total fair market value of in-kind benefits to be received by the Library as a result of the proposed Sponsorship.

## **Indigenous Considerations**

VPL will consider how any Sponsorship supports and furthers the Calls to Action of the Truth & Reconciliation Commission and the history of the Sponsor's relationships with Indigenous Peoples in Canada. VPL will collaborate with Indigenous partners to determine the purpose, need and potential impacts of any Sponsorship being considered for Library programs, services and assets that may directly or indirectly relate to Indigenous communities.

## **Policy Statements**

### **1. General**

- 1.1. Vancouver Public Library welcomes the business community and other organizations to support the Library through the establishment of Sponsorships

that will provide the Library with the resources, including cash, products or in-kind contributions, to enhance events, programs, activities and services to the community.

- 1.2. The Library will only enter into Sponsorships determined to be in the best interests of Library users and aligned with the Library's values and strategic priorities.
- 1.3. Vancouver Public Library is a cornerstone of the community. Sponsorships must not undermine the integrity of the non-commercial public space that the Library provides.
- 1.4. In developing Sponsorships the Library will:
  - a) not compromise the public service objectives and practices of the Library or of the sponsored event, service, program or activity;
  - b) protect its principle of intellectual freedom and equity of access to its programs, services, and collections;
  - c) protect the confidentiality of user records;
  - d) not permit Sponsors to have any undue impact on the policies and practices of the Library or information provided by the Library (e.g. materials selection, purchasing or web content) or to influence or alter the basic goals and objectives of Library programs;
  - e) not allow corporate names and/or logos to have prominence over the Vancouver Public Library name and/or logo;
  - f) not endorse the Sponsor or its products or services;
  - g) not seek or accept Sponsorships for programs, events, services or activities with an intended audience of children from companies whose products cannot legally be sold or distributed to children or from companies whose products are inappropriate for use by children;
  - h) not allow direct marketing of products to children, except where relevant educational material is promoted in conjunction with programs.

## **2. Approval of Sponsorship**

- 2.1. A Sponsorship Agreement shall not be effective unless it has been approved by the Chief Librarian or the Library Board as follows:
  - a) The Chief Librarian may approve Sponsorship Agreements which are:
    - valued at \$50,000 or less per year; and
    - have a total, multi-year value of \$150,000 or less; and
    - are aligned with Library policies.
  - b) Library Board approval will be required for all Sponsorship Agreements which do not meet all of the above criteria.



### **3. Required Legal Terms and Conditions of Sponsorship Agreements**

- 3.1.** All Sponsorships will be governed by Sponsorship Agreements as described in the Definitions section. Recognizing the Library's obligation to be accountable as a public body, the terms of the Sponsorship Agreements will be made available to the public upon request.
- 3.2.** Sponsorship Agreements must be recorded on standardized templates with standard terms and conditions approved by the Director, Corporate Services and Facilities and Chief Librarian. Any deviation from the standardized terms and conditions or any material deviation from the approved use of such documents requires prior review and approval of the Chief Librarian.
- 3.3.** All Sponsorship Agreements must be on terms that expressly confirm that the Library does not endorse the products, services or ideas of any Sponsor, and that the Library retains full ownership and control over the Library Asset.
- 3.4.** The Sponsorship Agreement must clearly outline and set out the limits of the rights in and to the Library Assets being granted by the Library to the Sponsor in exchange for cash and/or value in-kind. All rights being granted need to be time-limited and scope-limited within the parameters set out within this Policy.
- 3.5.** Sponsorship Agreements will require the Sponsor to comply with the Library's Procurement Policy.
- 3.6.** Sponsorship Agreements will provide for a termination right by the Library if a Sponsor breaches its obligations under the Sponsorship Agreement.
- 3.7.** Sponsorship Agreements will require the Sponsor to comply with all applicable laws including, without limitation, any laws that govern sponsorship or advertising and any laws that govern privacy or freedom of information including the *Freedom of Information and Protection of Privacy Act* (British Columbia) and the *Personal Information Protection Act* (British Columbia).

### **4. Required Business Terms and Conditions of Sponsorship Agreements**

- 4.1.** Rights and benefits to the Sponsor must not exceed the monetary value of the cash/in-kind benefits being provided to the Library. Adequacy of the arrangement must first be approved by the Chief Librarian.
- 4.2.** No exclusivity rights are permitted to be granted in any Sponsorship Agreement unless their duration is no more than the Maximum Contract Term and the full nature, scope and duration of the proposed exclusivity rights are first reported in detail to the Chief Librarian, and the Chief Librarian approves in writing the proposed exclusivity rights.

### **5. Sponsorship Negotiator's Responsibilities on Ethics and Integrity for Sponsorships**

- 5.1. The Sponsorship Negotiator must conduct Background/Ethical Scans on all prospective Sponsors proposing to provide a Total Value of more than \$10,000, provide the findings to the Chief Librarian, and retain a record of the findings.
- 5.2. The Sponsorship Negotiator is responsible for ensuring that there is no conflict or appearance of a conflict of interest created by the proposed Sponsorship, including without limitation and by way of example only, any conflict or appearance of a conflict with respect to any particular Library employee or official, any existing contracts between the Sponsor and the Library, any existing regulatory applications, enforcement proceedings, or other interactions between the Library and the Sponsor. If the Sponsorship Negotiator has any concerns in this regard, they must request advice from the Chief Librarian.
- 5.3. The Sponsorship Negotiator must avoid any communications with prospective Sponsors that would create the impression that the Library intends to provide ongoing benefits (financial or otherwise) for the Sponsor beyond the terms of the Sponsorship Agreement, or which could be construed as interfering with existing contractual obligations.
- 5.4. The Sponsorship Negotiator is responsible for ensuring that each proposed Sponsorship does not unduly detract from the character, integrity, aesthetic quality or safety of the Library Asset and does not unreasonably interfere with its enjoyment or use.
- 5.5. The Sponsorship Negotiator will not recommend for approval Sponsors that could prove detrimental to the Library's public image. If the Sponsorship Negotiator has any concerns, they should obtain the prior written approval of the Chief Librarian before proceeding.
- 5.6. Pursuant to the *Freedom of Information and Protection of Privacy Act* (British Columbia), the Sponsorship Negotiator is responsible for ensuring that the privacy of the Library's confidential information as well as the personal information of the Library's patrons and staff is protected from disclosure to prospective and actual Sponsors.
- 5.7. While the Sponsorship Agreement will expressly prohibit this type of activity, the Sponsorship Negotiator is responsible for monitoring and enforcing the Sponsorship Agreement so as to ensure that Sponsors do not breach the Sponsorship Agreement by implying that their products, services or ideas are endorsed by the Library or by taking advantage of the benefits conferred under the Sponsorship Agreement to a greater degree than expressly granted by the Sponsorship Agreement.

## **6. Sponsor Eligibility and Restrictions**

- 6.1. Only organizations and arrangements deemed appropriate and compatible with the policies, goals and values of Vancouver Public Library will be considered for potential Sponsorships.
- 6.2. The following types of Sponsors are not eligible for Sponsorships:

- a) Parties that are disqualified from doing business with the City of Vancouver and/or the Library due to ongoing litigation or prior litigation
- b) Parties (or any of their known affiliates) known to have previously violated
  - any criminal law,
  - the BC Human Rights Code, or
  - any other laws of Canada

unless such violation is considered by the Chief Librarian to be of a minor nature and not prejudicial to the City's, Library's, or the public interest (for example a minor parking violation of the City's Street and Traffic By-Law).

- c) Parties that are registered as local elector organizations, political parties, or religious organizations.
- d) Any person or party that engages in the following business is ineligible to be a Sponsor:
  - manufacturing of armaments or weapons, or
  - producing or selling pornography, or illegal sexual services, or
  - any other categories as reasonably determined by the Chief Librarian.
- e) Sponsorship involving products and services that may be considered harmful to the health of the target audience will require explicit approval by the Chief Librarian.

## **7. Rules on the Application of Revenue**

- 7.1. Sponsorship revenue will be used directly in support of the sponsored programs or indirectly to support other Library programs, services, events or activities.

### **Non-Compliance Consequences**

Failure to comply with this policy by staff may result in disciplinary action up to, and including, termination of employment.

## **Policy Administration Roles and Responsibilities**

<b>Director, Corporate Services &amp; Facilities</b>	Oversees and recommends updates to the policy as required.
<b>CRPD Committee</b>	Reviews policy as required and recommends changes to the Board
<b>Board</b>	Approves policy and revisions to the policy
<b>Chief Librarian</b>	Administers the policy

## **Related Policies**

- Donor Recognition Policy
- Endorsement Policy
- Procurement Policy
- City of Vancouver Sponsorship Policy (# COUN-029)

## **Approval History**

<b>ISSUED BY:</b>	<b>CRPD</b>	<b>APPROVED BY:</b>	<b>Library Board</b>	<b>DATE:</b>	<b>2000/08/23</b>	
<b>REVISED BY:</b>	<b>Library Board</b>	<b>APPROVED BY:</b>	<b>Library Board</b>	<b>DATE:</b>	<b>2004/02/25</b>	
<b>REVISED BY:</b>	<b>CRPD</b>	<b>APPROVED BY:</b>	<b>Library Board</b>	<b>DATE:</b>		

<b>DATE OF NEXT REVIEW</b>		<b>REVIEW CYCLE</b>	<b>3 Years</b>
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<b>Subject: Sponsorship</b>	
<b>Category: Board Policy</b>	<b>Policy Code: BD-L-2004</b>

Vancouver Public Library welcomes and encourages the business community and other organizations to support the Library through the establishment of sponsorships that will provide the Library with the resources, including revenue and/or in-kind contributions, to enhance events, programmes, activities and services to the community.

The Vancouver Public Library Board endorses the Canadian Library Association's Position Statement on Corporate Sponsorship Agreement in Libraries approved in June, 1997.

### **LIBRARY PRINCIPLES**

Vancouver Public Library is a cornerstone of the community. Sponsorships must not undermine the integrity of the non-commercial public space that the Library provides.

In developing sponsorship arrangements the Library will:

- a) not compromise the public service objectives and practices of the Library or of the sponsored event, service, programmes or activity;
- b) protect its principle of intellectual freedom and equity of access to its programmes, services, and collections;
- c) protect the confidentiality of user records;
- d) not permit sponsors to have any undue impact on the policies and practices of the Library or information provided by the Library (e.g. materials selection, purchasing or web content) or to influence or alter the basic goals and objectives of Library programmes;
- e) not allow corporate names and/or logo to have prominence over the Vancouver Public Library name and/or logo;
- f) not seek or accept sponsorships for programmes, events, services or activities involving or targeted to children from companies whose products cannot legally be sold or distributed to children or from companies whose products are inappropriate for use by children;
- g) not allow direct marketing of products to children, except where relevant educational material is promoted in conjunction with programmes.

### **APPLICATION AND SCOPE OF POLICY**

The policy applies to all arrangements whereby an organization sponsors or contributes to Library programmes, events, activities, and services as defined below in the definition of sponsorship. A Sponsorship is a contracted arrangement between Vancouver Public Library and an organization, designed to benefit both parties.

This policy does not apply to:

- Philanthropic gifts or donations
- Grants or funds obtained from other levels of government
- Arrangements where the Library sponsors or contributes to external projects or other organizations.

The partner organization has marketing rights to promote their involvement with Vancouver Public Library for the duration of the sponsorship agreement subject to the provisions of this policy.

## **Definitions**

**A sponsorship** is a mutually beneficial business exchange between the Library and an external organization (hereinafter the sponsor) whereby the sponsor contributes funds, products or in-kind services to the Library in return for recognition, acknowledgement or other promotional considerations. Sponsorships involve an association between the sponsor and the Library and/or the specific programmes, event, service or activity being sponsored. Tax receipts are not issued for funds, products or in-kind services made to the Library.

**A philanthropic gift or donation** is an arrangement where a donor contributes cash and/or in-kind goods or services to the Library without expectation or requirement of a reciprocal benefit. While most donors expect some form of recognition as a result of their gift, the recognition is marginal in value relative to the value of the gift as defined by the Canada Customs and Revenue Agency.

## **APPLICATION OF POLICY**

### **1. Sponsor Profile**

Only organizations and arrangements deemed appropriate and compatible with the policies, goals and values of Vancouver Public Library will be considered for potential partnerships. Specifically, the Library will not enter into sponsorship agreements with tobacco companies and arms manufacturers. Prior to engaging in a sponsorship relationship, the Library will critically assess the reputation of the potential sponsor and its business practices, the nature of the sponsor's business, and the effect that an affiliation with that sponsor will have on the Library's public image.

### **2. Merit of Sponsorship**

Sponsorships must benefit the Library by allowing it to enhance, promote and/or market approved Library programmes, services, events or activities. In return for providing certain benefits to the sponsor, the Library will receive resources in the form of cash, products, services or other in-kind contributions which can be used directly in support of the sponsored programmes or indirectly to support other Library programmes, services, events or activities.

### **3. Protection of the Public Interest**

The Library will only enter into sponsorships determined to be in the best interest of Library users.

### **4. Appropriate Benefits for the Sponsor**

The sponsor will receive a benefits package and level of recognition commensurate with the value of its contribution.

## 5. No endorsement

While sponsorship involves an association between the sponsor and the Library, the Library will not officially endorse the sponsor or its products and services.

## 6. Adherence to Library Policies.

All sponsorship arrangements must be in accordance with all relevant Library policies (e.g. Conflict of Interest, Purchasing). Should a specific sponsorship arrangement require an exception to an existing Library Policy, the Library Board will be asked to approve such exception.

## APPROVAL OF SPONSORSHIPS

Final approval of the actual sponsorship agreement is as follows:

- 1) The Chief Librarian may approve sponsorships which are:
  - a) valued at \$50,000 or less per year; and
  - b) have a total, multi-year value of \$150,000 or less
- 2) Library Board approval will be required for all sponsorships which do not meet all of the above criteria.

Potential sponsorship arrangements, likely to exceed \$50,000 or more per year, to be brought to the Library by the Vancouver Public Library Foundation or the Friends of Vancouver Public Library will be reviewed with the VPL Board Chair by a Foundation or Friends Board member.

## WRITTEN AGREEMENTS

A written proposal covering terms of the sponsorship agreement will be prepared.

Recognizing the Library's mission to be accountable, the terms of the sponsorship agreements will be made available to the public.

## TERMINATION OF A SPONSORSHIP

The Vancouver Public Library reserves the right to terminate an existing partnership should any of the following occur:

- a) the partner uses the Vancouver Public Library's name outside the parameters of the partnership association, as embodied in the agreement, and without prior consent;
- b) the partner develops a public image inappropriate to the Vancouver Public Library's services and/or objectives.

APPROVED BY LIBRARY BOARD:	September 24, 2003
REVISED:	February 25, 2004

Appendices:	VPL Sponsor Recognition Guidelines
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## ***SPONSOR RECOGNITION GUIDELINES***

Vancouver Public Library welcomes and encourages the business community and other organizations to support the Library through the establishment of sponsorships that will provide the Library with the resources, including revenue and/or in-kind contributions, to enhance events, programmes, activities and services to the community.

These recognition guidelines form a companion piece to Vancouver Public Library's Sponsorship Policy.

Selection of events and programmes are governed by our VPL Programming Policy. The majority of Vancouver Public Library's events are free to the public.

### **Definitions**

**A sponsorship** is a mutually beneficial business exchange between the Library and an external organization (hereinafter the sponsor) whereby the sponsor contributes funds, products or in-kind services to the Library in return for recognition, acknowledgement or other promotional considerations. Sponsorships involve an association between the sponsor and the Library and/or the specific program, event, service or activity being sponsored. Tax receipts are not issued for funds, products, or in-kind services made to the Library.

**A philanthropic gift or donation** is an arrangement where a donor contributes cash and/or in-kind goods or services to the Library without expectation or requirement of a reciprocal benefit. While most donors expect some form of recognition as a result of their gift, the recognition is marginal in value relative to the value of the gift as defined by the Canada Customs and Revenue Agency.

## **RECOGNITION LEVELS**

### **Event Co-Sponsorship**

#### **\$500 - \$4,999**

Vancouver Public Library is grateful for the financial support it receives from outside sponsors to help present programmes or services for the public that it wouldn't normally be able to offer due to limited resources.

For amounts less than \$500 or in-kind contributions, please see VPL's Programming Policy.

Event co-sponsors will receive:

- room rental fee waived (if there are any hard costs\* over and above the monetary contribution, these costs must be absorbed by the co-sponsor)
- staff assistance in planning event
- staff assistance in promoting event
- logo placement in poster created by Vancouver Public Library to promote the event
- name acknowledgement in press release written by Vancouver Public Library to promote the event
- name acknowledgement in events brochure created by Vancouver Public Library to promote the event
- name acknowledgement of partner in events listing on Vancouver Public Library's website [www.vpl.ca](http://www.vpl.ca)
- distribution of event poster to all 22 locations of Vancouver Public Library
- public exposure to library-created promotional materials at all 22 locations of Vancouver Public Library



- name recognition in Vancouver Public Library's Annual Report (published in print and available on [www.vpl.ca](http://www.vpl.ca))
- name recognition in donor/sponsor recognition published annually in check it out, Vancouver Public Library's public newsletter
- name recognition on annual donor/sponsor recognition poster displayed in all locations of Vancouver Public Library

(\*Hard costs include piano tuning, projection equipment, room clean-up etc.)

Vancouver Public Library may request from the co-sponsor:

- provision of speaker(s)
- logo or name recognition on co-sponsor's promotional materials (poster, press release, web listing) associated with the event
- opportunity for Vancouver Public Library profile in co-sponsor's newsletter

\$5,000 to \$9,999

### **Series Sponsor**

Vancouver Public Library is grateful for the financial support it receives from outside sponsors to help present programmes or services that we wouldn't normally be able to offer due to limited resources.

Series or programmes often address a common theme or subject such as early childhood literacy, or job training.

Series sponsors will receive:

- room rental fee (s) and hard costs waived
- staff assistance in planning event(s)
- staff assistance in promoting event(s)
- logo placement in poster created by Vancouver Public Library to promote the event(s)
- name acknowledgement in press release written by Vancouver Public Library to promote the event(s)
- name acknowledgement in events brochure created by Vancouver Public Library to promote the event(s)
- name acknowledgement of partner in events listing on Vancouver Public Library's website [www.vpl.ca](http://www.vpl.ca)
- distribution of event poster to all 22 locations of Vancouver Public Library
- public exposure to Library-created promotional materials at all 22 locations of Vancouver Public Library
- name recognition in Vancouver Public Library's Annual Report (published in print and available on [www.vpl.ca](http://www.vpl.ca))
- name recognition in donor/sponsor recognition published annually in Check It Out, Vancouver Public Library's public newsletter
- name recognition on annual donor/sponsor recognition poster displayed in all locations of Vancouver Public Library. In addition, sponsor receives:
  - opportunity to hang a banner at the event(s)
  - verbal recognition of sponsor at event(s) and/or opportunity for company spokesperson to speak at event(s)
- acknowledgement of partnership on Virtual Donor Wall housed on Vancouver Public Library's public website, [www.vpl.ca](http://www.vpl.ca)

Vancouver Public Library may request from the co-sponsor:

- logo or name recognition on co-sponsor's promotional materials (poster, press release, web listing) associated with the event
- opportunity for Vancouver Public Library profile in co-sponsor newsletter and:
- name or logo recognition on partner's website

#### \$10,000 - \$24,999

Sponsor receives:

- room rental fee(s) and hard costs waived
- staff assistance in planning event(s)
- staff assistance in promoting event(s)
- logo placement in poster created by Vancouver Public Library to promote the event(s)
- name acknowledgement in press release written by Vancouver Public Library to promote the event(s)
- name acknowledgement in events brochure created by Vancouver Public Library to promote the event(s)
- name acknowledgement of partner in events listing on Vancouver Public Library's website [www.vpl.ca](http://www.vpl.ca)
- distribution of event poster to all 22 locations of Vancouver Public Library
- public exposure to Library-created promotional materials at all 22 locations of Vancouver Public Library
- name recognition in Vancouver Public Library's Annual Report (published in print and available on [www.vpl.ca](http://www.vpl.ca))
- name recognition in donor/sponsor recognition published annually in *Check It Out*, Vancouver Public Library's public newsletter
- name recognition on annual donor/sponsor recognition poster displayed in all locations of Vancouver Public Library
- opportunity to hang a banner at the event(s)
- verbal recognition of sponsor at event(s) and/or opportunity for company spokesperson to speak at event(s)
- acknowledgement of partnership on Virtual Donor Wall housed on Vancouver Public Library's public website, [www.vpl.ca](http://www.vpl.ca)

In addition, the sponsor receives:

- editorial story focused on partnership in Vancouver Public Library's public newsletter *Check It Out*

### **MAJOR SPONSOR**

Support from major community or corporate sponsors enable the Library to enhance events, programmes, activities and services to the community. Without this funding stream, many Library services and programmes would not be possible.

Major sponsors of Vancouver Public Library programmes or services cover the majority of costs associated with a particular Library program or service. An attractive range of recognition opportunities will be developed to meet business and community objectives of major sponsors and the Library.

### Bronze Sponsor \$25,000 – 49,999

Bronze Sponsors will receive a range of sponsorship recognition opportunities including:

- name recognition as presenting sponsor in all Vancouver Public Library promotional materials associated with that program (includes brochures, posters, web listings)
- opportunity to hang a banner at the event(s)
- verbal recognition of sponsor at event(s) and/or opportunity for company spokesperson to speak at event(s)
- opportunity to host an information table at event(s) and to distribute promotional materials, as appropriate
- room rental fees waived (including some hard costs)
- promotional poster, press release, events listings brochure, and web listing developed and produced by the Library to promote the event or series of events
- editorial story focused on partnership in Vancouver Public Library's public newsletter "Check It Out"
- acknowledgement of partnership on Virtual Donor Wall housed on Vancouver Public Library's public website, [www.vpl.ca](http://www.vpl.ca)

In addition, sponsors will receive:

- full page colour ad in Vancouver Public Library's public newsletter *check it out*

### **Silver Sponsor \$50,000 - \$99,999**

In addition to the benefits of a Bronze Sponsor, Silver Sponsors will receive:

- media announcement profiling the partnership
- link to outside organization on Library's web page pertaining to sponsored service or program
- naming opportunity as presenting sponsor in all promotional materials related to sponsored event or series

### **Gold Sponsor \$100,000 to \$499,999**

In addition to the benefits of a Silver Sponsor, Gold Sponsors will receive:

- acknowledgement of presenting sponsor on Library check-out receipts as part of promotion of the sponsorship

### **Platinum Sponsor \$500,000 and above**

A range of opportunities can be explored to best meet the needs of the sponsor, for example, naming opportunities, or sponsorship of Vancouver Public Library's adult library card.

<b>POLICY TITLE</b>	Sponsorship Policy
<b>CATEGORY</b>	Council
<b>POLICY NUMBER</b>	COUN-029
<b>POLICY OWNER</b>	City Manager's Office
<b>ACCESS</b>	Public

### 1. LEGAL

The *Vancouver Charter* (and *Police Act*, *Library Act*, and other applicable legislation) does not permit any employee or officer of the Vancouver Group to enter into Contracts for the Vancouver Group unless Council or the applicable Board has delegated such authority to such employee or officer in writing. The intent of this Policy is that it be approved by City Council, and referred to other members of the Vancouver Group for consideration so as to set out the extent of certain Vancouver Group employees' and officers' restricted legal authority to undertake the actions expressly authorized under this Policy.

### 2. SCOPE

Subject to the approvals and adoptions referred to in Section 1 above, this Policy applies to the Vancouver Group. The Vancouver Police Board, Vancouver Park Board, Vancouver Public Library Board, and City Affiliates, will be provided with this Policy, and encouraged to adopt this Policy, or a policy comparable in spirit and intent.

This Policy applies only to City Assets. This Policy does not apply to City-owned real property or City supported assets owned by a third party, where the City provides funds to an outside organization through grants, funds or provision of City services.

This Policy applies to all Sponsorships where the Sponsor (such as businesses, not-for-profit organizations and individuals) agree to contribute, either financially or in-kind, to City Sponsorship opportunities in return for recognition, public acknowledgement, activations, or other promotional considerations specific to the sponsored City Asset. This Policy does not apply to the City's relationships with other government agencies.

### 3. PURPOSE

The City of Vancouver encourages Sponsorship as a means to profile corporate and community partners while providing the City with additional revenue and in-kind benefits to enhance City Assets and operations.

The purpose of this Policy is to create a Sponsorship framework that ensures the City's brand, values, image, policies, community commitments, City Assets and interests are safeguarded while increasing opportunities for corporate and community sponsorship. This Policy provides a systematic approach to soliciting, managing and reporting Sponsorships.

# ADMINISTRATIVE POLICY

## 4. ADMINISTRATION OF POLICY

The City Manager's Office, overseen by the City Manager, is the owner and administrator of this Policy. Except where separately authorized by Council, all Sponsorship activities are to be administered by the Sponsorship Review Group and the staff designated by them pursuant to this Policy.

## 5. DEFINITIONS

In this Policy, the following terms have the following meanings. All other capitalized terms not otherwise defined have the meanings given to them in the Procurement Policy.

**Background/Ethical Scans** are a general search of a potential Sponsor's operations, background and reputation that is performed to determine if the Sponsor meets the requirements set out in this Policy, the principles of the Ethical Purchasing Policy and Supplier Code of Conduct.

**Best Value** has the meaning given in Section 6(9.3)(c)(v) of this Policy.

**Chief Procurement Officer** means the person designated from time to time by the City Manager to oversee and lead Supply Chain on behalf of the Vancouver Group.

**City Manager** means the person appointed by Council pursuant to section 162A of the *Vancouver Charter* as the City Manager.

**City Solicitor** means the person appointed by Council as the City Solicitor.

**City Affiliates** means the following affiliates of the City of Vancouver: Vancouver Economic Commission, Vancouver Affordable Housing Agency Ltd., Vancouver Public Housing Corporation, Vancouver Civic Development Corporation, Harbour Park Development Corporation, The Hastings Institute Inc., and the Pacific National Exhibition.

**City Assets** are events, programs, services or other wholly-owned and operated City activity or asset which the City Manager approves as being appropriate to receive Sponsorships. Examples of other City activities or assets could include, but are not limited to vehicles, equipment, publications, websites and digital applications. For the purposes of this Policy, City Assets do not include City-owned real property (which are intended to be covered in the City's Naming Rights Policy).

**Competitively Procured Sponsorship** is a Sponsorship resulting from an open, transparent, and competitively procured call by the City for proposals or bids to an open field of potential candidates for Sponsorship conducted by the Chief Procurement Officer in accordance with the Procurement Policy.

**Department Head** means any of the following officials:

(a) any General Manager, and

(b) in the case of a City Affiliate, the CEO or such other director or officer of the affiliate who has been delegated signing authority for the applicable Sponsorship Agreement by the City Affiliate's board.

# ADMINISTRATIVE POLICY

**Director of Finance** means the person appointed by Council pursuant to Section 210 of the *Vancouver Charter* as the Director of Finance.

**Direct Solicited Sponsorship Proposals** are the result of ongoing discussions between a City representative authorized by the Sponsorship Review Group and a potential Sponsor where the potential Sponsor offers something unique and innovative to the City, where the sponsorship opportunity has a significant potential in terms of Sponsorship value achievable through the nurturing of the relationship, and where the potential Sponsor is closely aligned with the City's corporate and policy goals.

**General Manager** means the members of the City Leadership Team, including the City Manager, Deputy City Manager, City Engineer, Director of Finance, Chief Constable, Fire Chief, Chief Librarian, Park Board General Manager, City Solicitor, Chief Human Resources Officer, General Manager of Arts, Culture & Community Services, General Manager of Real Estate and Facilities Management, General Manager of Planning, Urban Design, and Sustainability, General Manager of Development, Buildings, and Licensing, and Director of Corporate Communications.

**Maximum Contract Term** means the maximum years (including all options to extend or rights of renewal) in respect of a Sponsorship Agreement.

**Non-Competitive Sponsorship Arrangements** involve either Un-Solicited Sponsorship Proposals or Direct Solicited Sponsorship Proposals.

**Permitted Sponsorship Sole Source** means a Non-Competitive Sponsorship Arrangement completed in accordance with this Policy.

**Sponsor** means the other party to a contract with the City for a Sponsorship.

**Sponsorship** is the relationship formed between the City and the Sponsor pursuant to a Sponsorship Agreement, whereby the Sponsor provides cash and/or in-kind services/benefits to the City in return for permitted use of association with the City Assets. These permitted uses may take the form of publicity, promotional activities, merchandising opportunities, or similar types of benefits.

Forms of Sponsorship include:

- Cash: A Sponsorship received in the form of money.
- In-kind: Goods and services of value to the City are received other than cash, provided always that the Chief Procurement Officer is satisfied that the provision of such goods and services is specifically related to the Sponsorship and therefore does not contravene the intent and effect of the Procurement Policy.
- A combination of the above

**Sponsorship Agreement** is the contract between the City and Sponsor setting out their respective rights and obligations in relation to the City Asset(s) and the Sponsorship.

**Sponsorship Manager** is a City staff member authorized in writing by the Sponsorship Review Group to manage and oversee one or more Sponsorships in accordance with this Policy.

# ADMINISTRATIVE POLICY

**Sponsorship Review Group** is comprised of the Department Head of the department or entity responsible for managing the City Asset related to the Sponsorship, the Director of Finance, the Chief Procurement Officer and the City Manager.

**Sponsorship Generated Surplus** means Sponsorship cash receipts in excess of the approved budget for the sponsored City Asset as determined by the Director of Finance. In-kind receipts will not be treated as Sponsorship Generated Surplus.

**Total Value** is the total amount of cash and the total fair market value of in-kind benefits to be received by the City as a result of the proposed Sponsorship. For the purposes of applying the Procurement Policy, Total Value will be deemed to replace “Total Price” as it is used in the Procurement Policy.

**Un-Solicited Sponsorship Proposal** means an un-solicited proposal received by the City independently of a public call for Sponsors. Un-Solicited Sponsorship Proposals are typically submitted by third parties wishing to obtain marketing rights related to City Assets.

**Vancouver Group** means the City of Vancouver, Vancouver Police Board, Vancouver Park Board, Vancouver Public Library Board, and City Affiliates.

## 6. POLICY STATEMENTS

### (1) General Delegation of Authority for Solicitation, Negotiation and Administration

- 1.1. Only those City staff (each, a “**Sponsorship Manager**”) expressly authorized from time to time by the Sponsorship Review Group are authorized to solicit, accept and negotiate Sponsorships, and only then in compliance with this Policy. Anything not expressly permitted under this Policy must be reported to and approved by Council before it can proceed.
- 1.2. Departments seeking to pursue Sponsorships with respect to City Assets not under their administration and management need the prior written approval of the Department Head who does administer and manage those City Assets.

### (2) Required Legal Terms and Conditions of Sponsorship Agreements

- 2.1. Sponsorship Agreements must be recorded on standardized templates with standard terms and conditions approved by the Chief Procurement Officer and City Solicitor. Any deviation from the standardized terms and conditions or any material deviation from the approved use of such documents requires prior review and approval of the City Solicitor.
- 2.2. All Sponsorship Agreements must be on terms that expressly confirm that the City does not endorse the products, services or ideas of any Sponsor, and that the City retains full ownership and control over the City Asset.
- 2.3. The Sponsorship Agreement must clearly outline and set out the limits of the rights in and to the City Assets being granted by the City to the Sponsor in exchange for cash and/or value in-kind. All rights being granted need to be time-limited and scope-limited within the parameters set out within this Policy.

# ADMINISTRATIVE POLICY

- 2.4. Sponsorship Agreements will require the Sponsor to comply with the City's Ethical Purchasing Policy, Supplier Code of Conduct, and, where applicable, the Procurement Policy.
- 2.5. Sponsorship Agreements will provide for a termination right by the City if a Sponsor breaches its obligations under it.
- 2.6. Sponsorship Agreements will require the Sponsor to comply with all applicable laws including, without limitation, any laws that govern sponsorship or advertising and any laws that govern privacy or freedom of information including the *Freedom of Information and Protection of Privacy Act* (British Columbia) and the *Personal Information Protection Act* (British Columbia).

## **(3) Required Business Terms and Conditions of Sponsorship Agreements**

- 3.1. Rights and benefits to the Sponsor must be proportionate to the monetary value of the cash/in-kind benefits being provided to the City. This will be deemed to be the case where the Sponsorship is a Competitively Procured Sponsorship, at least two proposals have been received, and the proposed terms are approved in writing by the Department Head of the department or entity having management and administration of the applicable City Assets. Where a Non-Competitive Sponsorship Arrangement is being evaluated, adequacy of the arrangement must first be approved by the Sponsorship Review Group (or if there is urgency, the City Manager and Chief Procurement Officer).
- 3.2. No exclusivity rights are permitted to be granted in any Sponsorship Agreement unless their duration is no more than the Maximum Contract Term and the full nature, scope and duration of the proposed exclusivity rights are first reported to in detail to the Sponsorship Review Group and all affected Departments are consulted and concur on and support the report to the Sponsorship Review Group, and the Sponsorship Review Group approves in writing the proposed exclusivity rights.
- 3.3. All Sponsorships must be aligned with the City's corporate and policy goals.

## **(4) Rules on the Application of Revenue**

- 4.1. Sponsorship revenue (other than Sponsorship Generated Surplus) must be applied to the applicable City Asset.
- 4.2. Sponsorship Generated Surplus will be applied in one or more of the following ways as determined by the Sponsorship Review Group:
  - a. improving and enhancing the sponsored City Asset and, where applicable, audience experience of that City Asset;
  - b. servicing the overhead and administrative costs of the City's Sponsorship program; and/or
  - c. contributing to other City priorities.

## **(5) Sponsorship Manager's Responsibilities on Ethics and Integrity for Sponsorships**

- 5.1. Except where a decision or authority is expressly reserved to the Sponsorship Review Group or Council, Sponsorship Managers are



# ADMINISTRATIVE POLICY

responsible for ensuring that the Sponsorships solicited, negotiated and concluded by them comply with this Policy.

- 5.2. The Sponsorship Manager must conduct the Background/Ethical Scans on all prospective Sponsors proposing to provide a Total Value of more than \$10,000 and retain a record of the findings.
- 5.3. The Sponsorship Manager is responsible for ensuring that there is no conflict or appearance of a conflict of interest created by proposed Sponsorship, including without limitation and by way of example only, any conflict or appearance of a conflict with respect to any particular City employee or official, any existing contracts between the Sponsor and the City, any existing regulatory applications, enforcement proceedings, or other interactions between the City and the Sponsor. If the Sponsorship Manager has any concerns in this regard, they must request advice from the City Solicitor.
- 5.4. The Sponsorship Manager must avoid any communications with prospective Sponsors that would create the impression that the City intends to provide ongoing benefits (financial or otherwise) for the Sponsor beyond the terms of the Sponsorship Agreement, or which could be construed as interfering with existing contractual obligations.
- 5.5. The Sponsorship Manager is responsible for ensuring that each proposed Sponsorship does not unduly detract from the character, integrity, aesthetic quality or safety of the City Asset and does not unreasonably interfere with its enjoyment or use.
- 5.6. Sponsorship Managers will not approve Sponsors that could prove detrimental to the City's public image. If the Sponsorship Manager has any concerns, they should obtain the prior written approval of the Sponsorship Review Group before proceeding.
- 5.7. Pursuant to the Freedom of Information and Protection of Privacy Act, Sponsorship Managers are responsible for ensuring that the privacy of the City's confidential information as well as the personal information of the City's residents and businesses is protected from disclosure to prospective and actual Sponsors.
- 5.8. While the Sponsorship Agreement will expressly prohibit this type of activity, Sponsorship Managers are responsible for monitoring and enforcing the Sponsorship Agreement so as to ensure that Sponsors do not breach the Sponsorship Agreement by implying that their products, services or ideas are endorsed by the City or by taking advantage of the benefits conferred under the Sponsorship Agreement to a greater degree than expressly granted by the Sponsorship Agreement.

## **(6) Sponsor Eligibility and Restrictions**

- 6.1. The following types of Sponsors are not eligible for Sponsorships:
  - a. parties that are disqualified from doing business with the City due to ongoing litigation or prior litigation,
  - b. parties (or any of their known affiliates) known to have previously violated any

# ADMINISTRATIVE POLICY

- i. bylaw or policy of the City in any way,
- ii. any criminal law
- iii. the BC Human Rights Code, or
- iv. any other laws of Canada,

unless such violation is considered by the Sponsorship Review Group to be of a minor nature and not prejudicial to the City's and the public interest (for example a minor parking violation of the City's Street and Traffic By-law)

- c. parties that are registered as local elector organizations, political parties, religious organizations, or public advocacy groups.
- 6.2. Any person or party that engages in the following business is ineligible to be a Sponsor:
- a. manufacturing of armaments and weapons, or
  - b. producing and selling pornography, or illegal sexual services, or
  - c. any other categories as reasonably determined by the City Manager.
- 6.3. The above eligibility restrictions may be reviewed at any time by the City Manager and be modified by the City Manager from time to time and at any time in the City Manager's sole discretion, and will take effect immediately upon being published (as an amendment to this Policy) on the City's website.
- 6.4. Sponsorship involving products and services that may be considered harmful to the health of the target audience will require explicit approval by the City Manager.

## **(7) Rules on Procurement and Solicitation of Sponsorships**

- 7.1. As noted in the Definitions, there are three types of Sponsorship solicitation:
  - a. Competitively Procured Sponsorship Arrangements,
  - b. Un-Solicited Sponsorship Proposals, and
  - c. Direct Solicited Sponsorship Proposals.
- 7.2. Competitively Procured Sponsorship Arrangements must be approved by the Department Head for the applicable City Asset and City Manager before being issued to the market by the Chief Procurement Officer in accordance with the Procurement Policy.
- 7.3. Un-Solicited Sponsorship Proposals shall be reviewed by the applicable Sponsorship Manager and if deemed appropriate forwarded to the Sponsorship Review Group for review and, if acceptable, completed in accordance with Section 6(9) of this Policy.
- 7.4. Direct Solicited Sponsorship Proposals must be pre-approved by the Sponsorship Review Group prior to commencement of discussion and then completed in accordance with Section 6(9) of this Policy.

# ADMINISTRATIVE POLICY

## **(8) Principles of Competitive and Open Solicitation of Sponsorship Opportunities**

- 8.1. Wherever possible, Sponsorships will be solicited in an open, competitive and transparent manner in accordance with the Procurement Policy.
- 8.2. Un-Solicited Sponsorship Proposals and Direct Solicited Sponsorship Proposals will generally be avoided if it is possible to conduct a Competitively Procured Sponsorship Arrangement.
- 8.3. The solicitation, negotiation and administration of all Sponsorship Agreements are to be conducted in a transparent and objective manner by the Sponsorship Manager in consultation with the Chief Procurement Officer or by a third party agency contracted to solicit Sponsorships on the City's behalf, all in accordance with the Procurement Policy. The procurement of and contracting with third party agencies is governed by the City's Procurement Policy.

## **(9) Non-Competitive Sponsorship Arrangements**

- 9.1. Non-Competitive Sponsorship Arrangements, resulting from Un-solicited Sponsorship Proposals and Direct Solicited Proposals may be considered at any time, but the City has no obligation to accept any of them.
- 9.2. Direct Solicited Sponsorship Proposals may be pursued and considered as a Permitted Sponsorship Sole Source, if the Sponsorship Review Group determines they meet the following criteria:
  - a. The opportunity has a significant potential in terms of Total Value (in excess of \$250,000 but subject to change by the Sponsorship Review Group from time to time), and
  - b. The opportunity is aligned with the City's corporate and policy goals.
- 9.3. Un-solicited Sponsorship Proposals may be considered as a Permitted Sponsorship Sole Source, if the Sponsorship Review Group determines they meet the following criteria:
  - a. The opportunity is aligned with the City's corporate and policy goals;
  - b. The Un-solicited Sponsorship Proposal relates to a City Asset for which a set timeline is in place, and the timing of the Un-Solicited Sponsorship Proposal coincides with that timeline, and
  - c. The Sole Source provisions of Section 9.1(b) and (c) of the Procurement Policy are satisfied except that,
    - i. The Notice of Intent to Contract provisions do not apply and are replaced by the Notice of Intent to Contract provisions set out in Section 6(9.4) of this Policy.
    - ii. "Total Price" will be read as "Total Value"
    - iii. "Contract" will be read as "Sponsorship Agreement"
    - iv. "Best Value" (for Sponsorships having a Total Value over the threshold in Section 9.1(c) of the Procurement Policy) will not be determined by the Chief Procurement Officer or City Solicitor but instead will be determined in accordance with Section 6(3.1) of this Policy

# ADMINISTRATIVE POLICY

- v “Best Value” means the rights and benefits to the Sponsor must be proportionate to the Total Value being provided to the City as determined
  - for Total Value over the threshold in Section 9.1(c) of the Procurement Policy, by the Sponsorship Review Group or in the case of urgency by the City Manager and Chief Procurement Officer in accordance with Section 6(3.1) of this Policy, and
  - for Total Value under the threshold in Section 9.1(c) of the Procurement Policy, by the staff authorized to do so under that Section 9.1(c).

9.4. Prior to signing a Non-competitive Sponsorship Arrangement, a Notice of Intent to Contract is to be issued as soon as possible, with the goal of minimum 4 weeks prior to signing, on the BC Bid and/or City web-site, advertising the City’s intent to enter into a contract without a public competitive procurement process. In situations where the Un-solicited or Direct Solicited Sponsorship Proposal is received with less than 4 weeks prior to the activation, the City may proceed with the proposal as long as the Notice of Intent to Contact is issued as soon as possible following the receipt of the proposal. If no complaints or concerns have been lodged in response to the Notice of Intent to Contract, this may be treated by the applicable authorized City staff as further support for the proposed Non-competitive Sponsorship Arrangement. Where there have been complaints or concerns lodged in response to the Notice of Intent to Contract, the applicable authorized City staff must be satisfied that such complaints or concerns do not warrant going out to a Competitively Procured Sponsorship Arrangement prior to proceeding with same.

9.5. A list of all Sponsors will be provided for public view on the City’s website

## **(10) Call, Commitment, Signing and Change Authority for Sponsorship Agreements**

10.1. Competitively Procured Sponsorship Arrangements:

Subject always to the requirements in Section 6(7.2) of this Policy on the authority to Call for a Competitively Procured Sponsorship Arrangement, the provisions of the Procurement Policy including Table 1 of the Procurement Policy will apply as follows:

- “Total Price” will be read as “Total Value”
- “Contract” will be read as “Sponsorship Agreement”
- “Funding Authority” will be read as “authority to issue a Call pursuant to the Sponsorship Policy”

10.2. Non-Competitive Sponsorship Arrangements:

The Commitment Authority and Signing Authority for Non-Competitive Sponsorship Arrangements will not be governed by the Procurement Policy.

# ADMINISTRATIVE POLICY

Commitment Authority is now delegated to the Sponsorship Review Group for all Non-Competitive Sponsorship Arrangements having a Total Value less than \$500,000.

Signing Authority is now delegated to the Sponsorship Manager and City Solicitor for all Non-Competitive Sponsorship Arrangements having a Total Value less than \$500,000.

- 10.3. With respect to any Extension, Change Order, or other matter delegated to staff under the Procurement Policy, the Chief Procurement Officer and City Solicitor will have such authority (in consultation with the Sponsorship Manager) with respect to such matters as they apply to any Sponsorship Arrangement with Sections 7 and 8 of the Procurement Policy applying only to such changes to a Sponsorship Agreements having a Total Value under \$500,000 and with Table 2 of the Procurement Policy being overridden by this Section 6(10.3).
- 10.4. Any Sponsorship having a Total Value of \$500,000 and over requires Council approval prior to the Sponsorship Agreement being authorized and signed.

## **(11) Monitoring, Reviewing and Reporting**

- 11.1. Application of the City's Sponsorship Policy, and its financial and non-financial impacts on a City-wide level, will be monitored and reviewed by the Sponsorship Managers, who will annually report to the City Manager.
- 11.2. A list of all Sponsors currently under contract with the City shall be listed for public view by the City Manager on the City's website.
- 11.3. This Policy is to be reviewed by the City Manager or designate every two years and updated as required.
- 11.4. The City Manager, Director of Finance, and City Solicitor are authorized to make all such administrative amendments and modifications to the Policy as are considered appropriate from time to time to reflect changes in organizational structure or staff titles, to incorporate the policies of the Library, Police, Park Board and the City's affiliates that may be adopted by them from time to time to better align with the City's Policy, and any other elements of the Policy other than the elements which legally delegate authority reserved to Council from Council to City staff.

(12) This Policy must be read and applied in conjunction with the following related policies:

- Procurement Policy – ADMIN-008
- Ethical Purchasing Policy – AF-014-01
- Supplier Code of Conduct
- City's Code of Conduct Policy – AE-028-1
- Budgets – Operating – ADMIN-004
- Budgets – Capital – ADMIN-005
- Visual Standards Guide

# ADMINISTRATIVE POLICY

## 7. APPROVAL HISTORY

<b>Version 1 approved by:</b>	Departmental General Manager	9/5/2019
	City Manager	<a href="#">Click here to enter a date.</a>

**8. Next review date**                      **5/28/2021**