

Board Policies

4.10 Sponsorships

Date Adopted/Last Revised: Month #, 20XX

Note: Capitalized terms not otherwise defined in this Board Policy have the meanings set forth in the Definitions section of Board Policy 1.01. Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

To forward its mission, and in accordance with Section 4051.1 of the California Food and Agricultural Code, the 32nd DAA may solicit and enter into agreements to secure sponsorships for events, programs and services. The purpose of this policy is to establish criteria for selecting 32nd DAA sponsorships.

Policy

It is the policy of the 32nd DAA that sponsorships will be used to support and further the mission of the organization. Within this context, a sponsorship is defined as a mutually beneficial exchange whereby the sponsor receives value in return for cash, goods, or services-in-kind provided to the 32nd DAA.

Sponsorship Guidelines

- The 32nd DAA selects which sponsorships it wishes to accept and reserves the right to reject any sponsorship offer.
- The 32nd DAA does not endorse—either explicitly or implicitly—any of its sponsors, nor does it endorse those sponsors’ products, services, or ideas.
- The 32nd DAA will avoid any real or perceived conflicts of interest related to sponsorship agreements (see Policy 2.03). As such, 32nd DAA Board Members and staff

must not receive any substantial benefit from sponsorship including gifts or financial rewards or benefits.

- There must not be preferential treatment for a business, organization, or individual as a result of sponsorship. For example, there must not be an expectation that a company will get favored treatment by the 32nd DAA over a competitor due to their sponsorship status.
- The 32nd DAA retains full control of the content of its programs, projects, and services. Sponsors do not have authority over the operation of what they have sponsored.
- The 32nd DAA retains the right to review and approve all communications in regard to a sponsorship. This includes—but is not limited to—announcements, advertising and marketing materials, articles, and press releases about the sponsorship.
- The 32nd DAA will not enter into sponsorship agreements with businesses, organizations, or individuals that do not align with the 32nd DAA’s mission, values, or ethics. The 32nd DAA’s long term reputation and credibility always takes precedent over short-term monetary needs.
- While each potential sponsorship agreement will be considered on its merits, and judgement and discretion will characterize the decision making, the following questions will always be addressed:
 - Does the sponsorship align with the 32nd DAA’s mission, values, and ethics?
 - Does the sponsorship suit the 32nd DAA’s overall strategy?
 - Will the sponsorship help the 32nd DAA realize its strategic priorities or objectives?
- To be consistent with the 32nd DAA’s family-friendly focus, sponsorships in the following categories are not permitted:
 - Tobacco or vaping products
 - Cannabis or CBD products
 - Hard liquor or spirits

- To ensure that the 32nd DAA is perceived as a welcoming and inclusive organization, the 32nd DAA will not enter into sponsorship discussions with organizations that have a primary focus on:
 - Party politics
 - Religious organizations and/or activities

Comment [ARF1]: This type of guideline can be controversial, so the Board should definitely discuss the implications within the context of the 32nd DAA.

Procedure

Sponsorship Approval and Agreements

The Board must approve any sponsorship agreement that (1) exceeds 31% of the overall revenue budget for the year, (2) includes a term that exceeds three years, or (3) includes naming rights. The CEO, or other designated executive staff member, may sign any sponsorship agreement that does not meet the criteria identified above.

Staff will prepare an agreement consistent with the size and the scope of the sponsorship. All agreements shall include a clarification of the all sponsor benefits, process for marketing material approval in advance of publication, and the statement the 32nd DAA does not endorse sponsor's products or services.

All sponsorship agreements will be confirmed through a written contract. In addition to the items stated above, the contract will clarify relevant aspects of:

- When the sponsor will provide payment, or make promised in kind goods or services available.
- Who the main contacts will be for each party.
- Any interim or final reporting agreed upon, how the agreement will be monitored and reviewed.
- When the agreement terminates, and how early termination is handled.
- Any minimum or maximum amount, and how that will be determined, and any exclusivity commitment.
- How any failure to meet commitments will be handled (e.g. what happens if the event is cancelled).