



SPONSORSHIP, ADVERTISING AND CHARITABLE GIVING POLICY

Policy Name: Sponsorship, Advertising and Charitable Giving Policy	Policy Number: CP-2024-08
Adopted: October 16, 2024 (Date)	Division/Department: Finance
Authority: Confirmatory By-Law # COW – 2024-54	Supersedes: none
Review by Date: October 16, 2026	Last Modified: n/a

Purpose

The Town of Midland acknowledges that corporations, businesses, individuals, and service organizations may from time to time choose to support financially, and/or materially, municipal activities through sponsorships (including naming rights), advertising on Town property or in Town publications, and/or charitable giving activities. The Town supports the development of sustainable relationships between the Town and the community, external groups and interested parties through various types of sponsorship, advertising and charitable giving arrangements for the benefit of the community.

The purpose of this policy is to create a consistent and controlled approach to evaluate, decline, or accept sponsorship agreements, including but not limited to: corporate sponsorships, charitable giving, naming rights, and advertising. The intent of this policy is to protect the Town's corporate values, image, assets, and interests while entering into mutually beneficial agreements that generate new non-tax revenue streams, while supporting stakeholders in increasing their visibility and investment in the community.

Policy Statement

The Corporation of the Town of Midland (hereinafter referred to as the Town) welcomes and encourages the use of sponsorships, advertising and charitable giving (hereinafter referred to as sponsorships) revenue to offset the costs of programs, services, facilities, and events.

All sponsorships shall be consistent with the Town's vision, mission and values and will not compromise or contradict any by-law or policy of the Town or reflect negatively on the Town's integrity or public image. All sponsorship agreements shall be drafted in a manner that promotes the Town's interest and results in the optimal balance of benefits to the Town and the community.

Definitions

For the purposes of this Policy:

- a) “Advertising” means the sale to an external company, organization, enterprise, association or individual of advertising space at Town facilities or events, or on Town printed or digital materials.
- b) “Assets” refers to any tangible or intangible property of the Town, which may include, but is not limited to: Town programs, services, events, facilities, structures, parks, signage, publications, websites, social media platforms for which sponsorship rights are approved for solicitation.
- c) “CAO” means Chief Administrative Officer of the Town of Midland
- d) “Charitable giving” means any monetary or non-monetary donations to the Town.
- e) “Clerk” means the Clerk of the Town of Midland
- f) “Council” means the Council of the Town of Midland
- g) “Department” means an identified department with the Town budget documentation.
- h) “Division” means an identified division within the Town budget documentation.
- i) “Division head” means the management lead of a Town division
- j) “Donation” means a gift or contribution of cash, goods or services given voluntarily toward an event, project, program, service or corporate asset, whether or not it is eligible, in full or in part, for a Charitable Tax Credit under the Income Tax Act.
- k) “In-kind” means any and all non-monetary donations, usually goods or services offered free or at less than the usual charge, to the Town.
- l) “Naming rights” means a type of sponsorship in which a sponsor purchases the exclusive right to name an asset. The naming right is sold or exchanged for cash or other revenue support. This arrangement may be documented in an agreement signed by the interested parties for a specific period.
- m) “Sponsor” refers to any party to a sponsorship agreement other than the Town.
- n) “Sponsorship” means a mutually beneficial arrangement between the Town and an external party (individual, company, vendor or organization) wherein the external party contributes funds (financially), goods and/or services (in-kind) to an event, project, program, service or corporate asset in return for recognition, or other promotional consideration.
- o) “Sponsorship agreement” refers to a binding agreement between the Town and one or more sponsors.
- p) “Town” means the Corporation of the Town of Midland
- q) “Town facility” refers to any building, structure, or area of land owned by, or under the direction and control of the Town, including, but not limited to: sports and recreation facilities, arenas, parks, park amenities, street amenities, transit amenities, and Town-run facilities.

Scope

This policy applies to all relationships between the Town and businesses, organizations and individuals that contribute either financially or in-kind to events, programs, services, facilities or assets in return for recognition, acknowledgement or other promotional considerations, including, but not limited to:

- Program and special event sponsorship
- Naming/renaming of Town assets
- Paid advertising on or in Town assets, at Town events, and in Town publications, including digital publications or media
- Programs and service financial sustainability.

Exclusions

This policy does not apply to:

- Advertising paid for by the Town to promote Town events, programs and services
- Naming of Town assets instigated by the Town
- Contracts where a service or product is provided to the Town for a fee or to other agreements the Town enters to manage its operations
- Government sponsored grant programs to which the Town has applied for funding

This policy does not take precedence over any policies, practices, or agreements with respect to advertising and associated in-kind service agreements that are developed through purchasing contracts or other means.

Sponsorship Criteria

1. Sponsorship agreements must align and not compromise, influence or alter the corporate goals, operations, or priorities of the Town, or diminish the Town's public image.
2. Sponsorship proposals for sponsorship amounts are subject to procurement by-law thresholds and may require a competitive procurement process. Donations and charitable giving agreements are excluded from competitive procurement processes.
3. Sponsorship packages for event sponsorship will follow an invitational competitive process as outlined by the Manager, Culture and Community and reviewed by the Manager of Procurement.
4. In some cases, an external party may be contracted to assist in the marketing and solicitation of sponsorship opportunities. This external party, when required, will be contracted according to the Town's procurement by-law.
5. The Town will not solicit, accept, or enter into sponsorship agreements with companies whose reputation could prove detrimental to the Town's public image.
6. The Town will not allow sponsorships either directly or through third party agreements that:
 - Promote pornography
 - Promote the support of or involvement in the production, distribution, and sale of weapons and other life-threatening products

- Present demeaning or derogatory portrayals of individuals or groups or any message that is likely to cause deep or widespread offence or divisiveness.
 - Involve a sponsor that is disqualified from doing business with the Town due to ongoing litigation, prior litigation, or other infringements against the Town.
7. Sponsorships, including proposed in-kind gifts or donations, must be cost-effective for the Town and managing sponsorship agreements and assets should not require significant costs or administrative resources.
 8. The Town will ensure that there is financial sustainability of programs and services provided by sponsorships. In evaluating potential sponsorships, the Town will consider all costs incurred when figuring out the viability of the revenue including operating, maintenance, production/design fees, disposal value and disposal costs. Where proper, the net value of the annual revenues/costs will be considered.
 9. Sponsorships must enhance the delivery or public awareness of Town services or activities and complement the public relations, promotion and branding strategies of the Town.
 10. Sponsorship agreements must comply with all federal and provincial statutes, municipal by-laws, and corporate plans, policies, and procedures.
 11. Sponsors are not entitled to any added benefits other than those outlined in sponsorship agreements. Sponsorship agreements shall not invoke future consideration, influence, or influence the daily business of the Town.
 12. Display of sponsorship information must not take precedence over the display of the Town's corporate identity on its property, assets, services or programs.
 13. Where the Town is procuring the activation and/or fulfillment activities on a Sponsor's behalf, at the Sponsor's expense, the Town's procurement policy and by-law will be followed.

General Procedures for all sponsorships

1. Roles and Responsibilities
 - This policy is administered by the CFO or designate, jointly with members of the senior leadership team, and the CAO.
 - The Legal and Risk Management team or designate is responsible for tracking and records management of all sponsorship agreements other than those related to individual events.
 - The Culture and Community team is responsible for tracking and records management of any Town-initiated sponsor asks or outreach to the community.
 - Division heads are responsible for identifying assets, soliciting, negotiating, and administering sponsorship agreements as outlined in this policy and related procedures.
 - Legal and Risk will review all sponsorship agreements exceeding a value of \$10,000 or with material changes to the sponsorship agreement template. Legal and Risk may aid departments in the establishment of sponsorship agreements exceeding a value of \$25,000.
 - The Customer Experience Office and Communications department will aid departments in the review of all sponsorship content and collateral (digital or

- material) that include the Town's corporate logos and/or reflect on the Town's corporate identity.
- The Finance department is responsible for invoicing, collection of funds, and issuing income tax receipts in accordance with Town policies, procedures, and the Income Tax Act. The Finance department will advise the departments when an external appraisal for donated items may be required.
 - Department heads are responsible for approval of sponsorship proposals and agreements for the divisions in their department as outlined in this policy and related procedures.
2. Sponsorship agreements must be confirmed by a written agreement outlining the benefits, roles and responsibilities, fees, payment schedule, duration, and other agreed upon sponsorship terms. The Town must keep records of these agreements, including receipts.
 3. All multi-year sponsorship agreements shall be evaluated annually to determine the continued benefit.
 4. The Town reserves the right, at its sole discretion, to accept or decline any form of charitable giving or sponsorship, and to end an existing sponsorship agreement should conditions arise that make it no longer in the best interest of the Town.
 5. The Town, in its sole discretion, retains the right to approve the content of any sponsorship creative, branding, messaging, or any other activities to be installed, placed, or deployed on any Town property, including digital properties, and any approved use of reference to the Town brand or logo.
 6. Approval of sponsorship agreements are expected to adhere to the following guidelines, where appropriate:
 - Sponsorship agreements with a potential value of more than the procurement bylaw thresholds may be subject to a formal competitive procurement process. Donations and charitable giving agreements are excluded from the competitive procurement process.
 - Sponsorship packages for event sponsorship will follow an invitational competitive process as outlined by the Manager, Culture and Community and reviewed by the Manager of Procurement.
 - Department Head or designate, has the authority to approve sponsorship agreements within their own departments up to an annual value of \$25,000.
 - The Treasurer or CAO, or their designate, have the authority to approve sponsorship agreements up to an annual value of \$50,000. Council endorsement may be needed in specific instances as determined by the CAO.
 - Sponsorship agreements that include the naming rights of Town assets, and/or include exclusive privileges (other than event-related exclusivity) to the sponsor will require Council approval.

7. Advertising rates are approved by Council within the Fees and Charges Bylaw.

References and Related Policies/Procedures

- Codes of Conduct (Council and Staff)
- Procurement By-law, By-law 2018-52, section 7.5

Review Cycle

This policy will be reviewed once per term of Council or as needed based on revisions to corporate practices or governing legislation.