



Guidance for State of Vermont Sponsorship Agreements

CHIEF MARKETING OFFICE, JUNE 2009

The Agencies, Departments, Divisions, and other entities of the state of Vermont (hereinafter 'State') are frequently presented with sponsorship opportunities. These opportunities more often include a request for the State to provide financial support to a cause, event, or organization and less frequently the State is presented with offers to accept financial support through a sponsorship of a program, event, publication, or other type of state owned asset or initiative (hereinafter 'property') in return for some association with it. These requests for sponsorship come from many different types of organizations and take many forms.

The following guidance has been developed by the Chief Marketing Officer for the State of Vermont with input from multiple state agencies and departments. It provides guidelines for determining when it is appropriate to enter into a sponsorship agreement with a non-governmental organization and the process for forming such an agreement. It shall be the responsibility of the Agency or Department head to apply these guidelines in his/her determination for establishing a sponsorship agreement.

Definitions

"Property" shall include all physical buildings, publications and printed materials, products, programs, events, or other type of state owned asset.

"Sponsorship" is the right of an external entity (for-profit or not-for-profit) to associate its name, products, or services with State property.

Types of Sponsorship

State as the sponsor – The State provides an organization with money or in-kind contribution to support, or to have an affiliation with, the organization's event, campaign, publication, or other assets.

***Example:** The Governor's Highway Safety Program (GHSP) has a sponsorship agreement with the Vermont Voltage men's and women's soccer team to promote seat belt use. For an agreed upon annual fee, GHSP receives promotion of the Click-it-or-Ticket campaign through logos worn on players uniforms, player attendance at GHSP events, signage at the soccer field, and collateral distribution at Voltage games and events.*

State as the property – The State receives money or an in-kind contribution from an external organization in return for the display of a logo or message on State property acknowledging support from, or an affiliation with, the organization.

***Example:** National Life provides support for the annual Vermont Days weekend by paying for the printing of the all posters and brochures that promote the event around the state. (Vermont Days is a free weekend in the month of June where all state parks and state-owned historic sites are open to the public for free and any resident or visitor can fish for free on that Saturday.) A mention is made in small type at the bottom of the printed materials indicating that National Life supported Vermont Days by donating the printing of the poster (or brochure).*

***Example:** The Vermont Office of Emergency Medical Services (EMS) and Injury Prevention organizes and annual statewide conference for EMS professionals. Organizations are offered an opportunity to be a sponsor of the conference in return for promotional opportunities (i.e. logo printed on conference materials, display of banner, name mentioned by speakers) during the conference events.*



Criteria for Sponsorship Agreements

The State recognizes that entering into a sponsorship agreement with an external entity does not constitute an endorsement of the entity or its services and products but does imply an affiliation. Such affiliation can affect the reputation of the State among its citizens and its ability to govern effectively. Therefore, any proposal for sponsorship of a State program or service in which the involvement of an outside entity compromises the public's perception of the State's neutrality or its ability to act in the public interest will be rejected.

A sponsorship agreement will not entitle any organization or outside party to influence any current or future policies or decisions made by the state of Vermont.

The amount of the approved financial or in-kind support is at the discretion of the Agency or Department head and shall be commensurate with the benefits to be accrued by the State.

The State shall consider the following criteria before entering into a sponsorship agreement:

- The sponsorship is consistent with the goals, objectives, and mission of the State entity and the current priorities that support these goals, objectives, and mission.
- Importance of the sponsorship to the mission of the State entity
- Extent and prominence of the public display of sponsorship
- Aesthetic characteristics of the public display of sponsorship
- Level of support provided by the sponsor
- Cooperation necessary from the State entity or other State entities to implement the sponsorship
- Inconsistencies between the State's policies and the known policies or practices of the potential sponsor
- Other factors that might undermine public confidence in the State's impartiality or interfere with the efficient delivery of State services or operations, including, but not limited to, current or potential conflicts of interest, or perception of a conflict of interest, between the sponsor and State employees, officials, or affiliates; and the potential for the sponsorship to tarnish the State's standing among its citizens or otherwise impair the ability of the State to govern its citizens.

The State should not enter into sponsorship arrangements in the following cases:

- The organization, program, product, or event promotes tobacco or illegal substances.
- Events which duplicate, or compete with, existing Government programs or services;
- Projects which are likely to adversely affect the content or interpretation of the State's programs or services or may raise a conflict of interest, or perception of a conflict of interest;
- Sponsorship of a political party;
- Areas that have the potential to cause widespread public controversy;
- Recipients are individuals; political campaigns or parties; groups that discriminate on the basis of age, race, sex, sexual orientation or national origin; schools, churches and other religious organizations, where State funds may be specifically used in support of religious activities; groups with which the State is currently in litigation; and unions representing State of Vermont employees.
- Requests for sponsorship cannot be initiated by a State employee, member of a government appointed board, council, or commission, if he or she acts in a decision making capacity regarding State sponsorship.
- The state entity has a direct regulatory relationship with the sponsor or sponsored entity.

Criteria for State Acceptance of a Sponsorship

In addition to the criteria defined above for sponsorship agreements, the state shall consider the following criteria in the decision to accept a sponsorship from a business or organization:



- The State will maintain full ownership of any sponsored product, event, and asset.
- The State maintains all authorship rights to publications.
- No business or organization will be guaranteed exclusive rights to a sponsorship opportunity.
- The sponsoring organization is not permitted to charge fees for state owned products, events, or access to state property.
- The sponsoring organization is not permitted to alter publications or other property without the written permission of the State.

Identification of Sponsorship

Sponsorship arrangements must be clear on how and where the State logo is to be used. The State logo (moon over mountains logo) should be supplied to the sponsored organization for any promotional use.

The logo is available through the Chief Marketing Officer by making a request to marketing@state.vt.us. State entities responsible for developing sponsorship agreements are responsible for ensuring the guidelines for logo use are met (these are also available on www.cmo.vermont.gov) in all applications of the logo.

Sponsorship agreements must include the State's right to review and approve all promotional material and activities including specific uses prior to release.

Process for forming sponsorship agreement

Sponsorship agreements made directly by the state with an external entity must be made in writing. The agreement may be in the form of a formal contract or a Memorandum of Agreement between the external organization and the state entity (or entities). The agreement must include the following:

- identification of all parties to the sponsorship (including any third parties);
- description of the exact nature and value of the sponsorship, to include both parties' benefits;
- specific payment terms, including how and when the payment will be made and to where;
- specify the length of the sponsorship agreement, options or conditions for renewal, period of time for any option, formula to be used to calculate any increase in price;
- describe what the money is to be used for and set out the budget;
- set out any special conditions that apply;
- consider methods to secure payment against the other party's failure to deliver the agreed benefits/outcomes such as insurance or guarantees (where a corporation is involved) at an early stage of failure;
- stipulate that there is no exception or obligation on the State to continue the sponsorship agreement beyond the contracted period;
- set out the procedure for communication and reporting between the parties;
- specify that all parties are to identify, resolve, monitor and report on any existing, emerging or potential conflicts of interest;
- detail the grounds for termination (i.e. non-performance or delay in providing whatever was agreed to be provided and the consequences upon termination, such as repayment);
- document the State's right to review and approve all promotional material and activities including specific uses prior to release;
- specify where and how the State of Vermont name and logo and Department (or program) logo will be used – refer to State of Vermont Brand Standards and Guidelines; and address the review and evaluation of the sponsorship agreement.