

SCHOOL POLICY: CORPORATE SPONSORSHIP

PUBLISHED: September 2001
IDENTIFIER: CSP200109
CONTACT: Community Partnerships and School Improvement Section
RELATED POLICIES: *Parent Contributions to School Finances*
**RELATED INSTRUCTIONS
AND GUIDELINES:** *ACT Department of Education and Training Delegations Manual;
Chief Executive's Financial Instructions.*

1. PURPOSE

- 1.1 To provide procedures for schools and central office units entering into sponsorship arrangements.

2. DEFINITIONS

- 2.1 *Sponsorship* is the negotiated provision of funds, goods or services to schools and central office units in exchange for advertising, publicity or other benefits.

Sponsorship:

- may take the form of cash support and/or provision of material goods or other resources, such as labour or facilities, in exchange for agreed acknowledgment;
- may be between one or more schools and/or central office units and one or more organisations; and
- does not include direct commercial dealings between organisations and schools/central office units, simple donations of goods and services, or materials developed independently by organisations for use in schools/central office units.

- 2.2 A *Sponsorship Agreement* is a written document outlining the negotiated terms for a sponsorship.

Agreements may be:

- with a business or organisation;
- the first step to, or the outcome of, links formed with business and other community organisations; or
- part of, or an outcome of, a much wider relationship with the community.

Agreements may take the form of:

- an exchange of letters;
- the sample Sponsorship Agreement (Attachment C);
- the Sponsorship Contract and Schedule (Attachment D); or

- a full Legal Agreement (available from Workforce Relations and Legal Services Section).

2.3 *Schools* include all departmental centres involving students.

2.4 *Central office units* include all office areas within the department.
(Note: *Donations* are unconditional gifts of money or materials. This policy does not apply to donations.)

3. POLICY STATEMENT

3.1 The sponsorship activity must be consistent with the values, corporate purpose and goals of individual schools, the department and the ACT Government.

3.2 All sponsorship monies received by schools/central office units become monies of the department and must be treated in accordance with the procedures laid down in the *Chief Executive's Financial Instructions* pursuant to the *Financial Management Act 1996* (ACT). In the case of schools, sponsorship monies are to be placed in the school's management account and are to be identified in ledger code 530 in accordance with the *School Management Manual*.

3.3 Staff must not individually benefit as a result of sponsorship. *The Public Sector Management Standards, Standard 4, Ethics* state that staff must not take, or seek to take, improper advantage of their position in order to obtain benefits for themselves, their family or any other person or organisation. The benefits of a sponsorship must go to a school/central office unit, a group of schools/central office units, or the system as a whole.

4. MONITORING AND REPORTING RESPONSIBILITIES

4.1 **Schools** are required to:

- maintain accurate copies of all sponsorship agreements;
- advise their director (schools) of all sponsorships at the outset of formal negotiations; and
- ensure details of sponsorship income and expenditure are forwarded to their director (schools) and indicate how each sponsorship benefited students.

4.2 **Directors, School Operations** are required to:

- keep a record of all sponsorship agreements in their area of responsibility including details of sponsorship income and expenditure provided by schools;
- monitor adherence to the principles and mandatory procedures of this policy for all sponsorships in their district;
- provide advice, where necessary, on the implementation of the sponsorship policy and procedures; and
- ensure details of sponsorship income and expenditure are forwarded to the Executive Director, Education and Training, indicating how each sponsorship benefited students.

4.3 **School Boards** are required to include details of all current sponsorship income and expenditure in the school's annual report including details of how each sponsorship

benefited students. School boards retain the right to decide whether to participate or not in system wide sponsorship.

5. Central Office Units

5.1 Managers are required to:

- advise their Director of all sponsorships when they are in the process of being negotiated by the section;
- seek approval for the sponsorship from their Director; and
- ensure details of sponsorship income and expenditure are forwarded through their director to the relevant Executive Director and indicate how each sponsorship benefited students.

5.2 Directors are required to:

- maintain a record of all sponsorships in their branch;
- provide advice on and, at times, assist with negotiation for sponsorship of system-wide activities; and
- monitor adherence to the principles and mandatory procedures of this policy for all sponsorships in their branch.

6. FINANCIAL ACCOUNTABILITY

6.1 Where a commercial agent is involved in arranging sponsorship for a school/central office unit, the Principal/Manager must:

- ensure any commission arrangements are between the commercial agent and the prospective sponsor;
- ensure the department, including schools, incurs no liability from any commission arrangements; and
- seek advice from their Director where there is a doubt about any of the issues raised above.

6.2 All monies received under a sponsorship agreement will remain under the control of the school or central office unit involved in the agreement.

7. SCHOOLS AND CENTRAL OFFICE - AUTHORITY TO NEGOTIATE AND APPROVE SPONSORSHIPS

Sponsorship, Negotiation, Approval and Agreement, (Attachments A and B), provide guidance to establish sponsorships by schools and Central Office based sections.

8. ASSISTANCE WITH AGREEMENTS

Assistance such as the provision of sample letters or formal agreements can be obtained from DET Workforce Relations and Legal Services Section.

9. MANDATORY PROCEDURES

- 9.1 The negotiation of sponsorship agreements must proceed according to the following procedures no matter what the size and scope of the sponsorship arrangement.
- 9.2 Sponsorship must be seen as an opportunity to enhance the education of students. Sponsorship must be viewed as a supplement to education activities, not relied on as a permanent source of funds and not as the major source of funds for education programs. Public funds are provided for education programs on a system wide basis.
- 9.3 Acceptance of a sponsor's product or service must not be made a condition for student or staff participation in the sponsored activity or program. For example, should individual students or their parents conscientiously object, schools must neither insist on those students wearing clothing carrying the sponsor's name or symbol, nor constrain those students from participating in the sponsored activity. Students may, for example, wear alternative gear.
- 9.4 The educational rationale for the activity to be sponsored should be foremost in discussions and specified in the sponsorship agreement (see section 10 below and Attachment C). Any sponsorship agreement must not compromise the professional standard and ethics of staff. In the case of schools, sponsorship agreements must not limit or direct academic debate in the classroom or influence the curriculum or other school programs.
- 9.5 Direct sponsorship agreements should only be negotiated with organisations whose public image, products and services are consistent with the values, corporate purpose, goals and specific policies of individual schools, the department and the ACT Government.
- 9.6 Any company or organisation whose name is associated with the manufacture, distribution or sale of tobacco products, alcoholic beverages, pornography or armaments is not regarded as an appropriate sponsor. This would not necessarily preclude involvement with local clubs, supermarkets and other businesses, provided that their name is not linked to inappropriate products.
- 9.7 When considering an organisation as a potential sponsor, schools or central office units should evaluate the appropriateness of:
 - the type of products or services the organisation markets;
 - the marketing methods used;
 - it's public image as an employer and the impact it's products and processing have on the environment.
- 9.8 Where there is doubt as to the suitability of an organisation, the sponsorship negotiations should not proceed until advice has been sought from the relevant Director (Schools) or Manager.

10. LEGAL ADVICE, CONTRACTS AND WRITTEN AGREEMENTS

- 10.1 Sponsorship documents must be retained for at least seven years after expiration of the sponsorship.
- 10.2 Each sponsorship agreement (including exchange of letters or full legal agreement) shall be made for a specific period and purpose. Sponsorship agreements may be re-negotiated by either party. The agreement should ensure neither the individual school or central office unit nor the department will be out of pocket in the event that a sponsor withdraws.

- 10.3 Every sponsorship agreement shall contain a clause which allows for the cancellation of an agreement (refer to the conditions contained in the Sponsorship Agreement, Attachment C) without penalty, where information questioning the appropriateness of an organisation as a sponsor comes to light after the agreement has been signed.
- 10.4 Schools or central office units should ensure all acknowledgment arrangements are detailed in the agreement to avoid any future dispute over the nature of the obligations.

11. ACKNOWLEDGMENT

- 11.1 The extent of acknowledgment should reflect the level of sponsorship. Sponsor acknowledgment should also be in a form consistent with the standards and values of individual schools, the department and the ACT Government. The public nature of the government school system should not be infringed or impaired by sponsorship schemes. In particular, the department's name, school's name, official letterhead, general uniform, and buildings should not incorporate the names or logos of sponsors and should not be used to advertise sponsors' products. While forms of acknowledgment may vary the following methods are acceptable:
- placement of a plaque or notice in a school or office foyer acknowledging the support of a company which provided the resource;
 - attendance by the sponsor at school or departmental functions such as concerts, dinners or presentation nights and an opportunity for the sponsor to make an address or present awards at such functions; public display of signs acknowledging the sponsorship at relevant school or departmental functions;
 - acknowledgment of the sponsorship in one or more of the school's or department's bulletins or newsletters, perhaps as an advertisement;
 - inclusion of a byline, foreword or advertisement from the sponsor in a school's prospectus, magazine or other publication; and/or
 - sponsor's logo or name on sporting outfits.
- 11.2 The school's badge or the department's logo, must be prominently displayed in conjunction with any sponsor's name, logo, trademark or symbol used at an activity, on any printed matter or on clothing. The school's badge or department's logo shall be at least the same size as the sponsor's logo.

12. ENDORSEMENT

- 12.1 Although sponsorship agreements may provide exposure of the sponsor's corporate logo or name, the written agreement must not endorse or recommend any product or service. Furthermore, neither staff nor students may be involved in marketing commercial products of sponsors.
- 12.2 Departmental staff should not actively recommend or endorse a product or service and no statement in the sponsor's advertising should imply that a product or service is recommended or endorsed by the department.

13. REPORTING PROCEDURE

Principals will be required to include in school board reports and regular financial statements of the school at the end of each year the sponsorship agreements entered into during that year for amounts of \$5,000` and over.

14. FINAL AUTHORITY

Final authority over any sponsorship agreement, sponsorship contract or full legal contract ultimately rests with the Chief Executive.

ATTACHMENT A

SPONSORSHIP, NEGOTIATION, APPROVAL AND AGREEMENTS – FOR SCHOOLS

AMOUNT	NEGOTIATION	APPROVAL (Refer to Note below)	AGREEMENT
\$0 – \$2,500	Teacher/Principal	Principal	<ul style="list-style-type: none"> • Exchange of Letters
\$2,500 - \$10,000	Principal	School Board	<ul style="list-style-type: none"> • Exchange of letters detailing the obligation of both parties. • Sponsorship Agreement optional (Attachment C).
\$10,000 - \$20,000	Principal	School Board	<ul style="list-style-type: none"> • Sponsorship Agreement (Attachment C). • Advice from DET Workforce Relations and Legal Services Section, optional.
\$20,000 - \$100,000	Principal	School Board and Director, Schools.	<ul style="list-style-type: none"> • Sponsorship Contract and Schedule (Attachment D). • Advice from DET Workforce Relations and Legal Services Section, essential.
\$100,000 +	Principal	School Board and Director (Schools), Executive Director or relevant Division and Chief Executive	<ul style="list-style-type: none"> • Individual full legal contract is required. Advice from DET Workforce Relations and Legal Services Section, essential.

NOTE: The Chief Executive has the discretion to approve any sponsorship within DET.

ATTACHMENT B

SPONSORSHIP, NEGOTIATION, APPROVAL AND AGREEMENTS – FOR OFFICE BASED SECTIONS

AMOUNT	NEGOTIATION	APPROVAL (Refer to Note below)	AGREEMENT (For Central Office and school based staff)
\$0 – \$2,500	Staff person/Section Manager	Section Manager	<ul style="list-style-type: none"> • Exchange of Letters
\$2,500 - \$10,000	Section Manager	Branch Director	<ul style="list-style-type: none"> • Exchange of letters detailing the obligation of both parties. • Sponsorship Agreement optional (Attachment C).
\$10,000 - \$20,000	Section Manager	Branch Director	<ul style="list-style-type: none"> • Sponsorship Agreement (Attachment C). • Advice from DET Workforce Relations and Legal Services Section, optional.
\$20,000 - \$100,000	Section Manager	Branch Director and Executive Director of relevant Division.	<ul style="list-style-type: none"> • Sponsorship Contract and Schedule (Attachment D). • Advice from DET Workforce Relations and Legal Services Section, essential.
\$100,000 +	Section Manager	Branch Director, Executive Director of relevant Division and Chief Executive.	<ul style="list-style-type: none"> • Individual full legal contract is required. Seek advice from DET Workforce Relations and Legal Services Section, essential.

NOTE: The Chief Executive has the discretion to approve any sponsorship within DET.

SPONSORSHIP AGREEMENT

School/Central Office Unit

Name and Address of Sponsor: (If a corporate sponsor, include ACN number and address of its registered office)

.....

Details of Sponsorship: (Insert details of goods/services/money provided by sponsor together with educational rationale)

.....

Period of Sponsorship: From to

Department of Education and Training (School/Central Office) Obligations: (Insert details of any obligations, acknowledgments, undertakings, and activities which the school/central office must provide for sponsor)

.....

CONDITIONS OF SPONSORSHIP:

1. The ACT Department of Education and Training (school/central office) may at any time cancel this sponsorship agreement with immediate effect:
 - (a) should it become aware of any change in government policy which may affect dealings with the Sponsor,
 - (b) should it decide that the Sponsor is not an appropriate Sponsor of a government educational institution,
 - (c) if the ACT Department of Education and Training (school/central office) is otherwise unable to continue with this sponsorship agreement, or
 - (d) if the Sponsor becomes insolvent or if a receiver, manager or liquidator is appointed in respect of the Sponsor.
2. The Sponsor shall not hold itself out to the public as having authority to act on behalf of the ACT Department of Education and Training by virtue of this Sponsorship Agreement.
3. The Sponsor acknowledges that by accepting this sponsorship the ACT Department of Education and Training is not endorsing the Sponsor's products, services or business activities.

SPECIAL CONDITIONS: (Insert details of special conditions if any)

.....

DECLARATION:

On behalf of the above named Sponsor I agree to provide the Sponsorship described above and agree to comply with the Conditions of Sponsorship and Special Conditions listed above.

Signature:

Date:

Name: (please print)

Position in Sponsor's Organisation:

.....

ATTACHMENT D (Sample contract for sponsorships above \$20,000 and up to and including \$100,000)

Dated: _____ 199

SPONSORSHIP CONTRACT

between

Australian Capital Territory
("the Territory")

and

**The person referred to in
Item One of the Schedule**
("the Sponsor")

ACT Government Solicitor
1st Floor, GIO House
250 City Walk
CANBERRA CITY ACT 2601
Telephone: 207 0666 Ref: C.Ho/92-2-130309

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THIS AGREEMENT is made on the day of 199....

between: THE AUSTRALIAN CAPITAL TERRITORY SCHOOLS
AUTHORITY, a body politic established by Section 7 of the
Australian Capital Territory (Self-Government) Act 1989

(‘the Territory’)

and: THE PERSON referred to in Item One of the Schedule to this
Agreement (‘the Schedule’)

(‘the Sponsor’)

RECITALS:

The Sponsor undertakes the business referred to in Item Three of the Schedule and, at the request of the Territory, has agreed to provide the sponsorship set out in Item Four of the Schedule (‘the Sponsorship’) subject to the terms and conditions of this Agreement.

IT IS AGREED as follows:

1. TERM

1.1 The term of the Sponsorship shall be for the period set out in Item Four (c) of the Schedule unless otherwise extended or terminated in accordance with this Agreement.

[Optional clause:

1.2 *The parties may agree to extend the term of this Agreement for a further term or terms provided that the agreement to extend is in writing and is signed by both parties.]*

2. SPONSORSHIP FEE

2.1 In consideration of the grant of the sponsorship rights under this Agreement, the Sponsor shall pay and/or provide to the Territory for the term of this Agreement the sponsorship fee and/or products referred to in Item Four (b) of the Schedule (‘the Sponsorship Fee or Product’) at the times and in the manner referred to in that Item.

2.2 The Sponsorship Fee or Product shall be the entire amount payable or provided to the Territory under this Agreement.

2.3 The Territory shall only use the Sponsorship Fee or Product for the sponsored activity referred to in Item Four (a) of the Schedule (‘the Sponsored Activity’) in a manner consistent with the educational reasons referred to in Item Four (a) of the Schedule (‘the Educational Rationale’).

2.4 Should the Sponsorship Fee or Product not be fully used upon the Sponsored Activity, the Territory shall immediately notify the Sponsor of the balance of the unused Sponsorship Fee or Product and shall comply with the Sponsor's directions concerning the use of that unused Sponsorship Fee or Product.

3. SPONSORSHIP RIGHTS

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- 3.1 The Territory grants to the Sponsor the sponsorship rights set out in Item Five of the Schedule for the term of this Agreement.
- 3.2 In the event that the sponsorship rights in Item Five of the Schedule are described as exclusive, the Territory shall not grant any other sponsorship rights relating to the Sponsored Activity without first consulting the Sponsor.

[Optional clauses:

- (a) recognise and specify the Sponsor as its major Sponsor for the Sponsored Activity when such activity is undertaken***
- (b) not grant any other sponsorship rights relating to the Sponsored Activity which are prejudicial to the Sponsor's business interests or activities.]***

- 3.3 All advertising and promotional material produced, published, broadcast, displayed or exhibited by the Sponsor under the sponsorship rights shall first be approved by the Territory in accordance with corporate sponsorship policy and guidelines of the Territory and such approval shall not be unreasonably withheld.
- 3.4 The Territory shall whenever the Sponsored Activity is publicised acknowledge the Sponsor's sponsorship in a format agreed to by both parties.

4. USE OF NAME AND/OR LOGO

- 4.1 All advertising and promotional material produced, published, broadcast, displayed or exhibited by the Territory in respect of the Sponsored Activity shall acknowledge the Sponsor's sponsorship in a manner agreed to by both parties.
- 4.2 Should any student object to the use of the Sponsor's name and/or logo on any part of that student's material or uniform the Sponsor agrees that that student may be exempted from the application of this clause 4.
- 4.3 The Territory shall immediately on the termination or expiration of this Agreement cease to use or otherwise refer to the Sponsor's name and/or logo.

[Optional clauses:

- 4.4 The Territory shall use the Sponsor's name and/or logo if appropriate in good faith and in such a manner as to enhance and promote the goodwill and reputation of the Sponsor.***
- 4.5 The Territory shall not use the Sponsor's name and/or logo in association with or in relation to any other activity which does or may be likely to adversely or detrimentally affect the goodwill and reputation of the Sponsor.]***

5. BREACH AND TERMINATION

- 5.1 If either party breaches any of the terms and conditions of this Agreement and fails to rectify such default in accordance with a written notice by the non-defaulting party within 14 days after the date of such notice, the non-defaulting party may terminate the Agreement at any time thereafter.
- 5.2 The Territory may terminate the Agreement immediately if any of the following events occur:

- (a) if the Sponsor is wound up, becomes insolvent or enters into an agreement with its creditors, or if a receiver, manager or liquidator is appointed in respect of the Sponsor
- (b) if the Sponsor's business operations or the business or activities of any associated company are contrary to any government policy of the Territory
- (c) if the Government of the Territory determines that for what ever reason it should no longer use the Product or be associated with the Sponsor.

5.3 If this Agreement is terminated the Sponsor shall not be required to pay any unpaid instalments of the Sponsorship Fee or Product.

5.4 The expiration or termination of this Agreement shall not prevent either party from taking action to enforce a term or condition of this Agreement in respect of any breach occurring prior to such expiration or termination.

6. CONFIDENTIALITY

6.1 The Sponsor hereby acknowledges and agrees to keep confidential and not to disclose, duplicate, use or permit the use of any confidential or commercially sensitive information relating to the Territory of which the Sponsor may become aware.

6.2 The Sponsor hereby indemnifies the Territory from any costs, losses or expenses arising from any wrongful use, duplication or disclosure of any information relating to the Territory obtained pursuant to this Agreement.

6.3 The obligations set out in this clause 6 shall apply at all times during and after the termination or conclusion of the term of this Agreement.

[Optional clause:

6.4 The Sponsor shall at the termination or conclusion of the term of this Agreement return to the Territory all documents or material of any kind containing confidential or commercially sensitive information together with all copies of such material relating to the Sponsorship which are then in the Sponsor's possession or control.]

[Optional clause:

ACQUITTAL

Should the Sponsor so require the Territory shall within 3 months of the end of the term of the Agreement provide to the Sponsor a form of acquittal detailing, in a form acceptable to both parties, the amount of the Sponsorship Fee, the manner in which the Sponsorship Fee has been applied and attaching any relevant financial statements, accounts and receipts.]

7. NOTICES

7.1 Notices may be served on either party by delivering them by hand, prepaid registered post or facsimile to the other party at the address or facsimile number specified below or such alternative address or number notified in writing by that party to the other party from time to time:

The Territory - The address and facsimile number referred to in Item Six of the Schedule.

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The Sponsor - The address and facsimile number referred to in Item Two of the Schedule.

- 7.2 A notice forwarded by facsimile shall be deemed to be received by the addressee when recorded on the transmission result report as being a complete transmission.

8. ASSIGNMENT AND VARIATION

- 8.1 Any variation to this Agreement shall only be valid if the variation is in writing and signed by both parties.
- 8.2 Neither party shall assign, transfer, change or purport to assign, transfer or change this Agreement or any of its rights or obligations without the prior written consent of the other party, which shall not be unreasonably withheld.

9. GENERAL

- 9.1 Words importing the singular include the plural and vice versa; words importing a gender shall include each other gender. A reference to a person shall include a reference to an individual, firm, body corporate, association, government or governmental authority.
- 9.2 This Agreement shall be construed and interpreted according to the laws of the Australian Capital Territory and the parties agree to submit to the jurisdiction of the courts of that Territory.
- 9.3 Any provision of this Agreement which is prohibited or unenforceable will be ineffective to the extent of the prohibition or unenforceability and will not invalidate the remaining provisions of this Agreement.
- 9.4 It is understood and agreed that the only relationship between the parties shall be that of independent contractors and that no agency, employment, joint venture or partnership is created by the parties under this Agreement nor that the parties endorse the products or services of the other.
- 9.5 No failure to exercise and no delay in exercising any right, power or remedy under this Agreement will operate as a waiver. Nor will any single or partial exercise of any right, power or remedy preclude any other or further exercise of that or any other right, power or remedy. Any waiver to be effective must be in writing and under seal.

EXECUTED by the parties on the date first written above this Agreement.

Signed by)
)
)
for and on behalf of the)
AUSTRALIAN CAPITAL)
TERRITORY in the presence of:) _____

Witness

FOR CORPORATE SPONSOR

The Common Seal of)
)
)
was hereby affixed in accordance)
with its Articles of)
Association in the presence of:)

Secretary

Director

FOR INDIVIDUAL SPONSOR

Signed by)
)
)
in the presence of:) _____

Witness

SCHEDULE

1. **NAME OF SPONSOR:** (insert name of company and its ACN number or name of individual)
2. **ADDRESS OF SPONSOR:** (if a corporate sponsor insert the address of its registered office and facsimile number).
3. **DESCRIPTION OF SPONSOR'S BUSINESS ACTIVITIES:**
4. **DETAILS OF SPONSORSHIP:**
 - (a) Sponsored Activity
(brief description of sponsored activity)

Educational Rationale
(brief description of the educational rationale for the sponsored activity)
 - (b) Sponsorship Fee
(if money is payable insert details of amount and instalments, if any)

Sponsorship Product
(if goods are being supplied insert description of the goods)
 - (c) Term of Sponsorship
(date) to (date)
5. **OUTLINE OF SPONSORSHIP RIGHTS**
(For example, use of School's, Department's or Government's name or logo by Sponsor, display or use of Sponsor's product or promotional material and whether or not the sponsorship rights are exclusive)
6. **ADDRESS AND FACSIMILE NUMBER OF SCHOOL OR CENTRAL OFFICE UNIT**

Corporate Sponsorship