

Durango Parks and Recreation Department

Sponsorship, Donation and Grant Administration Policy

Adopted by the Parks and Recreation Advisory Board

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Durango Parks and Recreation Department

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Introduction:

The following guidelines in this Policy have been specifically designed for the Durango Parks and Recreation Department. Some assumptions regarding this policy are:

- Partnerships, donations and grants for parks and recreation facilities and program development may be pursued based on the City of Durango policies, while encouraging the development of partnerships for the benefit of the City, its citizens and potential partners.
- Sponsorships, donations and grants are a type of partnership and an avenue of procurement for alternative funding resources.
- Broad guidelines are offered in this policy to delineate primarily which types of sponsors, donations and grant approval levels are currently acceptable.
- The policy may include noncommercial community organizations but does not include a forum for non-commercial speech or advertising.
- Sponsorships and donations are clearly defined and are different from advertisements. Advertisements are one type of benefit that may be offered to a sponsor in exchange for cash or in-kind sponsorship.
- The difference between sponsors and donors must be clarified, as some staff and the public often confuse and misuse these terms.

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Section A - General Information

I. Purpose

The purpose of this policy is to establish rules and basic procedures for the solicitation of sponsorships, acceptance of gifts and donations as well as procedures for grant requests.

In an effort to utilize and maximize the available resources, it is in the best interest of the Durango Parks and Recreation Department to create and enhance relationship-based sponsorships, accept donations and actively research grant opportunities.

Sponsorships may be acquired by providing local, regional and national commercial businesses and non-profit groups a method for becoming involved with the many opportunities provided by the Parks and Recreation Department. The Department delivers quality, life-enriching activities to the broadest base of the community. This translates into exceptional visibility for sponsors and supporters. It is the goal of the Department to create relationships and partnerships with sponsors for the financial benefit of the Department.

Donations may be accepted to assist with certain projects, equipment or to support individuals in need to access the various Durango Parks and Recreation Department program offerings.

Grants benefit the Department in a number of ways by providing funding and/or assistance for projects, land purchases, development and/or programs desired by the community.

II. Sponsorships Verses Donations

It is important to note there is a difference between a sponsorship and a philanthropic donation. Basically, sponsorships are cash or in-kind projects and services offered by sponsors with the clear expectation that an obligation is created. The recipient is obliged to return something of value to the sponsor. The value is typically public

recognition and publicity or advertising highlighting the contribution of the sponsors and/or the sponsor's name, logo, message, products or services. The sponsor usually has clear marketing objectives that they are trying to achieve, including but not limited to the ability to drive sales directly based on the sponsorship, and/or quite often the right to be the exclusive sponsor in a specific category of sales. This arrangement is typically consummated by a letter of agreement or contractual arrangement that details the particulars of the exchange.

In contrast, a donation comes with no restrictions on how the money or in-kind resources are used. A donation can be earmarked for a specific purpose, such as program supplies and/or equipment, participant financial assistance as well as facility development or improvement.

III. Guidelines for Acceptable Sponsorships, Donations and Grant Administration

Sponsors should be businesses, non-profit groups, or individuals that promote mutually beneficial relationships for the Parks and Recreation Department. All potentially sponsored properties (facilities, events or programs) should be reviewed in terms of creating synergistic working relationships with regards to benefits, community contributions, knowledge and political sensitivity.

Donations may be obtained by any business, non-profit group or individual wishing to contribute something to the Department or to assist individuals to have access to Department facilities and programs.

Grants shall be sought out and applied for as opportunities arise and lend themselves to successful projects.

All sponsorships, donations and grants should promote the mission and goals of the Parks and Recreation Department as follows:

Mission Statement:

The mission of the City of Durango Parks and Recreation Department is to promote and provide a full range of parks, trails, natural lands, recreational facilities, programs and amenities that enrich the quality of life for all residents and visitors. These services shall enhance the health and well-being of those we serve in a financially responsible and environmentally sustainable manner.

Goals:

- Sustainable practices
- Meeting recreation program demands
- Increasing park maintenance and stewardship to correlate with continued facility and park enhancements
- Continued trail development
- Continued emphasis on the protection and acquisition of open space
- Parks and facility development and financial sustainability

IV. Sponsorship, Donation and Grant Selection Criteria

A. Relationship of Sponsorship, Donation and Grant to Mission and Goals

The first major criterion is the appropriate relationship of a sponsorship, donation or grant to the above outlined Parks and Recreation Department mission and goals. While objective analysis is ideal, the appropriateness of a relationship may sometimes be necessarily subjective. This policy addresses this necessity by including approvals from various levels of City management staff and elected or appointed officials, to help assist with decisions involving larger amounts and benefits.

B. The following questions are the major guiding components of this policy and should be addressed prior to soliciting potential sponsors

1. Is the sponsorship, donation or grant reasonably related to the purpose of the Department, facility or programs as exemplified by the Mission Statement and Goals of the Department?
2. Will the sponsorship, donation or grant help generate more revenue, equipment, facilities and/or less cost per participant than the City can provide without it?
3. What are the real costs, including staff time, for procuring the amount of cash or in-kind resources that come with the generation of the sponsorship, donation or grant?

C. Sponsorship, donations and grants which shall not be considered are those which

1. Promote environmental, work, or other practices that, if they took place in the City, would violate U.S. or state law (i.e., dumping of hazardous waste, exploitation of child labor, etc.) or promote drugs, alcohol or tobacco or that constitutes violations of law.

2. Duplicate or mimic the identity or programs of the Parks and Recreation Department or any of its divisions.
3. Exploit participants or staff members of the Department.
4. Offer benefits which may violate other accepted policies or the Sign Code.

D. Approval Levels:

Each project or program that involves solicitation of a sponsor, donation or grant should, prior to procurement, create a plan specific to that project or program. In addition, each sponsorship, donation or grant will need separate approval if it exceeds pre-specified limits. The approval levels are outlined below:

Under \$1,000	Program or project staff may approve this level of agreement, with review by their supervising team member.
\$1,001 to \$10,000	The agreement needs approval of a Division Manager.
Over \$10,000	The agreement needs approval of the Division Manager and Department Director.
Any Funding Amount	Unless the revenue is included in the adopted budget, new financial contributions are reviewed by the Parks and Recreation Advisory Board and must be appropriated by City Council prior to expenditure.

E. No Non-Commercial Forum is Permitted

This criterion deals with the commercial character of the contributor’s message. The City intends to create a limited forum, focused on advertisements incidental to commercial contributions to Parks and Recreation facilities and programs. While non-commercial community organizations or individuals may wish to sponsor Department activities or facilities for various reasons, no non-commercial speech is permitted in the limited forum created by this policy:

Advertisements incidental to commercial sponsorship must primarily propose a commercial transaction, either directly, through the text, or indirectly, through the association of the contributor’s name with the commercial transaction of purchasing the commercial goods or services which the sponsors sells.

The reasons for this portion of the policy include:

1. The desirability of avoiding non-commercial proselytizing of a “captive audience” of event spectators and participants;

2. The constitutional prohibition on any view-point related decision about permitted advertising coupled with the danger that the City and the Parks and Recreation Department would be associated with advertising;
3. The desire of the City to maximize income from sponsorship, weighed against the likelihood that commercial sponsors would be dissuaded from using the same forum commonly used by persons wishing to communicate non-commercial messages, some of which could be offensive to the public;
4. The desire of the City to maintain a position of neutrality on political and religious issues;
5. In the case of religious advertising and political advertising, specific concerns about the danger of “excessive entanglement” with religion (and resultant constitutional violations) and the danger of election campaign law violations, respectively.

Guidelines for calculating the **Levels of Sponsorship Tiers and Benefits** are provided and outlined in Section B - Sponsorships.

V. Additional Guidelines for Implementation

A. Equitable Offerings

It is important that all contributors of equal levels across divisions within Parks and Recreation yield the same value of benefits.

B. Contact Database

A designated staff person or representative of the Parks and Recreation Department will keep an updated list of all contacts related to contributions.

Purpose of Maintaining the Database:

- Limit duplicate solicitations of one contributor
- Allow management to make decisions based on most appropriate solicitations and levels for benefits offered
- Keep a current list of all Department supporters and contacts
- Help provide leads for new contributors/grants, if appropriate

For staff below supervisory team level, access to the database will be limited to printouts listing names of contributors. This limited access will provide information to help limit duplicate solicitations and will also protect existing relationships, while allowing the evaluations of future needs to occur at a supervisory level.

In the case of a potential sponsorship, if the sponsor is already listed, staff should not pursue a sponsorship without researching the sponsor's history with the most recently sponsored division. If more than one division wishes to pursue sponsorship by the same company, the management team shall make a decision based on several variables, including but not limited to:

- History of sponsorship, relationships, and types of sponsorship needed
- Amount of funding available
- Best use of funding based on departmental priorities.

Section B - Sponsorships

I. Levels of Tiers and Benefits

The following tiers are presented as a guideline for types of benefits that may be presented as opportunities for potential sponsors.

Each sponsorship will most likely need to be individually negotiated. One purpose for these guidelines is to create equity in exchanges across sponsorship arrangements. While for the sake of ease, the examples given for levels are based on amount of sponsorship requested, the level of approval needed from City staff is really based on the amount of benefits exchanged for the resources. The levels of approval are necessary because the costs and values for different levels of benefits may vary, depending on the sponsorship. It is important to note that these values may be very different. Sponsors typically will not offer to contribute resources that cost them more than the value for the resources that they will gain and typically, seek at least a 2-1 return on their investment. Likewise, the City should not pursue sponsorships unless the total value the City receives is greater than the City's real costs.

A hierarchy of sponsors for events, programs and facilities with more than one sponsor is listed below from the highest level to the lowest. Not all Levels will necessarily be used in each Sponsorship Plan. Note that the hierarchy is not dependent on specific levels or amounts of sponsorship. Specific levels and amounts would be designed for each property/program before sponsorships are procured within the approved Sponsorship Plan.

Hierarchy of Sponsorship Levels (highest to lowest)

Parks and Recreation Department – Wide Sponsor

Facility/Park Title or Primary Sponsor

Event/Program Title or Primary Sponsor

Presenting Sponsor (Facility, Event or Program)

Facility/Park Sponsor

Program/Event Sponsor – Media Sponsor – Official Supplier – Co-Sponsor

The hierarchy will help decide the amounts to ask various sponsors for, and determine what levels of benefits to provide. It is important to build flexibility and choice into each level so that sponsors can have the ability to choose options that will best fit their objectives. Note that the benefits listed under each level are examples of value. The listing does not mean that all of the benefits should be offered. It is a menu of options for possible benefits,

depending on the circumstances. These are listed primarily as a guideline for maximum benefit values. It is recommended that each project create a project specific Sponsorship Plan in advance of Sponsorship procurement, based on the benefits available and the values specific to the project.

II. Sponsorship Assets

- Park and building naming rights, as approved by City Council
- Field and portions of building naming rights, in accordance with City policy
- Signage including:
 - Fencing fabric and/or fence signage
 - Light pole and building banners
 - Certain interior walls
 - Building/maintenance equipment
- Trail naming rights
- Scoreboards
- Public announcement audio and visual messages
- Inclusion on printed materials of the City
- Inclusion on City maintained web pages
- Inclusion on bulletin boards
- Inclusion on information kiosks
- Inclusions on pavers or other similar permanent fixtures
- Television shows
- Inclusion in or on a facility or service marketing and promotional materials, items and messages (including electronic messages, news media and other forms of communications that may arise in the future).

III. Sponsorship Recognition

Sponsorship recognition messages may identify the sponsor or product, including the use of sponsor or product logos and marks but should not promote or endorse the sponsor or its products or services. Except as other permitted herein, statements that advocate, contain price information or an indication of associated savings or value request a response or content comparative or qualitative description of products, services or organizations will not be accepted.

Other proposed forms of sponsorship recognition messages, other signage and other visible advertising will be considered on a case by case basis, consistent with this policy.

IV. Prohibited Sponsorship Facility and Services

- Sponsorship recognition or advertising on City uniforms, unless the clothing is designed for a specific event or program that has a specific timeframe.
- No sponsorship agreement will permit use of the City's logo, seal or any other City trademark to be reproduced or distributed in any manner by the sponsor without written permission from the City for that specific release.

V. Other Potentially Acceptable Sponsor Opportunities

Potential sponsor opportunities that are more interactive than the permissible recognition messages described above may also be permissible for certain facilities or services under this policy. These include, but are not limited to:

- Give away items, coupons, or other sponsor related marketing material;
- Event booth space; and
- Contests, drawings or other activities that request a response.

VI. Related Benefits Inventory

- Increase public awareness of products and/or services
- Local business desire to be seen as part of the community and who will sponsor small community events or teams.
- National or regional companies with local offices - Image enhancements or increase sales.
- National sponsors – Increased exposure in national markets.
- To be determined for each division based on offerings, valuations and determined benefits with Increase public awareness of products and/or services
- Increase public awareness of products and/or services
- Local business desire to be seen as part of the community and who will sponsor small community

VII. Termination

The City reserves the right to terminate agreements in accordance with the terms of City policies and procedures.

Section C - Gifts and Donations

I. Gifts and Donations Procedures

- A. Gifts and donations to Durango Parks and Recreation Department may be given in the form of money, stock, bonds, materials, equipment or real estate.
- B. Cash gifts and donations that are in excess of amounts included in the adopted budget and require City Council action are reviewed by the Parks and Recreation Advisory Board. City Council approval is required for amounts over the adopted budget to enable expenditure of the contribution.
- C. Along with the basic administrative procedures, acceptance of gifts and donations by the Parks and Recreation Department must be in compliance with all City and State financial requirements.
- D. The donor will be asked to submit in writing if they wish to indicate a specific use of the gifted money. If no written request is received from the donor, the gifted money will be used for general purposes within the Department.
- E. For gifts of materials or equipment (other than small, consumable items), the Director must be advised in advance of the nature of the gift, who the donating individual or organization is, the purpose and the approximate value.

II. Gifts of Real Estate

- A. For gifts of real property, the donor must contact and work through the Parks and Recreation Department Director. Such gifts will be considered for acceptance by the City following standard City policies regarding real estate and require City Council acceptance of the property. Parkland and open space real estate donations are reviewed by the Parks and Recreation Advisory Board and the Natural Lands Preservation Advisory Board.
- B. The wishes of the donor regarding the use of the property must be specified and recorded on any applicable, final agreements or deed documents.

III. Follow-up

- A. Appraisals of gifts for tax reason will be the responsibility of the donor.
- B. Durango Parks and Recreation Department staff will prepare and send a letter of acknowledgment to each donor.
- C. Donations shall be documented on the Department's monthly and annual reports.

Section D - Grant Administration

I. Grant Application Procedures

- A. Applicable staff research grant opportunities to meet a particular need or purpose ensuring the grant matches the Department's mission and goals.
- B. If Department staff is interested in pursuing a grant over amounts included in the adopted budget, approval is required from the Parks and Recreation Advisory Board and/or Natural Lands Preservation Advisory Board. Grants over amounts included in the adopted budget or as determined by requirements of the grantor also require approval of the Durango City Council.
- C. The grant writer shall work with applicable staff and the Parks and Recreation Director in creating the grant application.
- D. When applicable, the writer of the grant contacts that grantor, before writing the proposal, to be sure the guidelines are clearly understood.
- E. The grant writer prepares the application in an appropriate and complete format and includes all required attachments.
- F. The grant writer ensures the organizational needs and objectives are clearly understood and conveys the important criteria such as project purpose, feasibility, community needs, matching funds needed, applicant accountability and competence.
- G. Larger grant proposals may require a needs assessment, goals and objectives, methodology, evaluations, budget, qualifications, conclusions and appendices.
- H. Upon completion of the grant proposal, the application is reviewed and approved by the Parks and Recreation Director.
- I. If applicable, letters of support are collected by staff to be submitted along with the application.
- J. Some grants require more in depth procedures than others.

II. Awarded Grants

- A. If the grant is awarded, funding and expenditures follow City of Durango purchasing and accounting policies.
- B. The Parks and Recreation Department Recreation Financial/Technical Coordinator as well as the Finance Department monitors revenues and expenditures throughout the process. Grant expenditures and revenues are documented on the Department's monthly and annual reports.
- C. City staff complete and submit any reports required by the grantor.