

Name of Policy	Sponsorship Policy
Scope	This policy applies to the Approved Provider, Nominated Supervisor, Certified Supervisor, educators, staff, parents/guardians, Parent & Friends Groups and Parent Committee members attending early childhood services managed by Eureka Community Kindergarten Association Inc. (ECKA)
Authorisation	Authorised by the full board at the meeting held on 24 th January 2017
Review	This policy and procedure will be reviewed annually
Position responsible for review	EO (or other employees as nominated by the EO)
Useful website links	Institute of Community Directors communitydirectors.com.au

INTRODUCTION

The Board of Eureka Community Kindergarten Association Inc. (ECKA) is committed to ensuring that its financial arrangements are carried out in an ethical manner.

PURPOSE

The purpose of this policy is to establish the framework and guidelines for the creation of productive partnerships between Eureka Community Kindergarten Association Inc. (ECKA) and the private sector, i.e. sponsorship alliances with corporations, foundations, individuals and other non-government organisations.

A sponsorship is about relationship building and can be a powerful way to build and strengthen partnerships. It is recognised that such alliances can provide important financial and marketing support to potential partners of Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood education service managed by ECKA, while at the same time generate additional revenues to support Eureka Community Kindergarten Association Inc.'s (ECKA) mission and mandate.

DEFINITIONS

<u>Sponsorship</u> is the negotiated provision or receipt of funds, goods or services by or to Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood education service managed by ECKA 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.

<u>Sponsorship Agreement</u> 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 or Sponsorship Agreement.

<u>Incorporated Association</u>: is, a legal entity that stays the same even if its members change. It can enter into contracts in its own name; for example, to borrow money or buy equipment. This protects the individual members of the association from legal liabilities. Each incorporated early childhood education service managed by ECKA is legally bound by an *Early Years Management Memorandum of Understanding* with ECKA.

POLICY

The fundamental principles that shape Eureka Community Kindergarten Association Inc. (ECKA)'s or early childhood education services managed by ECKA relationships with sponsors are:

- 1. Sponsorship, either providing or receiving, of Eureka Community Kindergarten Association Inc. (ECKA), any early childhood education service managed by ECKA or of any symposium, project, program or event held by Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood education service managed by ECKA will not entitle any sponsor to influence any decision of the organisation.
- 2. Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood education service managed by ECKA will not enter into any alliance or partnership with any corporation or organisation where the association with the prospective partner or acceptance of the sponsorship, either proving or receiving, would jeopardise the financial, legal or moral integrity of Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood service managed by ECKA or adversely impact upon Eureka Community Kindergarten Association Inc. (ECKA) 's or any early childhood service managed by ECKA standing and reputation in the community. All tobacco, alcohol, gambling sponsorships are prohibited.

If a sponsor's products work against Eureka Community Kindergarten Association Inc.'s (ECKA) Vision and Mission (noted below) the sponsorship is prohibited.

Vision: Every child has the opportunity to explore and realise their potential through access and engagement in quality early education.

Mission: To deliver leading early childhood educational programs that supports every child and their family and encourages a lifelong love of learning.

- 3. Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood service managed by ECKA will accept sponsorships as an additional source of revenue generation provided that all sponsorship alliances are developed and maintained within the regulations embodied in this sponsorship policy.
- 4. All sponsorship alliances or partnerships, either receiving or proving must be consistent with existing Eureka Community Kindergarten Association Inc. (ECKA) policies.
- 5. Incorporated Kindergartens and committees are to notify their intent and gain joint agreement with Eureka Community Kindergarten Association Inc. (ECKA) prior to any sponsorship agreement is entered into.



Responsibilities

The Board is responsible for the development and review of this policy.

All Board members, casual, permanent and contract staff, parents and guardians are responsible for adhering to this policy.

PROCEDURES

All event and project sponsorships must have significant financial commitment from the sponsor to help offset the costs associated with the activity.

All sponsorship relationships, either providing or receiving, involving Eureka Community Kindergarten Association Inc. (ECKA) or early childhood services managed by ECKA must be identified and recorded for information purposes to encourage a donor-centered approach to revenue generation.

No sponsorship agreements are to be entered into without prior Board approval.

Naming rights associated with any sponsorship must be approved by the Board.

Sponsorship over \$500 will be embodied in written contractual sponsorship agreements between Eureka Community Kindergarten Association Inc. (ECKA) or early childhood education services managed by ECKA and the sponsorship partner (See Appendix 1 & 2).

ACHIEVING EFFICIENCY AND EFFECTIVENESS

Sponsorship activities should support the achievement of whole-of-Eureka Community Kindergarten Association Inc. (ECKA) and early childhood education services managed by ECKA goals and objectives and where possible, be aligned with key themes and priorities. Proposals to provide or seek sponsorship must demonstrate how the sponsorship meets one or more of the following criteria: – contributes to advancement of ECKA's priorities; – supports ECKA's goals and objectives; – increases effectiveness of ECKA's strategic programs; – communicates key messages to target audiences; and – engages or builds relationships with key stakeholders.

When providing sponsorship, Eureka Community Kindergarten Association Inc. (ECKA) and early childhood education services managed by ECKA must ensure appropriate acknowledgement of ECKA or early childhood services managed by ECKA as sponsor. When Eureka Community Kindergarten Association Inc. (ECKA) and early childhood education services managed by ECKA provide sponsorship they must ensure that the sponsored organisation provides public acknowledgement of ECKA (or early childhood education services managed by ECKA) support. The forms of acknowledgement should be negotiated in advance and documented in the written agreement. The acknowledgment should: – be commensurate with the value of sponsorship provided, and clearly indicate ECKA (or early childhood education services managed by ECKA) support for, rather than ownership of the sponsored activity. Additional types of acknowledgement may take the form of naming rights, corporate signage rights and acknowledgement in speeches and media releases. Where appropriate or relevant, the ECKA CEO should be given the opportunity to announce ECKA's support.

APPENDIX

Appendix 1) Sponsorship contracts/letters of agreement guidelines

Appendix 2) Sponsorship agreement

RELATED DOCUMENTS

• Ethical Fundraising Policy

Next review date: December 2017

SPONSORSHIP CONTRACTS/LETTERS OF AGREEMENT GUIDELINES

Sponsorship contracts and letters of agreement involving Eureka Community Kindergarten Association Inc. (ECKA) must include the following clauses:

- 1. **Description of the Sponsorship Alliance:** The contract will contain a comprehensive description of the item, project or event around which the sponsorship alliance is constructed, including a list of obligations for both parties. Obligations of the parties in market research or sponsorship analysis will be explicitly itemised in the contract. (See also item 7 below.)
- 2. **Terms of Agreement:** the dates for commencement and conclusion of sponsorship alliances must be included in the contract.
- 3. **Key Personnel:** The contract will include the names of the individuals from both parties primarily responsible for the sponsorship, and to whom issues regarding the contract are to be referred.
- 4. **Right to Discontinue the Sponsored Program or Event:** The contract shall ensure Eureka Community Kindergarten Association Inc. (ECKA) reserves the right to cancel the sponsorship should circumstances dictate; for example: *"When circumstances beyond the control of* Eureka Community Kindergarten Association Inc. (ECKA) *force the cancellation or substitution of a sponsored event or project* Eureka Community Kindergarten Association Inc. (ECKA) *reserves the right to cancel without finding itself financially liable or in breach of contract."* If it is intended that [Name of Organisation] be entitled to retain any sponsorship funds already paid then this should be specified in the contract.
- 5. **Right to Cancel Sponsorship for Reputational Reasons:** The contract shall ensure Eureka Community Kindergarten Association Inc. (ECKA) reserves the right to cancel the sponsorship if matters occurring or becoming known after the signing of the contract make it likely, in Eureka Community Kindergarten Association Inc.'s (ECKA) reasonable opinion, that the continued association of the sponsor with [Name of Organisation] may cause Eureka Community Kindergarten Association Inc. (ECKA) to become subject to criticism or otherwise held in disrepute.
- 6. Limitations on and Approval of the Use of the Eureka Community Kindergarten Association Inc. (ECKA) Name: The following clause limits the use of our name by the sponsor in its own internal and external promotion and advertising as per the negotiated arrangements: "*Neither party, in any situation, whether within or outside the parameters of the sponsorship, shall be deemed to be the spokesperson for, or the representative, of the other party.*" The accepted use of the Eureka Community Kindergarten Association Inc.'s (ECKA) word mark or logo must be stipulated in all contracts and agreements.
- 7. **Exclusivity**: Eureka Community Kindergarten Association Inc. (ECKA) may wish to offer outright or industry exclusivity to a sponsor, or the sponsor may request such exclusivity within the sponsorship alliance. Where relevant, the following statement regarding exclusivity will be included in the contract: "Eureka Community Kindergarten Association Inc. (ECKA) agrees that [Name of Sponsor] shall be the sole and exclusive sponsor of [Name of Initiative] for the term of this agreement."

- 8. **Financial Terms and Schedule of Payments:** The total value and payment schedule of the sponsorship agreement between the parties will be clearly identified in the contract.
- 9. **Obligations of the Parties to Each Other**: The obligations of the parties are dependent upon the form of the alliance and will be determined on an individual basis. Responsibility for any market research or program or evaluation duties, reporting, and approvals will be specified in the contract, along with specific criteria and methodologies for the evaluation of the sponsorship.
- 10. **Breach of Contract**: The contract should stipulate what shall occur in the case of a breach of contract; for example: "Prior to initiating formal notification of breach of contract, the parties will undertake all appropriate and reasonable efforts to resolve the matter. Should these efforts not prove successful within a reasonable time, either party may notify the other of breach of contract in writing. Such notification will require rectification within 14 days. If the breach is not rectified within that time then the non-breaching party may terminate the contract by written notice."

Appendix 2

SPONSORSHIP AGREEMENT

...... (ECKA or Early Childhood Service managed by ECKA) 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 to List obligations for both parties: (Insert comprehensive details of any obligations, acknowledgments, undertakings, and activities which the school/central office must provide for sponsor) Key Personnel:

CONDITIONS OF SPONSORSHIP:

1. Eureka Community Kindergarten Association Inc. (ECKA) and early childhood education services managed by ECKA may at any time cancel this sponsorship agreement with immediate effect:

(a) should it become aware of any change in ECKA policy which may affect dealings with the Sponsor,

(b) should it decide that the Sponsor is not an appropriate Sponsor of ECKA or any early childhood education service managed by ECKA

(c) if Eureka Community Kindergarten Association Inc. (ECKA) or an early childhood education services managed by ECKA 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

Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood education service managed by ECKA by virtue of this Sponsorship Agreement.

3. The Sponsor acknowledges that by accepting this sponsorship, Eureka Community Kindergarten Association Inc. (ECKA) or any early childhood education service managed by ECKA is not endorsing the Sponsor's products, services or business activities.

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

4. Limitations on and Approval of the Use of the Eureka Community Kindergarten Association Inc. (ECKA) Name:

DECLARATION:

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

Signature:
Date:
Name: (please print)
Position in Sponsor's Organisation:

SPONSORSHIP CONTRACT

between

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and

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The person referred to as "the Sponsor"

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

between:

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and: THE PERSON referred to as 'the Sponsor'

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