

The Duke of Edinburgh's Award in Australia



National Policy

Policy Topic	SPONSORSHIP (UNDER REVIEW) FUNDING
Policy Number	2.4
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Preamble:

- (1) The Duke of Edinburgh's Award in Australia (the National Award Authority) recognises the importance of high standards of accountability, ethics and probity in seeking, receiving and managing corporate sponsorship.
- (2) It further recognises the potential ethical, commercial and political financial and non-financial risks. These may include:
 - (a) perception of improper conduct,
 - (b) the potential to embarrass the National Award Authority through associating Duke of Edinburgh's Award in Australia Award Program (Award Program) activity with an inappropriate sponsor,
 - (c) undertaking an activity on the basis of the promise of sponsorship that then does not materialise, breaching requirements or not being cost-effective.
- (3) In accordance with the National Strategic Plan and National Risk Management Policy and practices the National Award Authority is committed to evaluating risks to maximise resource building and avoid negative incidents. The National Award Authority acknowledges that a wide range of sponsorship arrangements currently exist across Australia.
- (4) This policy is to be consistent with the policies of The Friends of the Duke of Edinburgh's Award in Australia and International Award Fundraising Guidelines.
- (5) This policy has been prepared in accordance with the Australian National Audit Office (ANAO) Better Practice Guide – Management of Corporate Sponsorship.

Purpose of the Policy:

- (1) This policy aims to effectively guide and coordinate the national sponsorship activities of the National Award Authority. It aims to clarify the ethical standards and

boundaries within which activities take place and manage and review the risks associated with corporate sponsorship.

Definitions:

“Sponsorship” is the purchase of the right to associate the sponsor’s name, products or services with the sponsored organisation’s service, product or activity in return for negotiated benefits.

Policy:

(1) Administration of Sponsorship Arrangements

- a. The Chief Executive Officer is to be responsible for research, developing national sponsorship proposals and approaching potential national sponsors. A member of the Board, National Friends Board or Charter for Business Committee may also be utilised to approach potential sponsors.
- b. The Board Executive is to sanction national sponsorship proposals prior to submission and approve agreements in writing with a properly authorised signatory of the corporate sponsor. All parties to the agreement, the payment terms, duration, financial conditions, terms on which the Award Program’s intellectual property can be used and quality controls for such intellectual property, dispute resolution procedures and use of money are to be specified in writing.
- c. Measurable marketing or corporate objectives and targets should be set for all sponsorships. The targets should be part of the approval process and performance should be measured regularly against the agreed targets.
- d. The National Award Authority (Board), National Friends Board and Charter for Business Committee will be notified of additions/changes to the list of national corporate sponsors and of companies or organisations being approached by the National Award Authority.
- e. Board and committee members are required to disclose personal interests as soon as practicable after an individual becomes aware of their interest in the matter.
- f. The National Award Authority will maintain records of national corporate sponsorship arrangements and provide administrative and general support.
- g. An updated annual list of current State Sponsors is to be compiled and circulated to the Board, State Award Authorities, National Friends Board and Charter for Business Committee.
- h. On occasions or for activities where more than one sponsor is required or involved, each sponsor should be made aware of the involvement of the other(s) and the possibility that sponsors may be able to dovetail their involvement.
- i. Prior to a national approach being made, the National Award Authority will first check the National Sponsors list to see if a current arrangement exists. The State is to be consulted first to agree any further action where pre-existing arrangements apply.

(2) Trademarks

- i. The sponsorship agreement should clearly set out requirements on the use of the trademark and use by the sponsor of the National Award Authority's trademarks. If the National Award Authority intends to use the sponsor's trademark, the National Award Authority should seek protection from the sponsor in relation to the National Award Authority's use of such trademark. For example, the agreement could include warranties that the National Award Authority's use of the sponsor's trademark will not infringe any other person's rights and indemnities from the sponsor.
- ii. Where receiving national sponsorship funding and using the sponsor's trademark it should use the mark in the form and manner approved by the sponsor or as set out in the form and manner approved by the sponsor or as set out in the sponsorship agreement.
- iii. When engaged in sponsorship activities the National Award Authority must ensure that the National Award Authority's registered and unregistered trademarks (including name and logo) are properly used. All uses or depictions of a trademark must be in the form in which the mark is registered, or in the case of unregistered trademarks, in the form in which the mark is used by the National Award Authority in Australia. In addition, the National Award Authority must ensure that it controls any permitted use of the National Award Authority's trademark by sponsors to ensure the sponsors meet the standards of the National Award Authority and comply with the National Award Authority's trademark guidelines.
- iv. The sponsorship agreement should clearly set out requirements on the use of the trademark and use by the sponsor of the National Award Authority's trademarks. If the National Award Authority intends to use the sponsor's trademark, the National Award Authority should seek protection from the sponsor in relation to the National Award Authority's use of such trademark. For example, the agreement could include warranties that the National Award Authority's use of the sponsor's trademark will not infringe any other person's rights and indemnities from the sponsor.
- v. Where receiving national sponsorship funding and using the sponsor's trademark it should use the mark in the form and manner approved by the sponsor or as set out in the form and manner approved by the sponsor or as set out in the sponsorship agreement.
- vi. When engaged in sponsorship activities the National Award Authority must ensure that the National Award Authority's registered and unregistered trademarks (including name and logo) are properly used. All uses or depictions of a trademark must be in the form in which the mark is registered, or in the case of unregistered trademarks, in the form in which the mark is used by the National Award Authority in Australia. In addition, the National Award Authority must ensure that it controls any permitted use of the National Award Authority's trademark by sponsors to ensure the sponsors meet the standards of the National Award Authority and comply with the National Award Authority's trademark guidelines.
- vii. The sponsor must not be permitted to use the National Award Authority's trademarks in combination with or near proximity to the sponsor's trademarks.

- viii. The sponsor must be obliged to use such form of trademark notice as specified by the National Award Authority from time to time in proximity to the National Award Authority's trademarks.
- ix. The sponsor must be obliged to cease all use of the National Award Authority's trademarks on termination of the sponsorship agreement.
- x. The sponsorship agreement should document the National Award Authority's right to review all promotional material prior to release.

(3) Funds Raised By Corporate Sponsorship

- (a) All funds raised from corporate sponsorship are to be only used for the purpose(s) for which they were intended, promoted and agreed. The budget and description of what the money is to be used for must be set out in writing in the agreement.
- (b) All funds raised from corporate sponsorship are to be appropriately allocated and accounted for in either the National Award Authority or The Friends of the Duke of Edinburgh's Award Financial Statements.
- (c) A written reconciliation and report(s) is to be prepared for major fundraising events and submitted to the Board, National Friends Board and/or Charter for Business Committee as appropriate.
- (d) Funds expended to generate sponsorship are to be provided from general funds or from funds generated by sponsorship, as approved by the Board and specified in the sponsorship agreement.

(4) Restrictions on Sponsorship

- (a) Sponsorship should not be allowed to influence or negatively impact the National Strategic Plan goals or integrity of the National Award Authority in Australia. For example sponsorship should not be accepted on the condition that a core function or activity of the National Award Authority is performed in a specific way that may be in conflict with the National Award Authority's integrity.
- (b) In relation to youth related initiatives careful consideration is to be given to and clearance obtained from the Board Executive before entering into sponsorship arrangements in the following:
 - i. areas which have the potential to cause widespread public controversy
 - ii. gambling or drug-related sponsorships
 - iii. events which duplicate or compete with existing National Award Authority sponsorship projects;
 - iv. sponsorship by a political party
- (c) Tobacco companies shall not be accepted as sponsors.
- (d) Wine and alcohol companies may be accepted for one-off events.
- (e) Sponsors shall not have any access to the National Award Authority in Australia's or any State or Territory Divisions mailing list.

(5) Dispute Resolution

In the event of a dispute occurring between the National Award Authority and a national sponsoring organisation the matter is to be referred to the Board Executive to take appropriate remedial action with the nominated sponsor representatives.

(6) In-Kind Support

- (1) The provision of in-kind items is supported, provided:
 - (a) Both parties agree on an appropriate value for the items;
 - (b) Any benefits are for the National Award Authority and not individuals;
 - (c) The process is properly documented and managed; and
 - (d) Accountability is maintained.
- (2) Establishing a reasonable estimation of sponsorship value should be undertaken with a value identified between both parties for in-kind support including free radio or television time, free airline tickets, tickets to events or advertising space to enable a true assessment of the total value of the sponsorship.

(7) Probity

- (a) The relationship between the National Award Authority in Australia and corporate sponsor needs to be conducted in a transparent manner and be able to stand up to public scrutiny and preserve public trust.
- (b) All ethical considerations are to be taken into account, documented and placed on public record before entering into an agreement.
- (c) No advance payments or progress payments are to be accepted prior to the finalisation of any national sponsorship agreement.
- (d) Any real or potential conflicts of interest must be disclosed to the Board through the National Award Authority. Issues involving conflict of interest should be recorded in the appropriate records or minutes to ensure they are transparent and capable of review.
- (e) Individuals with private interests such as investments, voluntary work or membership of other groups should not participate or vote on any issue relating to a National corporate sponsorship arrangement or proposal.
- (f) Board and committee members, National Award Authority employees and volunteers acting on behalf of the National Award Authority should not receive any personal benefits for themselves, colleagues, family members, friends or associated entities.
- (g) Where benefits are offered, such as hospitality or gifts, they must be cleared through the Board Executive.
- (h) Regular reviews of internal controls are to be conducted by the Board Treasurer.

(8) Fraud

- (a) All sponsorship funds are to be maintained and reported by two approved signatories including a member of the Board Executive.
- (b) The need to disclose criminal records should be specified in writing in national sponsorship agreements.
- (c) An annual audit process is required to be conducted of all national finances including sponsorship related funds.
- (d) In the event an officer thinks fraud or corruption has occurred the matter is to be referred in writing stating reasons to the National Chairman via the National Award Authority.
- (e) The Board Executive will be responsible for ensuring an investigation and appropriate action is taken. The Board will be informed of such matters and outcomes.

(9) Evaluation of Sponsorship

- (a) Regular reviews and reporting of national sponsorship arrangements are to be undertaken by the General Manager.
- (b) An internal evaluation report and financial reconciliation including indirect costs will be produced by National Award Authority and provided to the Board.

- (c) The benefits from sponsorship arrangements are to be assessed to ensure that such arrangements do not restrict future opportunities to achieve greater benefits.

(10) National Co-operation

- (1) Divisions are required:
 - a. To exercise standards and diligence when negotiating sponsorship in the name of the Award Program.
 - b. To seek prior approval from the NAA before entering into any co-branding arrangement.
- (2) The National Award Office to establish and accurately maintain a central registry of all State/Territory sponsorship arrangements made or underway. Each Division to provide sponsorship details to the National Award Office on, at minimum, an annual basis.
- (3) The National Award Office to circulate the list (central registry) to all Divisions and The Friends of The Duke of Edinburgh's Award in Australia Inc.
- (4) The Friends of The Duke of Edinburgh's Award in Australia Inc. having tax deductible status to be used as the primary vehicle for obtaining corporate sponsorship at a national level.
- (5) State and Territories Award Committees to fully assess their ability to completely service the sponsorship obligations associated with the receipt of funds or in-kind contribution.
- (6) State and Territory Award Committees to evaluate if it may be more attractive for a potential sponsor to donate for Australia-wide purposes rather than at a Divisional level.