

Sponsorship Policy Guidelines

1. Policy Statement

The objective of this document is to specify the requirements for when Bicycle Queensland is seeking sponsorship and for organisations applying for sponsorship from Bicycle Queensland. "Not-for-Profit" organisations¹ aim to build a financially viable and culturally sustainable enterprise that serves their community/members and works collaboratively with a variety of stakeholder ². Whether these stakeholders are supporters, government, donors, sponsors or thought leaders, it is vital to understand the role each stakeholder plays in the growth and evolution of an organisation.

The policy aims to be consistent with Bicycle Queensland's strategy, values, and member base. Specifically:

- Riding a bike brings significant public benefit and value from physical and mental health and well-being for individuals, to environmental outcomes for livable communities and cities.
- We are caring and passionate. We value the positive impact riding has on people's health and wellbeing, our communities and the environment. We work with integrity in building the cycling movement. We support and educate the public and our stakeholders.

Bicycle Queensland will:

- be open and transparent in sponsorship arrangements;
- ensure maximum equity for organisations by using defined criteria to determine sponsorship arrangements;
- identify opportunities, obtain appropriate levels of commitment and evaluate the benefits of these arrangements;
- evaluate requests for funds and provide appropriate levels of commitment.

¹ Australian Taxation Office (2021) Not-for-Profit are organisations that provide services to the community and do not operate to make a profit for its members (or shareholders, if applicable). <u>Not-for-profit</u> <u>organisations | Australian Taxation Office (ato.gov.au)</u>

² Probono Australia. (2021) Not for Profit Sponsorship Myth #1. <u>https://probonoaustralia.com.au/news/2015/06/not-for-profit-sponsorship-myth-1/</u>

2. Definitions

Sponsorship - For the purpose of this policy, the definition of sponsorship which has been adopted is that as defined by NSW ICAC³: *"a contribution in money or kind, generally by the corporate sector or private individuals, in support of a public sector activity. It does not include the selling of advertising space, joint ventures, consultancies and gifts or donations when the reciprocal benefit provided by the government agency does not extend beyond some modest acknowledgment".*

Sponsorship is not philanthropy. Sponsorship is a business arrangement where services/opportunities to the value of the sponsorship are provided in return for cash or in-kind services. It should provide a real benefit to the community and/or be a cost-effective means of achieving an organisation's marketing and communication objectives. Sponsorship is not a donation for which little or no return is expected.

Philanthropy and Donation – Philanthropy is the desire to promote the welfare of others, expressed especially by the generous donation of money to good causes. The donation may take the form of a product, service or cash gift that is given to Bicycle Queensland by an organisation, company or individual with no return benefit other than personal recognition (e.g. letter of thanks). The difference between a sponsorship and a donation is that a sponsorship yields a benefit to the sponsor, whereas a donation does not.

3. Benefits and Risks of Sponsorships

Benefits to the Sponsor organisations from being involved with Bicycle Queensland may include:

- Branding positive associations through links with Bicycle Queensland advocacy initiatives;
- Social Responsibility opportunities to demonstrate corporate citizenship;
- Public Relations increased exposure to target a group of potential customers; and
- <u>Internal</u> increased staff morale through involvement in a 'worthwhile' cause.

Benefits to **Bicycle Queensland** being involved with a sponsorship organisation include:

- Branding promoting the public profile of Bicycle Queensland to a wider than normal audience;
- <u>Resources</u> an injection of resources, either cash or in-kind sponsorship. This may reduce the cost of performing a particular activity or allow for enhanced program delivery or expansion;
- <u>Funding</u> providing funding for publications, conferences or other special activities that promote
 Bicycle Queensland's corporate objectives and
- <u>Promotion</u> free advertising / promotion from television (free to air and pay), radio, newspaper or other media companies.

³ Independent Commission Against Corruption (2006) Sponsorship in the Public Sector

Risks - In the absence of a formal policy, sponsorship arrangements have the potential to compromise the way Bicycle Queensland conducts its business. These risks include:

- poor public perception of the arrangement, undermining community confidence in the neutrality and integrity of Bicycle Queensland; and
- association between Bicycle Queensland and an organisation that the community doesn't trust or value.

4. Sponsorship principles

Sponsorship arrangements should not hinder or influence the way Bicycle Queensland operates. Bicycle Queensland should continue to carry out its functions impartially, regardless of the sponsorship agreement or the interests or business of the sponsor or sponsorship recipient. This principle should be made clear in sponsorship agreements so that it is fully understood by all parties.

- A sponsorship arrangement should not impose or imply conditions that would limit, or appear to limit, Bicycle Queensland's ability to carry out its functions fully and impartially.
- There should be no real or apparent conflict between the objectives and values of Bicycle Queensland's and those of the sponsor.
- Sponsorship of Bicycle Queensland's activity should not involve explicit endorsement of the sponsor or the sponsors' products or services.
- Where sponsorship takes the form of provision of a sponsor's product, the product should still be evaluated for its fitness for the purpose against objective operational criteria which are relevant to Bicycle Queensland's needs.
- Employees of Bicycle Queensland must not receive a personal benefit from a sponsorship.
- Sponsorships should be sought either by calling for expressions of interest or using other broadlybased mechanisms not limited solely to invited sponsors, or through direct approach following formal assessment.
- Bicycle Queensland should assess sponsorship proposals against pre-determined criteria which have been published in advance or which are circulated to organisations which submit an expression of interest.
- A sponsorship arrangement is a contract and should be described in a written agreement and include relevant detail: sponsorship value and duration; use of logos/branding, links to websites; joint media releases.
- All sponsorship arrangements should be approved by Bicycle Queensland's CEO or Board.
- The extent of the sponsorship should be sufficient to enable the promised sponsor benefits to be delivered, particularly if the sponsorship is large-scale and ongoing.

5. Refusing sponsorship

Bicycle Queensland will normally reject sponsorship requests which:

- conflict with Bicycle Queensland's core business values or seek to influence/change Bicycle Queensland's values; or
- are from an organisation or individual who has not honoured previous sponsorship agreements.

6. Sponsorship principles

Sponsorship will be assessed against criteria to determine suitability for support (financial or otherwise). The sponsorship suitability checklist includes:

- <u>Benefits sought</u> what <u>Bicycle Queensland</u> is looking for from an agreement;
- <u>Compatible with Bicycle Queensland values</u> of being caring and passionate for people's health and wellbeing, our communities and the environment, and working with integrity to support the education of the public and our stakeholders in building the cycling movement.
- <u>Acknowledgement expectations</u> what level of recognition the sponsor/recipient is looking to obtain, including mediums, frequency and type;
- <u>Reputation</u> whether there are risks associated with partnering with an organisation, including any actual or perceived conflicts of interest;
- <u>Member perception</u> whether the arrangement will be perceived by Bicycle Queensland members as a benefit or detriment;
- <u>Public perception</u> whether the arrangement will be of benefit or detriment to the public perception of Bicycle Queensland and its clients;
- Relevance whether the agreement aligns with Bicycle Queensland's corporate vision, priorities and values.