



THE TOWN OF MORINVILLE

Council Policy

Title: Community Cultural Centre
Fund Development Policy

Policy Number: CS58/2011

Approval Date: April 12, 2011

Motion Number: 58/2011

Supersedes Policy Number: CS6/2011 (January 11, 2011)

SECTION A

1.0 Policy Purpose

- 1.1 Establish a framework for the Community Cultural Centre (CCC) fund development that reflects the values of Council
- 1.2 Embrace the long-term viability, growth, stability and entrepreneurial spirit of the CCC.
- 1.3 Establish a framework for seeking donations, grants and sponsorships that promote innovation, and provide flexibility.
- 1.4 Seek new partnerships, business opportunities and cost-saving opportunities for the CCC.
- 1.5 Enable Administration to exercise discretion regarding the acceptance of donations, grants and sponsorships.
- 1.6 Support the generation of revenue-producing and cost-saving agreements, investments and contributions from the private and non-profit sectors towards the costs of any new capital projects.
- 1.7 Support the ongoing operation of the CCC including programs, events and equipment.

2.0 Definitions

- 2.1 **“CCC”** means Community Cultural Centre.
- 2.2 **“Donate”** means to contribute funds, services or gifts in kind without an expectation of return or advantage.
- 2.3 **“Enhancement Project”** means a project that will add value to the CCC.
- 2.4 **“Facility”** means the CCC.
- 2.5 **“Fund Development”** means the ongoing process of donor cultivation and stewardship, the result of which will be to raise funds and provide opportunities for donors to contribute a donation, a grant or a sponsorship.
- 2.6 **“Grant”** means funds dispersed by one party, a Government Department, Corporation, Foundation or Trust, for a specific purpose and timeline.
- 2.7 **“Naming Rights”** means the Municipality grants the right to name or rename portions of/or a property in exchange for financial consideration.
- 2.8 **“Sponsorship”** is an exchange of funds, services or gifts in kind that is mutually beneficial and provides marketing, public relations and/or goodwill opportunities for sponsor.
- 2.9 **“Sponsorship Fulfillment”** means the agreement that was made between the sponsor and the Municipality outlining the conditions of and recognition for the grant or sponsorship.
- 2.10 **“Municipality”** refers to the Town of Morinville, in the Province of Alberta.
- 2.11 **“CAO”** means the Chief Administrative Officer of the Municipality, appointed by Council or the Director(s) or Department(s) designated by the Chief Administrative Officer.
- 2.12 **“External Party”** means an organization or individual that is independent of the Municipality.

3.0 Policy Statements

- 3.1 Fund development proceeds, unless donor designated, shall be applied to the capital and operating budgets for the CCC.
- 3.2 Council shall approve the minimum level of annual fund development through the annual budget process.
- 3.3 The Municipality may enter into a sponsorship agreement with an external party whereby the external party may contribute, in whole or in part, funds, goods or services to new facility capital enhancement projects, programs, events or activities in the CCC and where such sponsorship is mutually beneficial to the external party and the Municipality.
- 3.4 Fund development activities shall safeguard the Municipality's assets and interests.
- 3.5 Sponsorship agreements shall result in an optimal balance of overall benefits to the CCC and the community.
- 3.6 Fund development activities shall not compromise the Municipality's ability to carry out its function fully and impartially.
- 3.7 The Municipality may not relinquish any aspect of its rights to the CCC through a sponsorship agreement.

4.0 Responsibilities

- 4.1 The Municipality's CAO shall have the authority to negotiate agreements related to fund development that fall within the level of approval of revenue contracts delegated to the CAO.
- 4.2 Fulfilling the CCC's obligations under Sponsorship Agreements shall be the responsibility of the CAO or designate. The CAO or designate shall:
 - 4.2.1 Determine and document:
 - 4.2.1.1 Date and duration of the agreement;
 - 4.2.1.2 Sponsor contribution;
 - 4.2.1.3 Market value estimate of the contribution;

- 4.2.1.4 Form of recognition the Municipality is making available to the sponsor;
 - 4.2.1.5 Comparison of proposals for consistency between sponsor agreements; and
 - 4.2.1.6 Allocation of Funds to capital or operating budget.
- 4.2.2 Recommend to Council those projects with a value of revenue to the Municipality exceeding the CAO's authority.
- 4.2.3 Seek concept approval from Council prior to initiating negotiations with a potential sponsor for those projects that may, in the opinion of the CAO, be sensitive.
- 4.2.4 Establish a process for tracking and reporting all sponsorship agreements.
- 4.2.5 Establish a process for cultivation and stewarding sponsor relationships.

5.0 Standards of Practice

- 5.1 Fund development activities which include the seeking of grants, donations and sponsorships will be guided by the Alberta Association of Fund Raising Executives' (AFFRE) Professional Practice Standards, The Ethical Fundraising and Financial Accountability Code established by Imagine Canada, and the Association of fundraising Professionals (AFP).
- 5.2 Fund development will be undertaken in accordance with accepted principles of sound business and financial management and generally accepted accounting principles.
- 5.3 Donations, grants and sponsorships shall not result in exclusive of the existing facility, other than negotiated use or privileges.
- 5.4 Funds generated through the fund development process may be allocated to expansion and capital projects or to operations.
- 5.5 Where there are costs associated with securing funds and fulfilling the contractual obligations with the sponsor, these costs are reflected in the operating budget.

- 5.6 Sponsorship proposals will be assessed using the following evaluation criteria:
 - 5.6.1 Quality and timeliness of product, and service delivered to the Municipality;
 - 5.6.2 Cost to the Municipality of sponsorship proposal;
 - 5.6.3 Value to the Municipality in cash, or in kind, of the proposal;
 - 5.6.4 Compatibility of products and services with the Municipality's values, policies, standards and the Facility's operating principles;
 - 5.6.5 Desirability, image and reputation of the proposed sponsor;
 - 5.6.6 Timelines or readiness to enter into an agreement;
 - 5.6.7 Term of the agreement; and
 - 5.6.8 Conformity to facility development enhancement plans and operational goals.

- 5.7 Sponsorship agreements shall be in the form of a legal contract that is acceptable to the Municipality's Corporate Services Department and shall contain:
 - 5.7.1 description of the contractual relationship specifying the exact nature of the agreement;
 - 5.7.2 terms of the agreement;
 - 5.7.3 renewal options;
 - 5.7.4 rights and benefits;
 - 5.7.5 release, indemnification and early termination clauses;
 - 5.7.6 insurance clauses; and
 - 5.7.7 confidentiality terms.

6.0 Procedures

6.1 Funds directed to naming opportunities:

- 6.1.1 A corporation or external organization that becomes the namesake of the Facility or elements of the Facility shall be recognized for its financial support, where such support is mutually beneficial to the Sponsor, the Municipality and the community.
- 6.1.2 Naming rights agreements shall safeguard the Municipality's assets and interests, enhance access and fairness, and result in the optimal balance of overall benefits to the Municipality and the community.
- 6.1.3 A naming rights agreement shall not compromise the Municipality or the CCC users, and the tenants' ability to carry out their functions fully and impartially.
- 6.1.4 Naming rights funding will be allocated to the CCC operating budget or designated to a specific CCC capital project.
- 6.1.5 Naming rights will not be granted in perpetuity.

6.2 Funds directed to operations:

- 6.2.1 Funds specifically designated by a sponsor, donor or other municipal jurisdiction to a CCC program or event will be applied to the operational cost of that program or event.
- 6.2.2 Funds generated by advertising will be applied to operations.

6.3 Funds directed to capital projects:

- 6.3.1 Fund development designated to capital projects shall result in those funds being directed to the capital cost of that project.
- 6.3.2 Capital funds collected will be receipted and credited to a capital donation fund for the Community Cultural Centre and directed to a capital reserve fund for the Community Cultural Centre at the end of each year.

SECTION B

1.0 Reference to other Policy and Legislation

Naming Policy

Signing Authority Policy CF12/2010

2.0 Persons Affected

3.0 Review/Revision History and Author

Original approval date: January 11, 2011 (Motion: 6/2011)

TOWN OF MORINVILLE

Edie Doepker, Chief Administrative Officer

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