

**Section:** Council

**Title:** Sponsorship Policy for the Township of Wilmot

Policy Number:

Approved by: Council, By-Law 2026-29

Administered by: Corporate Services Department

Effective: April 27, 2026

## **POLICY STATEMENT**

The Township of Wilmot acknowledges that corporations, businesses, individuals, and service organizations may choose to support financially and/or materially municipal activities through sponsorships. Mutually beneficial sponsorships that enrich the lives of residents by enhancing Municipal programs, services and assets are welcomed by the Township. Sponsorship agreements will ensure access and fairness, result in improved opportunity for healthy, active living in the community and be consistent with the Township's vision, mission, and values and support Council priorities, bylaws and policies.

## **PURPOSE**

The purpose of this policy is to establish a consistent corporate sponsorship policy that aligns with Township's programs and services, the strategic priorities of Council, benefiting the community and supporting stakeholders in their business objectives. The policy will establish the framework for entering into agreements for sponsorships with individuals, groups, and businesses, while creating an open and competitive process through which to capitalize on opportunities for non-tax revenue streams to help fund municipal priorities and offset municipal costs by leveraging Township investments in community programs and services.

## **SCOPE**

This policy applies to all Township departments, and all relationships between the Township and businesses, organizations and individuals that contribute either financially or in-kind to Municipal programs, services or facilities in exchange for recognition, public acknowledgement or other promotional considerations.

This policy does not apply to:

- Municipal Naming Policy. However, naming rights may be associated with a major sponsorship.
- Philanthropic contributions, gifts or donations in which property is involuntarily transferred by a third party to the Township without expectation of return. This is governed by the Township's Donation Policy.
- Grants obtained from other levels of government, foundations, trusts, etc.
- Pouring rights contracts including agreements between a beverage distributor and the Township that allows the distributor to be the only entity selling beverages at a given location.

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- Strategic alliances and partnerships, tenant-landlord relationships, or other partnership agreements managed by the Township.

### RESTRICTIONS

The Township will not solicit or accept sponsorship from companies whose reputation could prove detrimental to the Township's public image, its financial, legal, or moral integrity or adversely impact upon the Municipality's standing and reputation in the community. A sponsorship will not be accepted if the potential Sponsor or Sponsorship:

- Presents a real or potential conflict of interest for the Township or for the potential Sponsor.
- Does not align with the audience or mandate of a specific asset.
- Is not in good financial standing with the Township.
- Is disqualified from doing business with the Township due to ongoing litigation, prior litigation, or other infringements against the Township.
- Produces, distributes, sells or promotes products or services that may reflect negatively on the Township's public image or be detrimental to the Township's integrity or reputation (e.g. pornography or sexual services; products that promote violence, etc.).
- Promotes religious, political, or other potentially divisive messages specific to any group or faction.
- Involves images or messages that are derogatory, prejudicial, harmful to or intolerant of any specific group or individual.

### DEFINITIONS

**CAO:** Chief Administrative Officer of the Township of Wilmot or designate.

**Department Head:** Member of the Corporate Leadership Team or designate.

**Sponsorship:** a marketing-oriented, mutually beneficial contractual agreement between the Township and a third party, where the Township leverages a municipally owned asset (e.g., building, program, service, special event, etc.) to receive financial support in exchange for recognition, exposure, and/or some form of other marketing benefits for the third party. Sponsorships can take the form of financial assistance, non-cash value in-kind such as goods or a contribution of skills or resources, publicity, promotional considerations, or merchandising opportunities.

**Sponsor:** An individual, external company, organization, enterprise, or association that provides significant financial and/or in-kind support to the Township in exchange for recognition, exposure, and/or some form of other marketing benefits for the third party.

**Township:** The Corporation of the Township of Wilmot.

**Treasurer:** The appointed Treasurer for Corporation of the Township of Wilmot.

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**Value in Kind:** A sponsorship is received in the form of good and/or service rather than a financial contribution.

### SPONSORSHIP TERM

Typically, sponsorships will be for a specific short term and limited purpose and usually no more than one year in duration. The sponsorship shall be formalized as an executed written agreement designed to benefit both partners. It gives ongoing recognition through public awareness for a specific period of time. The relationship is a commercial venture, built around a Township program, service or function, and there will be a marketing benefit or trade-off for corporations, businesses and/or individuals involved. This does not include donations and gifts to the Township where no business relationship or association is contemplated or is required and where no reciprocal consideration is being sought, such instances are considered through the Township Donation Policy.

### PRINCIPLES

Following are the fundamental principles that shape the Township's relationship with sponsors:

- The Township will accept sponsorships as an additional source of revenue, providing that all conditions and terms of this Sponsorship Policy are met.
- Revenue generated through sponsorships (unless otherwise specified) will be allocated towards establishing and/or improving a program, service, facility, or enterprise and should not be used to offset operating costs.
- Sponsorship recruitment should endeavor where possible to match a prospective partner with the audience/participants' interests to ensure that there is a good fit.
- Sponsorship of a Municipal program, service, event, or facility will not entitle any sponsor to influence or benefit from any policy or business decision of the Township, program, activity, or event.
- All sponsorship alliances or partnerships must be consistent with existing Municipal policies.
- The products, services, business activity or branding of sponsorship partners should not reflect negatively on the Township.
- The Township should not enter into any sponsorship agreements with parties that are a direct competitor of the Township or its enterprises.

### ELIGIBILITY

The following are the types of sponsorship that are covered by this policy:

- **Program Sponsorships**, support of a single program offering (e.g., youth programs, camps, Castle Kilbride programs, etc.).

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- **Municipal-Wide Programs and Services**, support of programs and services that are offered to citizens under a centralized or common delivery system e.g., trails / active transportation development.
- **Special Events**, support of annual or one-off special events presented by or in part by the Township (e.g., concerts, Canada Day, etc.).
- **Municipal-Wide Initiatives**, support of multiple programs under a common cause-related theme (e.g., June Is Parks and Recreation Month, etc.).
- **Project Sponsorships**, tied to specific initiatives (e.g., playground development, art furnishings and equipment, capital improvements, etc.).
- **Audience Bundled Programs**, support of multiple programs delivered through various facilities that cater to similar audiences (e.g., fitness/recreation services).

### BENEFITS TO THE TOWNSHIP

All new sponsorships are to be evaluated for compliance with this policy and must provide the Township and its residents, with one or more of the following benefits:

- Financial Contribution – a sponsorship in the form of money.
- Event/programming support.
- Infrastructure support or development.
- Marketing support.
- Promotional giveaways.
- In-kind – goods or services of value to the Township received instead of cash.

Departments are responsible for ensuring that all sponsors and executed agreements comply with this policy and that staff abide by its provisions.

### SPONSORSHIP PROCESS

The Township's sponsorship program is based on a combination of pre-approved assets, and a package will be developed for each opportunity that seeks sponsorship and categorized under a sponsorship hierarchy. Sponsorship can be secured in three different ways:

1. **Competitive Process:** prospective sponsors participate in a proposal submission process, regulated by the Procurement Bylaw No. and can be considered an exclusive sponsor to the Township within the standard sponsorship model, and as defined by the final sponsorship agreement.
2. **Solicited:** an information package will be prepared and provided that outlines what the sponsored project includes, and the rights and benefits being offered in return. Businesses whose values align with the predetermined sponsorship category will be contacted to determine interest levels. Categories and assets will be reviewed periodically to reflect current needs in various departments.

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3. Unsolicited: prospective sponsors will be evaluated by staff against the criteria set out in this policy and with regard to the Procurement Bylaw to determine if the proposal is aligned. If the unsolicited sponsorship proposal is deemed to be attached to a product that should be competitively procured, a competitive procurement process would be required for the product.

A formal competitive process is not required when soliciting sponsorship opportunities; however, the following sponsorship opportunities should usually follow a competitive process:

- Opportunities that will offer a significant corporate profile.
- Agreements of a lengthy duration (3 years and beyond).
- Agreements that allow for exclusive benefits and recognition.

Non-competitive agreements may be considered for the following opportunities:

- An unlimited number of sponsors are being sought.
- It is a unique, innovative, or experimental sponsorship opportunity.
- Only one suitable sponsor can be identified.
- The value of the sponsorship or advertising opportunity is less than \$20,000

### **GOVERNING REQUIREMENTS/LIMITATIONS**

Sponsorships must be for purposes consistent with the receiving department's mandate and considered to be in the public interest of the Township:

- Charitable receipts will be issued by the Treasurer in accordance with the Income Tax Act and policies of the Canada Revenue Agency where applicable. Typically, sponsorships will not qualify for charitable donation receipts.
- The Township will retain ownership and control over any sponsored asset.
- The Township does not endorse the products, services, or ideas of any sponsor.
- Potential sponsors must not be canvassed in a manner that uses or implies coercion.
- All sponsorships will be confirmed in writing or by contract/agreement and approved as per appropriate signing authority or Council resolution.
- Normal funding will not be displaced by the sponsorship arrangement.
- Proceeds from a sponsorship in respect of an asset, program or service shall be applied to the asset, program or service intended.
- Sponsors will not be canvassed during any active procurement process in which they are or reasonably may be participating.
- The Township shall retain the right to, by resolution of Council, terminate any sponsorship, at any time, should the said sponsor cast the Township in a negative light as a consequence of substantial misdeeds or illegal activity undertaken on the part of the corporation or individual for which the Municipal asset is named. Additionally, in the event

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of a corporate failure, the Township shall retain the ability to cancel any sponsorship agreement without redress.

- Parties disqualified from doing business with the Township will not be considered.
- No form of indemnification will be provided to any sponsor without the express approval of a legal representative of the Township of Wilmot.
- Solicitation, negotiation and administration of all sponsorships are to be conducted by authorized Municipal staff only.
- All unsolicited sponsorship offers are to be referred to the relevant department or the CAO.
- Sponsorships must comply with federal and provincial statutes, and municipal by-laws.
- Sponsorship eligibility will be considered and determined based on, but not limited to, the criteria outlined in this policy and any procedures developed for this purpose.
- Sponsorships must not interfere with existing contractual obligations.
- Sponsorship benefits to the sponsor are to be appropriate for the size and scope of the sponsorship.
- Sponsorship must not create an ongoing financial obligation for the Township.
- The sponsorship must not result in or be perceived to result in preferential treatment of the sponsor outside of the sponsorship agreement.
- Sponsors are prohibited from implying that their products, services, or ideas are sanctioned by the Township, nor will there be actual or implied obligation for the Township to purchase products or services from the sponsor.

### **ACKNOWLEDGEMENT**

Each sponsorship arrangement will have an agreed upon acknowledgement plan prior to acceptance of the contribution. This could include, but not be limited to website, media releases, newsletters, posters, signage, and through recognition at Council meetings.

### **RESPONSIBILITIES**

**Council:** Municipal Council approval is required for sponsorships that are over and above \$25,000 and or multiple years in length, and delegates responsibility for oversight and control of all other departmental sponsorship dealings to the Chief Administrative Officer in alignment with the Township purchasing bylaw.

**CAO:** In cases of conflict or confusion, the Chief Administrative Officer (CAO) and/or Council of the Township of Wilmot shall be empowered to make any and all necessary clarifications needed to ensure the equitable and effective application of this policy.

**Department Head:** responsible for:

- Reporting to Council regarding sponsorship activity.

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- Soliciting and negotiating singular and cumulative sponsorships from a particular third party subject to the governing rules and regulations of this policy that do not exceed \$25,000.
- Department Heads can be delegated responsibility for approval of agreements up to the amounts \$25,000 provided they satisfy all provisions of this policy.
- Approving the terms and conditions that form part of a sponsorship arrangement as they relate to departmental programs and activities. If the agreement involves more than one department, approval must be obtained from the applicable Department Head and the CAO.
- Reviewing the effectiveness of sponsorship agreements to ensure that the respective parties are adhering to the terms of the written agreement.
- Maintaining a record of all sponsorship contributions and for issuing a written acknowledgement of the agreement to each sponsor.

The Director of Community Services or their designate will be responsible for championing Municipal-wide sponsorship opportunities, coordinating departmental sponsorship activities and ensuring that sponsors receive the recognition for which they are entitled.

### **EVALUATION**

This policy shall be reviewed once per term of Council or more often as required.

### **DOCUMENTATION/REFERENCES**

- Donations Policy
- Naming Rights Policy
- Procurement By-law #2021-43
- Municipal Freedom of Information and Protection of Privacy Act
- Municipal Act, 2001