

Policy/Procedure

Policy/Procedure Name:	Sponsorships
Department:	Business Operations
Purpose:	Policy on sponsorships
Date of Last Update:	March 15, 2007

Definition:

Sponsorship payments are payments from a person/entity engaged in a trade or business for which the person/entity doesn't receive any substantial return benefit other than the use or acknowledgement of their name, logo or certain goods/services that have an insubstantial value in connection with the sponsored event. Advertising is considered a "substantial" benefit and makes the payment taxable to IU Alumni Association.

Policy:

Sponsorships are allowed to support IUAA's activities including those of chapter, constituent society, and affiliate groups. Sponsorships of \$1,000 or greater must be cleared through the Director, Business Operations before soliciting the sponsorship. For sponsorships of \$25,000 or more, IU Foundation's Major Gifts Office must be contacted prior to soliciting. An IU Foundation Major Gifts development officer will serve as a liaison to coordinate with IUF's Prospect Management Program (PMP) requirements. If a sponsor wants the payment to be considered a donation and receipted, the funds must be run through the IUAA account at the IU Foundation.

Additional Information:

What can a group promise to do in return for a sponsorship? As long as the sponsor does not conflict with an association partner (Contact IUAA's Director, Business Operations for current partners), you can:

- include the sponsor in a list on your group's web site, and include a link to their web site, so long as the sponsor's product/service is not endorsed in any way.
- include the sponsor in your event signage and in any promotional materials associated with your program or event.
- include the sponsor in your electronic communications about the event, or include them in a "thank you" ad for all of your sponsors.
- give the sponsor a specific number of event tickets. You will need to address the fair market value issue when you do this as it might reduce the value of a contribution.

You may not:

- promise the sponsor recognition on the association's web site, in the association's electronic communications, or in *Indiana Alumni Magazine*.
- provide the sponsor with a banner ad on your group's web site. This would be considered advertising and is subjected to UBIT.
- make the sponsor more prominent than the IUAA organization hosting the event
- provide the sponsor with a live link to their web site if the sponsor conflicts with an association sponsor.
- provide the sponsor with any access to alumni data. This includes mailing addresses, telephone numbers, and e-mail addresses.

It is suggested that you have a written agreement with the sponsors.