

Fiscal Year 202<u>5</u>4 - 202<u>6</u>5

I. PURPOSE

The purpose of the guidelines is to provide requirements for the evaluation, administration, and acceptance of Sponsorship requests received by the City of Denton for community events.

II. GENERAL OVERVIEW

The City allocates funds annually for the purpose of providing support to non-profit and civic-minded programs and organizations, which further a charitable cause, economic or community growth, or serve a public interest. The City provides a combination of cash in consideration of sponsorship requests and in-kind services and resources. The distribution of in-kind services and resources are leveraged annually through an application process in accordance with this guide and is based on annual budgetary allocations.

This guide serves to implement best practices to ensure impartial decisions are made in consideration of sponsorship applications and agreements.

The guide also serves to help maintain the City's Core Values and vision that Denton is a memorable destination and a community of opportunities that fosters extraordinary quality services and collaboration relative to co-sponsorship agreements.

The guide does not apply to the allocation or distribution of grants and/or HOT Funds.

The City reserves the right to decline any request for community event sponsorship if deemed not to be in the best interest of the City, or if acceptance would create a conflict of interest for the City. The free use of park facilities for a non-profit organization's meeting requests is not applicable to this policy, but rather subject to the City Policy 500.06; Use of City Facilities and Meeting Rooms.

III. ELIGIBILITY CRITERIA

In the event of a conflict between the guidelines and other City policies, this guideline will prevail pending proper approvals. Denton City Council, at its discretion, may grant variances to this policy.

City staff is responsible for the initial assessment of requests that are received in the form of an application. In accordance with the guidelines, sponsorship requests will only be considered for events and/or organizations hosting events that meet the eligibility criteria listed below. City staff will seek consultation with appropriate City stakeholders (e.g. City Legal, Finance Department), as needed.

General Relevance

- A. Must be a non-profit Texas corporation, federally tax-exempt under the Internal Revenue Code (501 (c) (3)) or public agency;
- B. Must demonstrate corporate good standing with the State of Texas at time of application;
- <u>C.</u> The applicant must be based in the City of Denton and hold the event in which support is requested in the City of Denton;

C.D. Event must involve 200 or more attendees;

D.E. Must have programming, administrative practices, and board membership that does not discriminate on the basis of race, color, religion, national origin, or sexual orientation or gender identity, citizenship, familial, disability, or veteran status;

E.F. If previously sponsored, the applicant must have successfully fulfilled all prior contracts;

F.G. The applicant cannot represent a for-profit enterprise;

Community Engagement

- A. Must further a charitable cause, economic or community growth, or public interest;
- B. The event must serve to benefit the entire community;
- C. The event must be open to the public;
- D. The event must encourage community engagement;

Safe, Livable, and Family-Friendly

- A. The event must be held in a safe, accessible, and family-friendly location;
- B. The event must support the City's mission, vision, and core values in a positive manner;
- C. The event must be compliant with the Special Events Ordinance;
- D. The event must be able to show proof of liability insurance.

An eligible organization may apply on behalf of another third-party organization. The third-party organization will become a subrecipient of funds and must meet all eligibility and Sponsorship requirements, except for tax status.

The City reserves the right to reject a sponsorship request at any time. Examples of requests that are typically deemed ineligible include, but are not limited to individuals, organizations, and/or businesses that promote hatred against individuals or groups, represent religious or political views, candidates, and campaigns, and whose primary products or services are derived from the sale of tobacco, alcohol, drugs, firearms, gambling, or sexually explicit or inappropriate materials. For-profit organizations are not eligible for sponsorship even if some proceeds are donated to non-profit organizations.

IV. SPONSORSHIP REQUIREMENTS

- A. An executed contract with the City will be administered for the receipt of these funds.
 - i. Representatives from a subrecipient organization must be party to the contract and comply with all requirements.
- B. Events supported by the Sponsorship program must comply with all requirements of the Special Event ordinance and are responsible for submitting required documentation under the specified timelines and obtaining all applicable permits. Failure to submit all required documents per the required deadlines may result in being ineligible or not approved for Sponsorship in the following and/or future years.
- C. An event performance report provided to the City thirty days after the event to illustrate compliance with the program guidelines and contract.
- D. The City shall be listed as a sponsor for the supported event and/or through marketing materials.

In all publications (e.g., flyers, programs, brochures, press releases, advertisements, annual reports and all other mailing pieces), the recipient shall acknowledge in some meaningful way that their organization is funded in part by the City of Denton. Such acknowledgment might take the

form of inclusion on a donors list for events. Recipients are advised that usage of the official City logo is restricted by policy (505.02) and ordinance. Any use of the City logo must be coordinated with and approved by the appropriate City representatives, to ensure compliance with these standards. Written authorization must be obtained from the City Manager or their designee.

- E. Organizations that charge for admission to their event must make tickets, seats, passes, etc. available for purchase by the City for City Official attendance to the event up to 30 days before the event start date. Sponsorship award funds will not be used to purchase admission to the event and will be funded by the City from another funding source.
- F. Organization shall maintain complete and accurate financial records of each expenditure of the sponsorship revenue, and report these to the City's Finance Department by the end of the contract term in a report specified by the City. All financial records and any other records relating to the contract shall be subject to the requirements of the Public Information Act.
- G. Check or ACH payments to approved contracts will be made in the first quarter of the City's fiscal year.

V. LIMITATION OF SPONSORSHIP FUNDS

- Sponsorship funds will not be provided to City departments.
- Co-Sponsorship requests for in-kind services of park and facilities fees will be funded up to 50%.

VI. CONTRACT TERMS

The contract period will commence on October 1 of the current year and terminate at midnight on September 30 of the following year. A thirty-day grace period is provided which allows events in September to finalize their reporting of expenditures. Either party may terminate the contract by sixty days written notice.

VII. REQUEST AND APPLICATION PROCESS

Funds allocated for sponsorship and determination of subsidy is established by City Council during the annual budget process. The application deadline is strategically set to provide City Council the opportunity to consider and approve requests based on allocated funds set to be adopted in the budget for the following fiscal year.

The following summarizes process responsibilities in the steps outlined below:

Community Partnership Committee Assigned by the City Council, assesses applications based on secondary criteria and value to the community prior to making recommendations to City Council.

City Council | Allocates sponsorship budget; approves or denies sponsorship requests.

STEP 1 Application Submission		
Submission	Sponsorship request applications are accepted annually for community events taking place in the next fiscal year.	
	The sponsorship application does not replace or provide exemptions from applicable permit requirements. A Special Event Permit is required to host a community event per the most recent ordinance enacted at the time of application.	
Deadline	Sponsorship applications must be submitted electronically no later than the deadline set each year by the sub-committee.	
	An exception to the deadline is made for first-time events seeking co-sponsorship support, however, consideration may be potentially impacted by staff and facility availability and limited budgetary resources.	
Application Requirements	Applicants must submit all the following requirements that are outlined in the application. Failure to do so may deem the application incomplete.	
	 Event organizer and/or organization contact details; Proposed event, date(s), and location(s); Anticipated attendance and historical attendance, if applicable; Description and purpose of the event; Statement of how the event benefits the community; Statement of request and itemized in-kind services and resources; Description of how the requested co-sponsorship support will complement other funding provided by the City, when applicable Disclosure of other funding or support requested and/or received by the City 	
STEP 2 Application Assessment		
Assessment	Special Events Supervisor and/or other City Staff will review and assess all applications based on the eligibility criteria. All applications are individually assessed and reviewed.	

Value Special Events Supervisor and City department stakeholders will review each application and apply a cost and/or value to each in-kind service request and resource based on current fees, costs, and prior year actuals. A sponsorship allocation report will be attached as a supplemental document to the application.

STEP 3 Subcommitt	tee Review	and Recommendations
---------------------	------------	---------------------

re	The applications that meet eligibility criteria will be delivered with the allocati report to City Council's designated subcommittee for review and consideration to City Council recommendations.			
su th	uring this process a set of secondary criteria may be considered by the abcommittee, in no particular order of importance or weight, to help further identify a ranking of applications for City Council's consideration. econdary Criteria may include, but is not limited to:			
	 Impact on thisting only operations, aboves, hereices, and resources Impact on the delivery of City services Extent of City-wide value and economic benefits Production of measurable outcomes in alignment with City's Strategic Plan Demonstrated public support for the proposed event Financial need and event financial stability Funding and support from other City programs Experience in the planning and execution of the proposed event Impact on residential and business communities, including but not limited to street closure requests, traffic flow, and interference with commercial and/or business activities Data collected on previous years' attendees is applicable Other factors deemed relevant to the co-sponsorship request, including but not limited to, reoccurring events that are in good standing 			
Recommendation	Sub-committee's recommendations will be submitted for consideration to the City Council during the annual budget work session meeting.			
STEP 4 City Council Review and Approval				

City CouncilSponsorship requests can be approved as submitted, revised, or denied by CityReviewCouncil.

STEP 5 | Notification and Co-Sponsorship Agreement

Completion The Grants Management Office will notify individual applicants of City Council's approval or denial of sponsorship. Sponsorship approvals will be effective beginning October 1 of the upcoming fiscal year. Approval for sponsorship in one year does not imply or guarantee approval in subsequent years. Council will approve each sponsorship agreement by ordinance in a regular meeting during the first quarter of the City's fiscal year.

VIII. APPLICATION PROVISIONS

Budget Allocation	The annual approved budget for sponsorships may not be increased unless a budget adjustment is approved by City Council.
Award of Funding or In-Kind Services	City Council approval of awards does not guarantee receipt of award. Disbursement of funding and/or in-kind service sponsorship awards are dependent on compliance with all applicable contract terms, permits, and ordinance requirements.
Special Event Process	All events receiving Sponsorship support must submit a Special Event application 60 days prior to the event start date. A Letter of Request for activities requiring City Council approval is required 90 days prior to the event date. All required Special Event permits must be obtained, and documents completed and submitted 30 days prior to the event start date. Failure to meet these timelines may result in a denial of an event permit.
Facility Use	The availability and capacity of a City park and/or facility will be verified during the application process.
Permits	Event organizers are responsible for obtaining all required permits 30 days prior to the event start date. The City will not waive issuance of permit requirements or applicable permit fees under any circumstances.
Insurance	The City will not waive insurance requirements under any circumstances. Indemnification and proof of insurance is required as part of the agreement in accordance with City's Special Events Ordinance.
Non-Profit Status	Verification of non-profit status might be requested in the form of documentation to the City sufficient to prove non-profit status, such as Articles of Incorporation and/or IRS Employer Identification Number. The organization must be in good standing with the State of Texas during the application process through the end of the event.
Employee Ethics Policy (10.00)	Sponsorship application requests must be initiated by the applicant and not pursued by City staff in order to remain impartial. No City employee shall directly or indirectly solicit, seek, or accept anything of value in return for being influenced in the performance of an official act; influenced to commit, aid in committing, collude or allow fraud; or induced to perform or fail to perform an act in violation of the employee's official duty or the City's Employee Ethics Policy (10.00). In order to eliminate risk to City employees and to manage any possible conflicts regarding co-sponsorship requests, no City employee shall engage in any solicitation of co-sponsorship or enter into an agreement or approval on behalf of the City.

IX. TERMS AND DEFINITIONS

Applicant	 Refers to the person submitting the request as one of the following: Organizer of the proposed event Representative of the organization hosting the proposed event Committee and/or board member of presiding organization
Subrecipient	A third-party organization receiving Sponsorship support passed-through an Applicant. Subrecipients are responsible for complying with all applicable Sponsorship and Special Event requirements.
Conflict of Interest	A conflict of interest is a situation in which personal, and/or financial, considerations have the potential to influence or compromise professional judgement or actions. They are subject to sensitivities based on perception and can negatively compromise the integrity of the City's public image. In order to manage the associated risks, real or perceived, it is the City's policy to address conflicts of interest through disclosure and recusal.
Sponsorship Agreement	Specifies the City's contribution of cash and/or in-kind services and resources and outlines the responsibility, risk, and accountability of the applicant.
In-Kind Services or Resources	Where City services and resources are leveraged in lieu of cash for sponsorship offerings. Examples include staff time, public safety services, equipment use, and/or the use of City facilities.
Public Agency	Public agency refers to an organization with administrative or functional responsibilities which are directly or indirectly affiliated with a governmental body, state, or local jurisdiction. Examples include universities and/or public-school districts.