

CITY OF VAUGHAN

CORPORATE POLICY



POLICY TITLE: INCOMING SPONSORSHIPS & DONATIONS

POLICY NO.: 09.C.02

Section:	Donations & Grants		
Effective Date:	February 21, 2024	Date of Last Review:	January 13, 2025
Approval Authority: Council		Policy Owner: City Manager	

POLICY STATEMENT

This Incoming Sponsorship and Donation Policy provides the strategic framework for all staff when acquiring and implementing monetary or in-kind Sponsorships and/or Donations in support of City initiatives.

PURPOSE

To provide a policy that welcomes and encourages Sponsorships and Donations from Organizations or Individuals to assist in the provision of City services and projects fairly and transparently.

To safeguard the City's corporate vision, image, assets, and interests while securing non-taxation revenue.

To establish a consistent city-wide approach for Sponsorship and Donations.

SCOPE

1. These procedures apply to all situations that involve a Sponsorship and/or Donation of either cash or in-kind goods, products, or services being proposed to the City by an outside party, whether solicited or unsolicited.
2. These procedures do not apply to:
 - 2.1. All Mayor and/or Members of Council initiatives (see Code of Ethical Conduct for Members of Council and the Council Member Expense – 06.C.02 policy).
 - 2.2. Grants obtained from other federal or provincial governments, corporate foundations, trusts, etc. (see Grant Funding – 09.C.01 policy).

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- 2.3. Emergency Donations (see A By-law to appoint members to the City's Emergency Management Program Committee Terms of Reference and amend By-law Number 63-2008 – By-law 030-2019).
- 2.4. Corporate Naming Rights, and/or Commemorative Naming (see TPF-006 Naming City Parks, Open Spaces, Community Facilities and other Municipal Buildings and Properties Policy).
- 2.5. Street Naming (see DP-006 Street Naming Policy).
- 2.6. Any Sponsorship or Donations that pre-date this policy, however, Sponsorship renewals will be subject to this policy.
- 2.7. Outgoing City Sponsorship support of external projects where the City provides funds to an outside organization.
- 2.8. Donations of public art or art inventoried in the City's Corporate Art Collection.
- 2.9. Donations of cultural property including but not limited to Vaughan Archives.
- 2.10. Campaign contributions as set out in the Municipal Elections Act, 1996.
- 2.11. Matters related to Planning, Development or Real Estate agreements.

LEGISLATIVE REQUIREMENTS

- 1. *Income Tax Act*, RSC 1985, c 1 (5th Supp.) Section 118.1 (Individuals) and Section 110.1 (corporations).

DEFINITIONS

- 1. **Approval Authority:** Means the City Staff in the relevant position listed in Appendix B to this Policy.
- 2. **Conflict of Interest:** A situation or circumstance, whether real, apparent or potential, where a City elected official, employee or agent, has a private or personal interest, that could, or appear to, affect their judgment in acting in the best interests of the City and the public's interest.
- 3. **Donation(s):** Philanthropic contributions or gifts in which cash or in-kind goods, or services are voluntarily transferred by a third party ("Donor") to the City without expectation of return. In such instances, no valuable consideration is provided to, and no business relationship exists with, the third party whether they are an Organization or Individual. A Donation tax receipt can be issued if it meets the Canada Revenue Agency (CRA) charities giving regulations/criteria set out in

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Section 118.1 in the *Income Tax Act* and, in the case of in-kind, the fair market value of the Donation can be proven.

- 4. Individual:** A resident or non-resident of Vaughan not associated with an Organization for the purposes of this policy.
- 5. Organization:** A registered business either in Vaughan or outside of Vaughan that is not an Individual or special interest body such as a school board or government agency.
- 6. Political Risk:** A risk associated with negative outcomes, such as public dissent, damage to the City's reputation, legal challenges or other dynamics that could undermine public trust, governance or the integrity of the City, as a result of the City's conduct.
- 7. Sponsorship(s):** A mutually beneficial business agreement where an external party ("Sponsor"), whether for profit or otherwise, provides cash and/or in-kind products or services to the City in return for commercial benefit. These benefits may take the form of marketing, publicity, promotional consideration, merchandising opportunities, etc. Because of these marketing benefits, Sponsorships do not qualify for a tax receipt and the value of each Sponsorship is negotiated between the parties.

POLICY

1. Authority to Approve, Execute and Terminate Sponsorship and/or Donation Agreements

1.1. City-Run Programs and Events

The authority to approve, execute and/or terminate a Sponsorship or Donation Agreement for City-run programs and/or events is provided for in Appendix B to this policy.

1.2. Right to Terminate a Sponsorship or Donation Agreement

If at any time during the term of the agreement, there are conditions that arise which make it no longer in the best interest of the City to continue the working relationship with a Sponsor or Donor, the City is authorized to terminate the existing Sponsorship or Donation agreement at their sole discretion in consultation with Legal Services and following the appropriate level of authority established in the Approval, Execution and Termination Table, found at Appendix B.

2. Policy Principles

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- 2.1. This policy supplements existing City policies and guidelines listed in the Scope section of this Policy, including but not limited to, the Council Expense Policy, Code of Conduct, and the Lobbyist Registry.
- 2.2. In the event of a conflict between this policy and other City protocols involving Sponsorships and Donations, this policy will prevail.
- 2.3. City staff may solicit or accept unsolicited Sponsorships and Donations from a Lobbyist if the Incoming Sponsorships and Donations Policy and procedures are followed. Council however should refer the Lobbyist to staff per the Gifts and Benefits Section of the *Code of Ethical Conduct for Members of Council and the Council Member Expense – 06.C.02 policy*.
- 2.4. The City shall retain ownership and control over any sponsored property and of the planning and delivery of all activities unless otherwise contractually stated.
- 2.5. The City does not endorse the products, services, or ideas of any Organization or Individual.
- 2.6. Agreements shall not in any way feter the discretion of Council, invoke future consideration, influence or be perceived to influence the day-to-day business of the City.
- 2.7. When considering a solicited or unsolicited Sponsorship or Donation, staff shall identify any potential Conflict of Interest or potential Political Risk associated with the Sponsorship or Donation to the Approval Authority based on the value of the Sponsorship or Donation in Appendix B. Should a Conflict of Interest or Political Risk of concern arise the Approval Authority has no obligation to accept and can decline the offer or bring the opportunity to Council for information or decision.

3. Criteria for Solicited Sponsorships and Donations

- 3.1. The City may solicit Sponsorships and Donations for City programs, events and/or services, identified in Appendix A to this policy. If the program, event or service is not listed in Appendix A, staff must seek Council endorsement and authority to add it to the list.
- 3.2. The City will not solicit opportunities for Sponsorship or Donation from people and/or entities:
 - 3.2.1. Whose activities are perceived to be incompatible with the City's goals, values, or mission, in the opinion of the City Manager, or their delegate;

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3.2.2. Who disparage in any way the City or any City service or promote a product by drawing a negative comparison with a City service in the opinion of the City Manager, or their delegate.

3.3. The Sponsorship or Donation must not confer a personal benefit, directly or indirectly, on any City employee or official.

3.4. There shall be no actual or implied obligation to purchase the product or services of the Sponsor or Donor, nor to support any of their initiatives now or in the future outside any obligations set out in any agreement between the parties.

3.5. The Sponsorship or Donation must not interfere with existing contractual or legal obligations.

3.6. Agreements entered under this policy shall be in a form satisfactory to Legal Services.

3.7. Those submitted by third parties that are currently bidding for work through the Procurement process.

3.8. A sponsorship or donation relationship shall not in any manner limit or restrict the normal exercise of discretion of City staff or fetter the discretion of City Council.

4. Criteria for Unsolicited Sponsorships and Donations

Unsolicited Sponsorships and Donations are subject to items in section 3 with the addition of the following:

4.1. The City may consider unsolicited offers for Sponsorship or Donation but has no obligation to accept any of them.

4.2. The City reserves the right to refuse any unsolicited offer for Sponsorship or Donation for any reason, including, but not limited to, those that:

4.2.1. Are submitted by third parties whose activities are perceived to be incompatible with the City's goals, values, or mission, in the opinion of the City Manager, or their delegate;

4.2.2. Disparage in any way the City or any City service or promote a product by drawing a negative comparison with a City service, in the opinion of the City Manager, or their delegate.

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4.2.3. Are currently or have been within the last fifteen (15) years, the subject of legal proceedings where the Corporation of the City of Vaughan is named as a party, unless approved by the City Solicitor.

4.2.4. Those submitted by third parties that are currently bidding for work through the Procurement process.

4.2.5. Those submitted by third parties that are not in compliance with the City's policies, bylaws, or requirements.

4.3. Unsolicited offers for Sponsorship or Donation should be understood separately from Unsolicited Proposals, which are governed by the City's Corporate Procurement Policy, being policy No. 15.C.03.

5. Policy Review

Appendix A to this policy shall be reviewed by Council no less than once per term of Council.

ADMINISTRATION

Administered by the Office of the City Clerk.

Review Schedule:	Other (specify) Term of Council	Next Review Date:	November 1, 2026
Related Policy(ies):	06.C.02 – Council Member Expense, 09.C.01 – Grant Funding, 15.C.03 – Corporate Procurement		
Related By-Law(s):	030-2019		
Procedural Document:	PRC.35 Incoming Sponsorship and Donation		

Revision History

Date:	Description:
21-Feb-24	Approved at Council. Report No. 5 Item No. 12
13-Jan-25	Administrative updates approved at Policy Committee

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APPENDIX

APPENDIX TITLE: INCOMING SPONSORSHIP & DONATION INVENTORY LIST

APPENDIX NO.: A

APPENDIX
<p>PURPOSE:</p> <p>The following is a comprehensive list of City programs and events to which monetary or in-kind goods or services may be applied according to this Policy.</p> <p>Note: This is an inventory list and NOT a priority list for staff during this term of Council therefore the following may or may not receive support.</p> <ol style="list-style-type: none"> 1. PROGRAM SPONSORSHIPS OR DONATIONS Staff may solicit sponsorships and/or donations for any of the following programs, divided by department, the approval, execution and/or termination of which shall be governed by the table in Appendix B. <ol style="list-style-type: none"> (a) Public Works <ul style="list-style-type: none"> • Grow With Vaughan - Horticulture Sponsorship Program • Tree and Bench Dedication program • Green Guardians – Pollinator Gardens, Community Gardens, 20-Minute Makeover/Litter Clean-up, Corporate Tree Planting (b) Economic Development <ul style="list-style-type: none"> • Innovation challenges or accelerators programming (c) Recreation Services <ul style="list-style-type: none"> • Youth Week (first week of May) • June Recreation & Parks Month (full month of June) • National Drowning Prevention Week (3rd week in July) • Community Centre Open House Events • Recreation programming - Specialized equipment in support of programming • RecAssist Program – individual and organization financial donations • Fundraising events (in support of RecAssist) including Zumbathon, Spin-a-Thon • Tournaments for Vaughan Sports • Graduation for Vaughan Playschool programs

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- Camps during March Break, Winter Break and Summer

(d) Vaughan Animal Services

- Animal Shelter Services
- Adoption Programs
- Spay and Neuter Clinics

(e) Vaughan Fire and Rescue Services

- Camp Molly
- Smoke Alarm Program
- Community outreach program

(f) Planning, Growth Management and Housing Delivery

- Heritage Grant Pilot Program (2025-2026)

2. CITY-RUN EVENTS

Staff may solicit sponsorships and donations for the following city-run events (*Mayor and Members of Council Initiatives out of scope*), the approval, execution and/or termination of which shall be governed by the table in Appendix B:

(a) Award Ceremonies

- Vaughan Urban Design Awards

(b) City-run Flag Raisings and Proclamations

- Black History Month Celebration
- South Asian Heritage Month
- International Women's Day
- Italian Heritage Month
- National Indigenous People's Day
- International Day of Persons with Disabilities
- Fire Prevention Week
- Emergency Preparedness Week
- Emergency Responders Day
- Sisters in Spirit Vigil
- National Public Works Week

(c) City-run Community Events

- Vaughan Celebrates: Winterfest, Canada Day Celebration, Concerts in the Park
- Culture Days
- Environmental Days
- Green Guardians: Corporate Tree planting events

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(d) Recognition/Appreciation/Memorial Events

- Tree & Bench Memorial Dedication
- Anniversary Events (25th, 50th, etc.)
- Vaughan Fire and Rescue Graduation Ceremony
- VFRS – Annual 9-11 Ceremony

(e) Holiday Events

- Lunar New Year
- New Year's Levee
- Mother's Day Tea Party
- Christmas Tree Lighting Ceremony
- Menorah Lighting Ceremony
- Festival of Lights

(f) Vaughan Business Events

- Economic Development – Seminars, Workshops, Trade Shows, Roundtables
- Small Business Week
- Starter Company Plus and Summer Company (*Funded by the Province*)

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APPENDIX

APPENDIX TITLE: APPROVAL, EXECUTION & TERMINATION AUTHORITY TABLE

APPENDIX NO.: B

APPENDIX			
Value*	Approval	Execution**	Termination***
Up to \$5,000	Manager	Manager	Director
\$5,001 - \$10,000	Manager	Director	DCM
\$10,001 - \$25,000	Manager	City Clerk	DCM
\$25,001 - \$100,000	Director	City Clerk	Council
\$100,001 - \$500,000	Deputy City Manager	City Clerk	Council
\$500,001 and above	City Manager	City Clerk	Council

* Value means the total value of the Sponsorship and/or Donation.

** All agreements must be in a form satisfactory to Legal Services.

*** If at any time during the term of a Sponsorship Agreement or a Donation Agreement, there are conditions that arise which make it no longer in the best interests of the City to continue the working relationship with a Sponsor or Donor, the Director, the DCM, and/or Council, as the case may be above, is authorized to terminate the existing Sponsorship agreement in consultation with Legal Services.

APPENDIX TITLE: Appendix title as reflected on page 1.

APPENDIX NO.: Appendix numbering should be sequential.