# HDARC Sponsorship Policy

The HDARC committee is the owner of the HDARC Sponsorship Policy, and it is important that committee and HDARC members are familiar with the policy. It is available on the HDARC website for viewing.

## What is a sponsorship?

An arrangement where a sponsor provides a contribution of money or dollar valued in-kind support to the HDARC Club.

In other words, a sponsorship is an agreement between two parties, for example a a company or organisation, where the company/organisation supports an HDARC event or activity in return for specific benefits to their business or organisation. It is an arrangement where both parties gain agreed benefits. Sponsorship can be either as cash or dollar valued in-kind support agreed upon by the committee.

## What isn’t a sponsorship?

### Sponsorship is not advertising.

Advertising is an arrangement where a company purchases space for an agreed price to advertise their product or service and there are no additional benefits to the advertiser. For example, a local business can pay to buy space in the HDARC newsletter.

### Sponsorship is not a donation.

A donation is a one-off untied gift that has no requirement or request for benefits in return. However, if the donor receives more than recognition of the gift, such as an advertising billboard, the donation must be treated as a sponsorship.

### Sponsorship is not philanthropy.

Philanthropy is seen as involving charitable giving to human causes on a large scale. Acts of philanthropy include donating money to a charity, volunteering at a shelter, or raising money to donate to cancer research.

## What do i need to do if i receive a SPONSORSHIP query?

If a query comes from an organisation regarding **sponsorship**, forward it to the HDARC committee.

# Sponsorship FAQs

### What is a sponsorship?

The policy defines the sponsorship as the act of supporting an event or organisation financially, through the provision of products, services or activities, in exchange for rights (including naming rights) or certain specified benefits (such as logo placement or public acknowledgement).

In other words, a sponsorship is an agreement between two parties, where the company/organisation supports an event or activity in return for specific benefits to their business or organisation. It is an arrangement where both parties gain agreed benefits. Sponsorship can be either as cash or dollar valued in-kind.

### What is an ‘in-kind’ sponsorship?

This kind of sponsorship is where a sponsor provides services or goods instead of cash. Sometimes this is called ‘value in-kind’ or ‘contra’ sponsorship. For example, a local printing company agrees to print copies of a event program in exchange for an agreed level of recognition based on the dollar value of the ‘in-kind’ support.

### What is the difference between sponsorship and a donation?

A donation is a one-off untied gift that has no requirement or request for recognition or benefits in return. A sponsorship is the act of supporting an event or organisation financially, through the provision of products, services or activities, in exchange for rights (including naming rights) or certain specified benefits (such as logo placement or public acknowledgement).

### What is the difference between advertising and sponsorship?

Advertising is an arrangement where a company purchases space for an agreed price to advertise their product or service and there are no additional benefits to the advertiser. For example, a company pays to buy space in a newsletter or magazine.

### Do I need a sponsorship agreement?

Yes you do. Having a formal agreement ensures that both you and the business or organisation who is your sponsor are clear on what is expected and what is to be provided by both parties in the relationship. If HDARC enter a sponsorship arrangement without agreements, they risk additional benefits being requested, challenges in managing expectations and inconsistency with other sponsors. An agreement such as the engagement letter is appropriate.