

Evaluating and Accepting Sponsorship Opportunities

- I. Overview:
 - a. Definition: Sponsorship is a relationship in which an entity provides money, goods, or services to UMRA and the entity receives acknowledgement of the sponsorship via UMRA print materials, electronic communications, signage, visual displays and/or oral statements at sponsored events. Sponsorships do not involve endorsing or comparing products or messages that relate to the quality of the products or services.
 - b. Sponsorships are beneficial to UMRA and its membership when conducted in a manner consistent with the UMRA’s mission “to promote, protect, support and advocate for the interests, rights, needs and welfare of persons who retire from the University of Minnesota.”

- II. Oversight: All sponsorships shall be reviewed and approved by the UMRA Executive Committee in consultation with [the sponsorship facilitator] and the UMRA Board of Directors
UMRA has the right and the unfettered discretion to decline any sponsorship. Among other things, UMRA must decline a sponsorship that (1) is in conflict with UMRA [or University policies]; (2) adversely affects the UMRA’s reputation; (3) appears to create an endorsement by the UMRA of a particular company, product, political candidate or position regarding public policies; (4) is considered to contain obscene, indecent or profane material; or (5) ridicules, exploits or demeans persons on the basis of their ability; faith; race, ethnicity, and cultural identity/language; sexual orientation, gender identity and expression; and socio-economic status.

- III. Criteria to use in evaluating² the appropriateness of a UMRA Sponsor:
 - a. Sponsor’s services or products—
 - i. are relevant to UMRA audience
 - ii. are offered by a University or UM affiliated unit
 - iii. align with the educational mission of higher education
 - iv. provide benefits to members consistent with UMRA’s mission
 - v. are consistent with standards which promote community health, social justice, and environmental protection
 - b. Minimum requirements for all sponsorship messages (visuals, text etc):
 - i. they must meet the IRS terms regarding “*qualified sponsorship activities*”
 - ii. they must not be “*advertising*” as identified by IRS
(see below)

- IV. IRS criteria: (from IRS Form #598)
 - a. ***Qualified sponsorship payment.*** This is any payment made by a person engaged in a trade or business for which the person will receive no substantial benefit other than the use or acknowledgment of the business name, logo, or product lines in connection with the organization’s activities. “Use or acknowledgment” doesn’t include advertising the

¹ This sponsorship document is intended for internal UMRA use to assist in oversight of its sponsorship efforts. Adapted from policy statements of University of Washington (UW Policy Directory) and University of Minnesota (UM Policy Library).

² These are not “requirements”; they are factors that contribute to a decision to accept or decline a sponsorship opportunity.

sponsor's products or services. The organization's activities include all its activities, whether or not related to its exempt purposes....For example, if, in return for receiving a sponsorship payment, an organization promises to use the sponsor's name or logo in acknowledging the sponsor's support for an educational or fundraising event, the payment is a qualified sponsorship payment and isn't subject to the unrelated business income tax..."

- b. **Advertising.** A payment isn't a qualified sponsorship payment if, in return, the organization advertises the sponsor's products or services. Advertising includes:
 - i. Messages containing qualitative or comparative language, price information, or other indications of savings or value;
 - ii. Endorsements; and
 - iii. Inducements to purchase, sell, or use the products or services. The use of promotional logos or slogans that are an established part of the sponsor's identity isn't, by itself, advertising. In addition, mere distribution or display of a sponsor's product by the organization to the public at a sponsored event, whether for free or for remuneration, is considered use or acknowledgment of the product rather than advertising...

Reviewed and Approved by UMRA Board: May 19, 2019