



Process summary TAFE NSW Hunter Institute Sponsorships, Donations and Contributions Guidelines - 2007

This process summary and Guidelines cover the receipt, analysis and acceptance of offers of sponsorship, donation and contributions by members of Industry, Business and/or the Community of the Hunter Region.

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1 BACKGROUND

TAFE NSW – Hunter Institute welcomes sponsorship of its education and training activities by businesses and other profit making organisations.

Sponsorship can add value to education and training services, student recognition and services already supplied by Hunter Institute. Sponsorship is a component of Hunter Institute's Marketing and Community Relations.

Extensive opportunities are available for the business community to link with events and activities conducted by Hunter Institute. The benefits of these sponsorship arrangements to both Hunter Institute and the sponsor are considerable.

Hunter Institute is committed to improving the communities in which it operates and for this reason, run a number of events and activities. Given the number and range of potential sponsors that may wish to support Hunter Institute, and in order to ensure the most equitable sponsorship decision making process, the following guidelines have been developed to provide some focus for the Institute to make decisions.

2 TAFE NSW POLICY

These guidelines are to be used in conjunction with the TAFE NSW Commission sponsorship policy 94.25.S1 which states:

'The overriding principle of sponsorships is that they must contribute, either directly or indirectly, to the quality of student learning. Sponsorships for education activities should take into account the needs and aspirations of the students and are sensitive to community expectations.'

It is important that sponsorship arrangements are negotiated only with reputable organisations whose public image, products and services are consistent with the values, goals and specific policies of TAFE NSW.'



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Similarly it is important that sponsorship activity is consistent with the values, vision and corporate goals of the Hunter Institute.

“In acknowledged support from sponsors, TAFE NSW must avoid placing its staff for students in the position of endorsing products or promoting the goods or services of the sponsor.”

Acknowledgements should be relative to the level of sponsorship and should never be more prominent than the Hunter Institute logo.

All Hunter Institute sponsorships must comply with principles established by the Independent Commission Against Corruption (ICAC).

Relevant policy links:

<https://detwww.det.nsw.edu.au/finance/manuals/tafemanu/accproc/fi/rrc/firrc061/firrc061.htm>

Enterprise risk management policy:

https://detwww.det.nsw.edu.au/policies/general_man/erm/PD20040036_i.shtml

AS/NZ 4360:2004 Australian New Zealand Standard Risk Management, Standards Australia Standards New Zealand, 2004.

Enterprise-Wide Risk Management Better Practice Guide for the Public Sector, Certified Practising Accountants Australia, 2002.

Code of conduct:

https://detwww.det.nsw.edu.au/policies/staff/ethical_behav/conduct/PD20040020_i.shtml

3 DEFINITION

NSW ICAC defines sponsorship as ‘a contribution in money or kind, generally by the corporate sector or private individuals, in support of public sector activity. It does not include the selling of advertising space, joint ventures, consultancies and gifts or donations where the reciprocal benefit provided by the Government agency does not extend beyond some modest acknowledgement.’ (ICAC, 1995, p.3).

Sponsorship in this context is defined as a commercial enterprise or organisation providing money, goods or services to TAFE NSW – Hunter Institute, other than normal commercial rates, in return for some benefit.

4. GUIDELINES

Hunter Institute staff negotiating sponsorship arrangements must proceed according the following guidelines:

- 4.1 Suitable sponsors are those whose products or services can be associated with Hunter Institute without causing public concern and are in alignment with the Institute’s goals and values.



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- 4.2 The educational and /or training benefit for the proposed sponsored activity must be clearly established and documented.
- 4.3 Sponsor acknowledgement must be relative to the level of sponsorship and must be in a form that is consistent with the standards and values of the Hunter Institute without causing public concern.
- 4.4 Sponsor logo acknowledgement should never be more prominent than the Hunter Institute logo.
- 4.5 Sponsor acknowledgement can extend to the granting of joint naming rights to an Institute activity or event where the sponsors name or product is incorporated into the official name of the activity or event. For example; "The (Company name) Hunter Institute Awards."
- 4.6 Promotional slogans or branding encouraging individuals to buy or use the sponsor's product or service should not be featured.
- 4.7 Hunter Institute staff should not endorse the products or services of the sponsor or promote their sale.
- 4.8 An annual general advertisement for EOIs should be placed in the Newcastle Herald to allow all potential sponsoring companies an equal opportunity to respond. Following such an advertisement it may then be acceptable to target specific companies, industries or organisations for particular projects.
- 4.9 All Hunter Institute sponsorships must comply with the TAFE NSW Commission Sponsorship Policy 94.25.S1.

5. SPONSORSHIP AGREEMENTS CHECKLIST

There are many forms of sponsorship. The following checklist should be considered before drafting any sponsorship agreement:

- Have you consulted with Hunter Institute Marketing & Communications?
- What is being supplied?
- Who is supplying it?
- Over what period of time is it to be supplied?
- What is the cost to Hunter Institute of receiving and managing it?
- What maintenance or management is required by Hunter Institute?
- What is Hunter Institute to do in return?
- Will it require separate accounting/audit requirements and, if so, have you contacted Finance?
- Will it require insurance cover (for public, private or workers' compensation insurance) and if so, have you contacted the Risk Management Co-ordinator or Occupational Health and Safety?



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- Will it require use of the Hunter Institute name or image, and if so, have you checked the requirements with Marketing and Communications?
- Who is to bear the risk if something goes wrong?

All sponsorship approaches must be discussed with Marketing and Communications before progressing. If Marketing and Communications are unsure about the integrity of a sponsorship proposal, the following steps are recommended:

1. The proposal should be discussed with the Institute Director for approval.
2. If the Institute Director is concerned that the sponsorship proposal may be in some way contentious, a brief will need to be prepared and sent to TAFE Comprehensive Audit for information. This brief should include information about how the sponsorship does/does not meet the guidelines and decision to approve/disapprove.

6. ICAC PRINCIPLES

The Independent Commission Against Corruption (ICAC) suggests certain principles for sponsorships in the NSW Public Sector. For TAFE NSW – Hunter Institute, they apply as follows:

- All sponsorships over \$2000 will be included in the Hunter Institute Annual Report;
- It is inappropriate for a Hunter Institute employee to receive any personal benefit from sponsorship;
- Sponsorship proposals should be assessed against pre-determined criteria to which those parties interested can have ready access on request;
- The term of the sponsorship and any conditions of extension or renewal must be stated;
- Financial accountability requirements must be clearly stipulated:

DET Audit Directorate handles contact with ICAC for TAFE NSW and can provide advice on any issues involved.



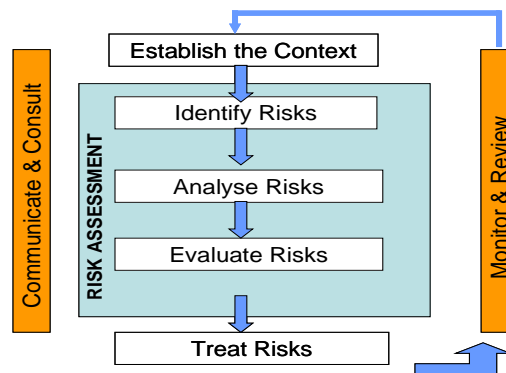
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7. RISK ASSESSMENT

Hunter Institute identifies and manages risks using DET procedures for risk assessment. This approach is in accordance with Australian Standards for Risk Management (AS4360:2000). The following Risk Assessment matrix must be documented prior to discussion and approval by Marketing & Communications unit.

The Enterprise Risk Management process that can be used is based on the Australian Standard for Risk Management AS/NZS 4360:2004. This Standard provides the steps for risk management as shown in the diagram:

Risk Management Standard AS/NZS 4360:2004



Steps 1 and 2 : Establish context and Identify risks

<i>Example:</i>				
Hunter Institute Sponsorship / Donation / Contribution Risk Analysis				
Key Result Area xxx : (from Institute Service Delivery Strategy) <i>Partner with regional industry / enterprise needs & respond to Government initiatives regarding skill shortages & increasing apprenticeships & traineeships</i>				
Strategies/ Outcomes	Risks	Risk Level	Treatments Required	Treated Risk Level
1. Ensure priority is given to contributions / sponsorships / donations which augment activities in response to identified skill shortages				
2.				



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Step 3: Analyse Risks:

The purpose is to rank the risks identified in Step 1 above in order, so that resources to minimise risks are allocated to those of greater priority.

To calculate the risk level, you will need to assess the likelihood of the risk occurring and the magnitude of the consequences of the risk after considering the existing controls in place. The product of these two values will result in the risk level.

Use the following criteria to help you assess the likelihood and consequence rating for each risk.

1. Likelihood:

Likelihood Rating	Criteria
Almost Certain	Risk is expected to occur in most circumstances
Likely	Risk will probably occur in most circumstances
Possible	Risk might occur at some stage
Unlikely	Risk is not expected to occur during normal operations
Rare	Risk may occur only in exceptional circumstances

Use the Risk Matrix below to match the likelihood and consequence values. The intersection of these two values will give you the risk level.

Risk Matrix

L I K E L I H O O D	Almost Certain			Extreme Risk		
	Likely		High Risk			
	Possible	Medium Risk				
	Unlikely					
	Rare	Low Risk				
		Insignificant	Minor	Moderate	Major	Catastrophic
		C O N S E Q U E N C E				

The risk level determines the priorities as follows:

Extreme	(Red)	Immediate action required
High	(Orange)	Senior management attention required
Medium	(Yellow)	Management responsibility must be specified
Low	(Green)	Manage by routine procedures



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Step 4 – Evaluate and Treat Risks

The purpose of this step is to identify the most appropriate treatments for risks that are at an unacceptable level.

Select the best option in terms of feasibility and cost effectiveness. The following are options to treat risks at an unacceptable level:

- *Avoid the risk*

Choose an alternative to achieve the same outcome.

- *Control the risk*

Develop control procedures to reduce the likelihood and or consequence of the risk.

- *Retain the risk*

Accept the risk where the treatment would not meet a cost benefit test i.e. cost of implementation of treatment are greater than the benefits received.

- *Transfer the risk*

Shift all or part of the responsibility of the risk to another party who is better able to control it. This transfer is by way of contract or by obtaining insurance.

8. DELEGATION

Institute delegate: Associate Director