

## PHASA Funding, Donations and Sponsorship Policy

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## **I. INTRODUCTION**

Public health is currently facing some of its greatest challenges, ranging from HIV/AIDS and TB, other communicable diseases, as well as non-communicable diseases, and domestic and community violence and injury. Simultaneously, rising costs and decreasing public funds have the potential to further stress an already under resourced health system.

The Public Health Association of South Africa (PHASA) must have the financial resources to continue its role as the unique, civil society voice for public health advocacy in South Africa. To fulfil its mission, PHASA must consider securing resources from external sources (such as multilateral bodies, governments and their affiliated agencies or bodies, foundations, not-for-profit organizations or the corporate sector), rather than relying only on annual membership fees. While these serve as an important indication of member commitment to PHASA, they are nonetheless an insufficient source of income.

## **II. PURPOSE**

The topic of funding, donations and corporate sponsorship has been raised a number of times at meetings of the PHASA Executive Board. At present, there is no formal policy in place for the organization.

This draft “Funding, Donations and Sponsorship Policy” describes the criteria and a review and oversight process for evaluating potential relationships with external funding entities (EFE). This Policy is intended to protect PHASA’s mission and integrity while supporting its revenue-generating efforts.

The Policy was drafted with the following considerations in mind:

- Relationships with EFEs should be considered as opportunities to build alliances, partnerships and support for public health for the long term.
- The criteria for review should be reasonable and realistic.
- The review and oversight process should not be overly cumbersome.
- Over time, the review process will build a body of knowledge for accepting and soliciting funding, donations and sponsorships.
- The Policy will be reassessed after one year and thereafter as necessary. Reassessments will take into consideration PHASA’s experience of applying the policy.

## **III. APPLICATION**

The Policy applies to all funding, donations and sponsorships received by PHASA, solicited or unsolicited. This Policy applies to PHASA and its sub-groups, and as well to all member associations or organizations which carry out PHASA-sponsored events or activities, wherein PHASA’s name, logo or any other identification is used, or wherein there is a contractual arrangement between PHASA and another association or organization to carry out an activity or event on behalf of either entity.

## **IV. DEFINITIONS**

For the purposes of this Policy, the following definitions will be used:

**Donation:** A philanthropic contribution or gift.

**Endorsement:** An explicit approval or a promotional statement for a product or service.

**External Funding Entity:** Any organization, body, agency, foundation or corporation that is not related to or governed by PHASA and which could invest in PHASA's activities, events and projects.

**Grant/Contribution:** A financial or in-kind investment by an EFE that may or may not be restricted or conditional.

**Matching:** A requirement by some EFE that PHASA co-invest either through cash or in-kind.

**Sponsorship:** A business arrangement whereby the EFE commits resources (monies and/or in kind) to support a specific project, event or activity, but does not share in the profits or underlying risks of the project. The entity contributes funds to an event, activity or even a capital project and receives a benefit (e.g., specific image and marketing opportunities) from the associated publicity. Sponsorship does not include paid advertising in PHASA publications, or on its website.

## V. GENERAL ASSUMPTIONS

Any and all external support to PHASA activities, events and projects will be governed by this policy.

The following general assumptions shape the acceptance of funding, donations and sponsorships:

- PHASA will solicit and accept support only for projects, events and activities that are consistent with the Association's mission.
- Such arrangements must enhance, and shall not impede, PHASA's independence and ability to act in the best interest of its members and the public at all times.
- PHASA's name, logo and other intangible intellectual assets must be protected at all times.

## VI. PRINCIPLES

Under no circumstances will the PHASA accept advertising, funding, donations or sponsorship from tobacco or alcohol companies, manufacturers and merchants of firearms and weapons of mass destruction and entities that have been sanctioned or deemed inappropriate by the World Health Organization or other United Nations (UN) bodies (unless such sanctions have been lifted). In the event that the EFE with which PHASA is exploring a potential partnership is part of a conglomerate with ties to tobacco, alcohol, firearms or weapons of mass destruction, or to entities that have been sanctioned or deemed inappropriate by the World Health Organization or other UN bodies (unless such sanctions have been lifted), the EFE as well as the relationship between the EFE and the conglomerate would be reviewed.

PHASA will not accept advertising, funding, donations or sponsorship from governments or their agents which have been deemed to have committed serious human rights violations or which have been shown to discriminate against a population. Nor will PHASA knowingly accept advertising, funding, donations or sponsorship from any government or government body that contravenes Article 5.3 of the Framework Convention on Tobacco Control (FCTC).

No PHASA Officer, Executive Board member or any PHASA member designated by PHASA to represent it will attend an event or activity which is sponsored by tobacco and alcohol companies, and manufacturers/merchants of firearms and weapons of mass destruction, or by governments which

have been deemed to have committed serious human rights violations or which have been shown to discriminate against the human rights of a population.

- PHASA will at all times maintain an independent position on public health issues and concerns.
- PHASA will solicit and accept support only for projects and activities that are consistent with the Association's mission.
- PHASA will accept funds for informational and educational activities only when the content is to be determined or verified by PHASA.
- PHASA will maintain complete control of all funds provided from commercial supporters for educational activities.
- PHASA will not permit commercial product promotions as part of a Continuing Education activity.
- It is the policy of PHASA to provide product or service endorsements only if consistent with the Association's mission.
- Acknowledgments for commercial support will be limited to company name, logos or slogans which are an established part of the supporter's identity, trade names, addresses and telephone numbers.
- PHASA'S intangible intellectual assets, including the Association's name and logo, will be protected at all times. Sponsors will not be permitted to use PHASA'S name or logo for any commercial purpose or in connection with the promotion of any product.
- PHASA will be vigilant at all times to avoid any real or apparent conflict of interest in accepting sponsorships.

## **VII. CRITERIA FOR REVIEWING FUNDING, DONATIONS OR SPONSORSHIPS**

Overall, the purpose of the review is to determine the balance of the benefit to PHASA in relation to the risks and costs of collaborating with the sponsor. This collaboration extends to both donation of monetary or in-kind support such as resources or services. On a case-by-case basis, the following conditions should be considered in determining the benefits and risks for PHASA of accepting a sponsorship.

### **A. Are the specified proposed uses of the funding, donation or sponsorship congruent with the mission and priorities of PHASA?**

Issues to consider in determining this congruence include:

- How do the proposed uses of the sponsorship relate to PHASA's mission and priorities?
- Why does the EFE want to make a donation to or sponsor PHASA?
- How will the benefits to be derived from the intended purpose of the funding, donation or sponsorship compare with PHASA's resources required to fulfil the intended purpose?
- Do the practices of the EFE fit with the adopted public policies of PHASA?
- Recognizing that socially responsible practices are a cornerstone of PHASA's policies, and that citizenship should embody socially responsible practices, the following are among the types of issues that should be considered in assessing the benefits and the risks of accepting funding, donations or sponsorships from EFE's , especially corporations:
  - The types of core products or services produced or provided;

- Occupational health and safety conditions under which products or services are produced;
- Employment practices, including commitment to diversity and a living wage;
- Commitment to protection of the environment;
- Record of regulatory compliance;
- Marketing and advertising practices;
- Research and development policy and practices;
- Human rights record;
- Funder's, donor's or sponsor's relevant public policy positions;
- Record of support to public health organizations or public health-related issues and organizations;
- Other past activities will be weighed in relation to PHASA's public policies and public reputation.

B. Are the funder, donor or sponsor's expectations pertaining to control, oversight, and outcome(s) of the funding, donation or sponsorship to which the funds are applied acceptable to PHASA?

PHASA will accept funds, resources or services only when PHASA has control of the content of the activity and when PHASA has and maintains complete control of all funds.

Issues to consider:

- Does PHASA have editorial control over the content of educational materials and publications and input into their dissemination?
- Will PHASA be able to review and approve public statements about the project, its findings and/or implications?
- Will PHASA be in control of the funds at all times?
- Are expectations on outcome, responsibilities, methods of implementation, and duration of funding feasible and agreeable? (Any special expectations of the funder, donor or sponsor need to be explicit and documented).

C. Are the sponsor's expectations regarding recognition or acknowledgment of their support acceptable to PHASA?

Acknowledgments will be limited to company name, logos, slogans which are an established part of the supporter's identity, trade names, addresses and telephone numbers.

Issues to consider:

- Is the extent to which the name of the corporation is affiliated with PHASA and the proposed project defined by PHASA acceptable to the funder, donor or sponsor?
- What public recognition is expected by the funder, donor or sponsor?
- Is the recognition appropriate for the amount of the funding, donation or sponsorship?
- Is there an appearance of product endorsement?

D. Would acceptance of the funding, donation or sponsorship create any real or apparent conflicts of interest, and would the impact and/or benefits of accepting the funding, donation or sponsorship outweigh the risks of partnering with the funder, donor or sponsor?

In considering the following issues, PHASA recognizes the need to adhere to its principles and to weigh the benefits and risks of accepting the funding, donation or sponsorship from the EFE as opposed to weighing just the opportunity of not accepting the actual sponsorship.

Issues to consider:

- Are there any personal, financial, or professional gains for PHASA members or other volunteers, which create a conflict of interest?
- What is the impact of the funding, donation or sponsorship, and what are the benefits to the public and public health?
- Does the funder, donor or sponsor's image support or detract from PHASA?
- Do the impact and/or benefit outweigh the risks of collaborating with the potential funder, donor or sponsor?

## **VIII. PROCESS FOR REVIEWING FUNDING, DONATIONS OR SPONSORSHIPS**

The purpose of the review of funding, donation and sponsorship opportunities is to determine the balance of the benefit to PHASA, its members and to the public in relation to the risks and costs of collaborating with an EFE. The conditions determining the benefits and risks of accepting funding, a donation or a sponsorship are set out below. All opportunities will be assessed on a case-by-case basis.

### Assessment

A discreet initial assessment by a PHASA Executive Board-designated member representative will be conducted as a prospect is identified or is self-identified as in the case of unsolicited requests to partner with PHASA. The assessment will be based on available current knowledge about the EFE, including its website, a review of newspapers and contact with appropriate PHASA leaders. PHASA members contacted will be held to a level of confidentiality as it relates to discussing PHASA's pursuit of potential sponsors until the information is made public.

### Responsibilities

PHASA members and designated volunteers, in consultation with the Chairperson, the Treasurer or Chair of the Finance Committee, with ultimate responsibility falling upon the Chairperson (or in his/her absence, her/his designate), are responsible for:

- Carrying out the initial assessment for all funding, donation or sponsorship proposals;
- Making a recommendation to the Executive Board for funding, donations or sponsorships;
- Researching the background and affiliations of prospects for external support within reasonable parameters;
- Determining if major PHASA policies are relevant to an external funder, donor or sponsor;
- Performing cost/deliverables/funding analysis;
- Completing documentation of the considerations and recommendations/decisions; and,
- Annually compiling and providing to the Executive Board and for public disclosure a list of all funders, donors and sponsors to PHASA.

### Level of Decision-Making Authority

All funding, donation and sponsorship opportunities must be approved by PHASA's Executive Board, based upon the recommendations made by PHASA members or volunteers or the Finance Committee.

#### Turnaround Time

There must be sufficient time for PHASA members or volunteers to prepare materials for the review and evaluation process and for this process to be carried out. At the same time, the review process should be completed efficiently and promptly. It is recommended that the review and evaluation process be completed within an 8-week time frame.

#### Documentation

All reviews of funding, donation and sponsorship opportunities must be documented. Documentation of difficult decisions, particularly those in which consensus was not reached, should be detailed.

#### Criteria and Mechanism for Expedited Reviews

The review and evaluation process for funding, donations and sponsorships that are in-kind or below R20,000 in value from previously approved entities in support of approved or established projects, and in which there are no extraordinary obligations or stipulations, can be expedited through a quick review and decision-making by the Finance Committee. It is recommended that the review and evaluation process be completed within a 2-week time frame.

#### Multi-year Funding, Donations and Sponsorships

Multi-year support is to be evaluated by the PHASA Executive Board or Finance Committee on an annual basis to ensure that the criteria continue to be met, in particular, that the risk/benefit analysis warrants the continuation of the relationship. The process is to be documented. Changes in the Finance Committee's evaluation of the funding, donation or sponsorship will be forwarded to the Executive Board for consideration.

#### Third Parties

Sponsorships received by a third party for a PHASA activity or an activity that is associated with or publicized as a PHASA function must conform with PHASA's Funding, Donations and Sponsorship Policy. PHASA members or its designated representatives must be informed of the original source of the funding, donation or sponsorship, as well as its intended use. A full review must be conducted by the Finance Committee for funding, donation or sponsorship proposals. Third parties are obliged to report all funding, donation and sponsorship to PHASA, and PHASA holds the right to cancel any contracts or relationships it deems to be inappropriate.

#### Recognition

Public recognition of donors, benefactors and sponsors is encouraged. Acknowledgments will be limited to name of the EFE, logos, slogans which are an established part of the supporter's identity, trade names, addresses and telephone numbers. The following policies apply to recognition of external donors in print and electronic mediums.

- PHASA's name and/or logo should appear first and be of equal or larger size than that of the EFE.

- PHASA's name and/or logo should be equally as visible as the EFE's name and/or logo.
- In the case of multiple external entities, they should be listed alphabetically or by level of support. It is suggested that variation on the below wording be used as an introductory statement to a list of sponsors:

*"PHASA gratefully acknowledges the support received for xyz from the following contributors"*



## APPENDIX A: PROFILE OF FUNDER, DONOR OR SPONSOR

1. Name and Address of Proposed Funder/Donor/Sponsor:

\_\_\_\_\_

\_\_\_\_\_

Contact person: \_\_\_\_\_ Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

2. If applicable, what are the products/services that the proposed funder/donor/sponsor is promoting?

\_\_\_\_\_

3. Describe the PHASA initiative and the component(s) to be sponsored:

\_\_\_\_\_

4. What is the product/service of the proposed funder/donor/sponsor that PHASA is seeking?

\_\_\_\_\_

5. Is the product and funder/donor/sponsor image consistent with PHASA'S mission, vision and values?

Yes (describe the nature of the association) \_\_\_\_\_

\_\_\_\_\_

No \_\_\_\_\_

Unknown \_\_\_\_\_

6. Has the business (proposed sponsor) had any association with PHASA?

Yes (describe the nature of the association) \_\_\_\_\_

\_\_\_\_\_

No \_\_\_\_\_

Unknown \_\_\_\_\_

7. What acknowledgement has the funder/donor/sponsor requested? (In addition to the letter of confirmation) \_\_\_\_\_

\_\_\_\_\_

8. Outline any potential conflict of interest as per PHASA Policies?

\_\_\_\_\_

\_\_\_\_\_

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Recommendation of the Executive: Supported Not Supported

Rationale:

\_\_\_\_\_

\_\_\_\_\_

Signature \_\_\_\_\_ Date: \_\_\_\_\_

## APPENDIX B: SAMPLE LETTER OF CONFIRMATION

First Name Last Name

Job Title

Company

Address

Dear Mr/Ms Last Name

Thank you for agreeing to sponsor PHASA's [Project or product name] at the [Description of Project/product] on [Date and Time].

It is our understanding that [Company] will provide [money, services-in kind, gifts, in-kind etc.] for [details how contribution will be used].

PHASA will add your company logo to the relevant materials associated with the sponsorship and (clearly stipulate all conditions of the agreement for which PHASA is responsible).

Your support of [SPECIFIC Project/product name] is greatly appreciated and we look forward to working with you.

Sincerely,

President, PHASA

## APPENDIX C: PHASA RECORD OF FUNDERS, DONORS AND SPONSORS

Public Health Event or Product to be sponsored: \_\_\_\_\_

Primary Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

<b>Funder, donor or sponsor</b>	<b>Contact name</b>	<b>Contact information (address, phone, fax, email)</b>	<b>Nature of funding, donation or sponsorship (list items separately e.g. cash, promotional items, gifts, services)</b>	<b>Monetary value (Rands)</b>	<b>Issues identified</b>	<b>Approved (Yes or No)</b>

## REFERENCES

1. World Federation of Public Health Associations. Funding, Donations and Sponsorships Policy. May 2010
2. Ontario Public Health Association. OPHA Corporate Sponsorship. Policies, Procedures and Considerations. March 2009.
3. Canadian Public Health Association. Corporate Sponsorship Policy. December 2008.
4. American Public Health Association. Guidelines for Gifts and Donations. Date