

## **MISSISSIPPI LAKES ASSOCIATION REVENUE GENERATION POLICY**

### **PURPOSE**

1. The MLA Revenue Generation Policy establishes guidelines and procedures for obtaining and managing funding in support of Association Objectives and activities.

### **REFERENCES**

- A. Canada Not-for-profit Corporations Act (CNCA), and associated Regulations
- B. Income tax Act (ITA) and associated Regulations and Directives
- C. MLA By-law, Articles 10.2 and 10.3

### **INTRODUCTION**

2. The ability of the MLA to undertake activities in support of its Lake Plan 2015, within the purview of its corporate Objectives, is limited by the availability of funding and human resources. MLA membership dues revenue alone is insufficient to support MLA activities adequately without substantially increasing membership fees. The MLA therefore will also pursue non-dues revenue to provide the necessary funding for its activities.
3. The generation of revenue must be balanced with the need to ensure that any support:
  - a. does not impact the MLA's status as a not-for-profit, non-soliciting, and tax exempt Corporation, as defined in references A and B;
  - b. does not conflict with the MLA by-law or other existing policies; and
  - c. has no adverse effects on the Association's image, as decided by the Board.

### **REVENUE REQUIREMENTS**

4. The MLA requires funding for the following reasons:
  - a. Corporate obligations - including: filing fees, promulgation of Notices of members' meetings, arranging for venues for members' meetings, and insurance;
  - b. Current operations - to fund events, projects, and activities in support of MLA objectives, including licenses, equipment maintenance, and similar expenses; and
  - c. Investment - to provide funds for planned recapitalization of equipment crucial to MLA operations, and to provide sufficient contingency funds in the event of unforeseen disruptions to MLA activities.

## SOURCES OF REVENUE

5. MLA will seek to generate revenue through any of the following sources:
  - a. **Contractual:** where an agreement has been established between the funder and MLA regarding the exchange of services:
    - i. Membership - fee established in return for membership rights, as per MLA Membership Policy;
    - ii. Sponsorship - support to a particular event or programme, where specific recognition and/or promotion is provided by MLA;
    - iii. Advertising - paid advertising in an MLA publication;
    - iv. Grants - support from granting organizations, as requested by MLA, for specified activities; and
    - v. Municipal Contributions - support from a municipality as requested by MLA, for general activities.
  - b. **Voluntary:** financial support provided to the MLA without terms or conditions:
    - i. Donations - from individuals or organizations.

## IN-KIND SUPPORT

6. In cases when non-monetary support is provided to the Association, the particulars are to be recorded to ensure visibility and transparency in reflecting effective revenue and expenses to the MLA. The MLA will seek written Agreements to capture in-kind support arrangements, as appropriate.
7. The two types of in-kind support are: (a) Donation of goods or services by a supporter where no corresponding benefit is expected or provided by MLA; and (b) Provision of goods or services by a supporter in exchange for a benefit deemed acceptable by both parties, confirmed either verbally in writing (including via email) In either case above, the benefit that accrues to the MLA offsets the expense that would otherwise be incurred for acquiring this service. MLA will record these types of transactions in the Notes accompanying official end-FY financial statements.

## GENERAL CONDITIONS OF SUPPORT

8. The MLA reserves the right to refuse support from any potential supporter if, in the opinion of the Board of Directors, such support is not compatible with the Objectives of the MLA.

9. The MLA reserves the right to terminate existing support from any supporter if, in the opinion of the Board of Directors, such support becomes incompatible with the Objectives of the MLA.
10. The MLA reserves the right to reject any unsolicited sponsorship or advertising opportunities that have been offered to the Association, and to refuse to enter into agreements for any sponsorship or advertising that originally may have been openly solicited by the MLA.
11. An alternate Agreement Form may be used instead of Annex B or C, provided that the Terms and Conditions set out in Annex B or C are included.

## **WEBSITE LISTINGS**

12. The MLA may from time to time list government agencies and NGOs on the MLA website as a public service to its Members, and to the public at large. Such listings are at the discretion of the Board of Directors, based upon an assessment of the value to the MLA membership that any such listing provides. MLA will not seek remuneration from such government agencies and NGOs for these listings.
13. Notwithstanding these free community service listings, nothing precludes government agencies and NGO's from supporting MLA as donors, contributors, sponsors, advertisers, or any combination thereof.

## **REVENUE REQUIREMENTS REVIEW**

14. The Treasurer will advise the Board of Directors when revenues are becoming excessive to requirements as a result of a combination of: (a) over-performance of revenue generation; or (b) reduction in expenditures due to activity delay or cancellation.
15. Annual budgets submitted to the AGM for approval will be based upon maintaining adequate contingency funding but minimizing revenue in excess of requirements.

ANNEX A	Definitions
ANNEX B	Sponsorship Agreement
ANNEX C	Advertising Agreement

## **ANNEX A TO THE MLA REVENUE GENERATION POLICY**

### **DEFINITIONS**

**Supporter** - a generic term to identify any individual, group, Road Association, government or non-government organization (NGO), or commercial firm or business that provides financial or in-kind support to the MLA.

**Member** - as per the MLA Membership Policy. If a membership applicant fails to satisfy the requirements of the Membership Policy, the MLA will so advise the applicant. Unless the applicant specifically informs the MLA that a return of funds is desired, or if no such direction is given and the MLA is otherwise unable to ascertain the wishes of the applicant, the funds will be retained by the MLA and deemed to be a Donation.

**Donor** - any individual or organization that provides financial support to the MLA for general MLA activities and operations, without expecting or receiving from the MLA any preferential or special recognition in return for that support. The funds so provided are identified as a Donation.

**Contributor** - for the purposes of this Policy, to distinguish from donations in general, a contributor is defined as a government agency, including the four municipalities around Mississippi Lake, that provides general financial support to the MLA. In some cases, there is a requirement for a report detailing how funds were expended, but the conditions for providing funds do not meet Grant criteria.

**Grantor** - any organization so established to issue grants, that provides a Grant to the MLA for a specific project or for specified reasons, and that normally requires the MLA to report on the final disposition of those funds.

**Sponsor** - any individual or organization that agrees to provide financial support for a specific MLA activity or project, and receives preferential recognition in return. The funds so provided are identified as a Sponsorship, with terms and conditions as specified in this Policy.

**Advertiser** - any individual or organization that contracts to purchase advertising space in an MLA publication, as specified in this Policy.

**Non-Soliciting** - A corporation is non-soliciting if it has received no public funds or less than \$10,000 in public funds in each of its three previous financial years. Public funds include gifts or donations from non-members, grants from government and funds from another corporation that also received income from public sources.



## SPONSORSHIP AGREEMENT

Mississippi Lakes Association  
P.O. Box 27, Carleton Place, ON, K7C-3P3

Between: \_\_\_\_\_ (the Sponsor),

And: The Mississippi Lakes Association (the MLA).

Activity or Project: \_\_\_\_\_  
\_\_\_\_\_

In consideration of this Agreement by the Sponsor to provide the MLA the sum of \$\_\_\_\_\_ to sponsor the above-stated activity or project, and upon receipt of this payment, the MLA agrees to provide the Sponsor with the following credits and benefits:

- a. \_\_\_\_\_  
\_\_\_\_\_
- b. \_\_\_\_\_  
\_\_\_\_\_
- c. \_\_\_\_\_  
\_\_\_\_\_

The MLA reserves the right to terminate this Agreement at any time if, in the sole opinion of the Board of Directors of the MLA, this sponsorship ceases to conform to the Objectives of the MLA, or is otherwise found to become incompatible with the intentions of the MLA.

Except where the Sponsor and the MLA agree otherwise in writing, this Sponsorship is not refundable.

_____ Sponsor's name	_____ Sponsor's signature	_____ date
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_____ MLA Representative's name	_____ MLA Rep's signature	_____ date
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**see additional Terms and Conditions attached**

**ANNEX B**  
**TO THE MLA REVENUE GENERATION POLICY**

**TERMS AND CONDITIONS OF SPONSORSHIP AGREEMENTS**

1. Agreement to provide sponsorship does not imply that the sponsor is entitled to any additional benefits from the MLA other than those specified in the Sponsorship Agreement.
2. Agreements shall not in any way invoke future consideration, influence, or be perceived to influence the day-to-day business of the MLA.
3. The MLA reserves the right to terminate an existing Sponsorship Agreement if, in the opinion of the BOD, conditions arise that make the agreement: (a) no longer in the best interests of the Association; or (b) incompatible with the Objectives of the Association.
4. The MLA may otherwise terminate a Sponsorship Agreement upon written or email notification to the Sponsor. The MLA will remove/delete the associated credits/benefits on the date specified by the Association, and will reimburse the Sponsor on a pro-rated basis for the time remaining on the agreement.
5. A Sponsor may terminate a Sponsorship Agreement for any reason, upon written or email notification to the MLA. The MLA will remove/delete the associated credits/benefits on the date specified by the Sponsor. The sponsorship funding for the agreement is not refundable.



## ADVERTISING AGREEMENT

Mississippi Lakes Association  
P.O. Box 27, Carleton Place, ON, K7C-3P3

Business / Organization name: \_\_\_\_\_

Address: \_\_\_\_\_

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

The Advertiser agrees to place the following advertisement(s) with the Mississippi Lakes Association (MLA) under the conditions outlined in the MLA Revenue Generation Policy:

### YMM Newsletter

<input type="checkbox"/>	One ad in the _____ issue(s),	@ \$ _____	<input type="text"/>
<input type="checkbox"/>	Seven consecutive ads, starting in the _____ issue.	@ \$ _____	<input type="text"/>

### Website

<input type="checkbox"/>	Carousel ad, for six months, starting _____	@ \$ _____	<input type="text"/>
<input type="checkbox"/>	Carousel ad, for one year, starting _____	@ \$ _____	<input type="text"/>
<input type="checkbox"/>	Directory ad, for one year, starting _____	@ \$ _____	<input type="text"/>
<input type="checkbox"/>	Article Banner ad, for one year, starting _____	@ \$ _____	<input type="text"/>

Article name: \_\_\_\_\_

**Total Contract Amount**

Web Address: \_\_\_\_\_  
a link to this address will be provided in the ad(s)

Payment Terms: due in full at the time of signing of this Agreement, by cash or cheque, payable to the MLA Treasurer.

\_\_\_\_\_  
Signature of Advertiser  
**see additional Terms and Conditions attached**

\_\_\_\_\_  
Date

**ANNEX C**  
**TO THE MLA REVENUE GENERATION POLICY**

**TERMS AND CONDITIONS OF PAID ADVERTISING**

1. The purchase of advertising space does not imply that the advertiser is entitled to any additional benefits from the MLA other than those accruing from access to the space purchased.
2. Agreements shall not in any way invoke future consideration, influence, or be perceived to influence the day-to-day business of the MLA.
3. The MLA reserves the right to terminate an existing advertising agreement if, in the opinion of the BOD, conditions arise that make the agreement: (a) no longer in the best interests of the Association; or (b) incompatible with the Objectives of the Association.
4. The MLA may otherwise terminate an advertising agreement upon written or email notification to the Advertiser. The MLA will remove/delete the associated ad(s) on the date specified by the Association, and will reimburse the Advertiser on a pro-rated basis for the time remaining on the agreement.
5. An Advertiser may terminate an advertising agreement for any reason, upon written or email notification to the MLA. The MLA will remove/delete the associated ad(s) on the date specified by the Advertiser. The advertising fee for the agreement is not refundable.