

UW Medicine Policy for Commercial Sponsorship of External Events and Activities

Scope

The University of Washington (University) provides guidelines for support of outside organizations and special events, including the following types of activities: community charitable events; regional or national organization events; political fund-raising events; University fund-raising dinners and events; memberships; floral offerings, gifts and commercial sponsorship.

(<http://www.uwmedicine.org/about/Documents/Final-Guidelines-for-UW-Support-of-Outside-Organizations.pdf>)

This UW Medicine policy provides further guidance and procedures applicable to certain UW Medicine entities that wish to engage in commercial sponsorships to market or cultivate awareness of UW Medicine, convey health messages, or otherwise serve an authorized, legitimate institutional purpose and describes the approval processes for community charitable events; regional or national organization events; and floral offerings for funeral services and special events.

Background

UW Medicine exists in a highly competitive local healthcare market that competes heavily for insured populations who can make a choice for their care. UW Medicine provides the overwhelming majority of charity care in Seattle, King County, and the state, and financial viability is dependent on securing a commercially insured mix. To achieve its mission and maintain a fair market share, UW Medicine must be able to disseminate health messages both to the public as a whole and to targeted audiences as needed. UW Medicine must also reach out to community partners, businesses and other venues to increase public awareness of UW Medicine services, particularly in areas where there is a need to build viable market share and patient volumes to support the mission of improving the health of the public through teaching, research and patient care programs. Sponsored marketing and messaging forums are essential to this effort.

Purpose

UW Medicine is committed to ensuring that its sponsorship arrangements are within applicable statutory authority, serve a legitimate business purpose, and advance its mission. This policy establishes the conditions under which certain UW Medicine entities and departments may engage in commercial sponsorship activities and events, and outlines the internal processes by which such arrangements are approved and documented.

Definitions

Commercial sponsorship: a common form of marketing involving the payment of money in exchange for access to the commercial potential associated with an event, a person, or a property. In addition to general publicity (such as signage at a sporting event or on a building, notice in brochures, and recognition in programs and announcements), such sponsorship may also buy traditional advertising, special access to certain market representatives, tickets to events and forums where UW Medicine information can be shared, and other defined products.

¹ This policy applies to Harborview Medical Center, Northwest Hospital & Medical Center, UW Medical Center, UW Neighborhood Clinics, UW Physicians, UW School of Medicine, and Airlift Northwest.

Consideration: anything of value in the common sense, promised to another when making a contract. It can take the form of money, physical objects, services, promised actions or forbearance from taking a future action. Examples in the context of commercial sponsorship contracts include such benefits as traditional advertising, special access to marketing representatives, event signage, program content, event tickets, facility usage, special access to opinion leaders where UW Medicine information can be shared, and acknowledgement in public announcements.

Community Charitable Events: Events in which the University may purchase tickets, or a table, or provide other support for community events in which the University has a strong constituency interest, including banquets which honor a major UW donor; a member of the Board of Regents, employee or student; or other events in which the University has a strong constituency interest.

Regional or National Organization Events. Events sponsored or hosted by regional or national organizations in which individual units and departments have integral working relationships.

Policy

All *commercial sponsorship* arrangements entered into by UW Medicine must meet the following requirements, consistent with the UW Guidelines for Support of Outside Organizations and Special Events:

1. UW Medicine should receive meaningful value for its commercial sponsorship payments. To avoid having a payment characterized as a gift, there should be no indication of donative intent and there must be sufficient consideration. For example,
 - a. All University-generated documentation should consistently reflect the nature of the commercial sponsorship and avoid any terminology suggesting that UW Medicine's actions are charitable in nature.
 - b. The benefits received by UW Medicine must be reasonably scaled to the size of the payment it makes. The specific consideration that flows to UW Medicine from the sponsorship must be fully documented in writing.
2. The sponsorship must serve an authorized, legitimate UW Medicine purpose. The University has the specific statutory authority to engage in education including medical education, research, and health care including the ownership or operation of hospitals. The University also has the implied authority to engage in other activities normally associated with those responsibilities, including marketing.
3. The consideration received must be handled in the same manner as other UW Medicine assets. Where some of the consideration is in the form of meals or event tickets, these items should be used for the benefit of UW Medicine with only incidental, if any, private benefit for individual employees and their families. For example:
 - a. If an employee is expected to perform official duties at an event, the personal benefit of the ticket or meal will generally be considered incidental to the employee's business responsibilities.
 - b. If an employee would receive a more substantial degree of personal benefit, the tickets or meals should be distributed to employees as part of a structured employee award system overseen by the respective entity leadership.
4. A sponsorship arrangement that does not meet the requirements of sections 1 and 2 above should be treated as a gift, and would be subject to the following restrictions:
 - a. Gifts of state funds are generally prohibited by the Washington Constitution unless they

- are for the support of the poor and infirm AND are within the scope of delegated authority.
- b. Gifts of other funds may be made under the following conditions:
 - i. The use is consistent with the terms and conditions associated with the fund, including those established by the donor.
 - ii. The gift serves an authorized, legitimate UW Medicine purpose.
5. All commercial sponsorship arrangements must be approved in conformance with the following procedures.

Approval Process

UW Medicine has established two processes for the intake, review and approval of commercial sponsorship requests. Process #1 is used for commercial sponsorship opportunities received by School of Medicine (SOM) academic departments. Process #2 is used for commercial sponsorship opportunities received by certain other UW Medicine entities (Harborview Medical Center, UW Medical Center, UW Neighborhood Clinics, Northwest Hospital & Medical Center, UW Physicians, Airlift Northwest, and units within the School of Medicine other than its academic departments). These processes also apply to requests to engage in community charitable events and regional or national organization events.

Requests may come from a variety of non-profit organizations and community businesses who provide marketing venues and sponsorship opportunities ranging from sporting events, non-profit foundations, arts and sciences venues, health care groups, and other forums that offer advertisements, marketing, health messaging and/or awareness cultivation opportunities. The goal of each process is to coordinate messaging to align with overall goals and avoid duplication of sponsorships by individual entities in the same system.

Sponsorship at the UW Medicine level promotes a more cost effective and strategic approach than sponsorship by a single UW Medicine entity and still provides the health system the ability to highlight unique aspects of each entity (HMC, UWMC, NWH, UWNC, UWP, UW SoM and Airlift).

Process #1: School of Medicine Academic Departments

Sponsorship opportunities that have been reviewed and approved by a chair or a SoM unit dean or chair will be submitted by the department or SoM unit by e-mail to the SoM Chief Financial Officer for review and approval. The Chief Financial Officer will coordinate with UW Medicine's Strategic Marketing & Communications Outreach Manager prior to finalizing approval. Requests will identify the event and the benefit in accordance with the requirements outlined in this policy. The SoM tracking log will be maintained in the SOM Office of Administration and Finance and will be shared with the Strategic Marketing & Communications Outreach Manager on an annual basis.

Individuals who may have a potential conflict of interest for a given sponsorship opportunity will be excused from the review process for that request.

Process #2: All Other UW Medicine Entities

Step 1: Sponsorship opportunities and requests for support will be submitted to the Strategic Marketing & Communications Outreach Manager for review and collection of sponsorship details and proposals.

Step 2: Following evaluation of requests, the Strategic Marketing & Communications Outreach Manager prepares a matrix that is reviewed on a quarterly basis. As new requests are received, they are added to the list and evaluated by a team representing the interests of Advancement, Government Relations, Community Outreach and the clinical entities. Individuals who may have a potential conflict of

interest for a given sponsorship opportunity will be excused from the review process for that request.

Step 3: Approval is authorized by this group based on alignment with system-wide strategic goals. Approval is subject to availability of funds, desired strategic marketing or messaging benefit, and conformance with this policy. Marketing sponsorships of certain events may vary each year based on alignment with strategic plans and the potential benefit or identified effectiveness in delivering UW Medicine messages to key audiences.

¹ The budget process (including participants) is established and documented annually.

Step 4: Related documentation (including the tracking log, proposals, agreements or contracts, and related correspondence) will be maintained in the Strategic Marketing & Communications department.

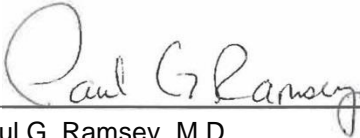
Roles and Responsibilities

Chief Financial Officer, School of Medicine: Oversees the intake, review, approval, tracking, and documentation process for sponsorship requests approved and submitted by SOM academic departments or SoM units; coordinates the review process with the Director of NCRM/AVP; and, maintains required documentation consistent with this policy.

Outreach Manager, Strategic Marketing & Communications: Oversees the intake, review, approval, tracking, and documentation process for sponsorship requests from UW Medicine entities. In addition, the Outreach Manager conducts preliminary reviews of request materials or agreements, obtains additional information as needed, prepares a summary sheet of requests, and updates the summary as new requests are received. The Outreach Manager in conjunction with the Strategic Marketing & Communications Business Analyst, also processes funding and maintains required documentation consistent with this policy.

Reviewed by: UW Internal Audit
UW Office of the Attorney General

Approved by:



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10/14/13

Date Approved