

Castle Rock Artist Alliance

"Advocates For The Arts" Program

The Castle Rock Artist Alliance — or CRAA for short — (previously known as CRAC) was formed in July of 2019 and has become our town's largest nonprofit serving local artists and the local art community.

CRAA supports local artists and the art community by providing innovative, creative, and educational opportunities in all disciplines of the arts, and works with local businesses and organizations to hold art shows in venues around town that inspire art appreciation. In short, the organization helps connect artists, supporters of the arts, and art consumers. CRAA has had 3 major initiatives that are ongoing: fun, colorful murals and public art to downtown Castle Rock, and the Veterans and First Responders Art Therapy program, which teaches local Veterans and First Responders oil painting.

"Advocates For The Arts" was created as appreciation for those individuals, families, or businesses who support the efforts of CRAA through contributions for the programs mentioned above, and new programs yet to be launched.

As a non-profit we could not make these programs available without our amazing sponsors and advocates. Below is the guidelines of the *"Advocates For The Arts"* Program. If you would like to make a contribution, please visit our website at <u>www.castlerockartistalliance.com</u> or contact John Neumeier at John@neumeierart.com. All contributions are tax deductible (CRAA will provide you a letter documenting your contribution for tax purposes).

Castle Rock Artist Alliance P.O Box 1234 Castle Rock, CO 80104 Castle Rock Artist Arti

Program Guidelines

Each "Advocate For The Arts" will receive a custom plaque as illustrated at the top of this document for a minimum contribution to the Castle Rock Artist Alliance based on the contribution schedule below.

The plaque is designed based on an artist's paint palette and has an authentic paint brush and palette knife attached. It is approximately 12 inches, made of solid walnut and handcrafted by CRAA members. It will be engraved with your business, individual, or family name on it, and is designed to be hung on your wall. The colored ovals represent the contribution level for the year and will have the year placed on it. Each year inscribed on it. Contributions in subsequent years will be recognized with a new colored oval added to your plaque which represents your contribution level for that specific year.

In addition to cash gifts, contributions of supplies such as paint and brushes for murals, Veterans/First Responders Art Therapy Program, rooms for events, etc. These types of contributions will be evaluated by the *"Advocates For The Arts"* committee and the Board.

Color Levels	
Individual Contributions	Business Contributions
Gold - Contribution of \$100 - \$250	\$250 - \$500
Ruby - Contribution of \$251 - \$500	\$501 - \$2,000
Emerald – Contribution of \$501 - \$1,000	\$2,001 - \$5,000
<i>Sapphire</i> – Contribution of \$1,001+	\$5,001+

Castle Rock Artist Alliance P.O Box 1234 Castle Rock, CO 80104 Castle Rock Artist Castlerockartcoop@gmail.com All advocates will be listed on the CRAA website, and will be eligible for additional benefits based on their contribution level, and whether they are an individual or business. Members of CRAA are also eligible.

Additional "Individual Advocate" Benefits

Gold – 25% off event ticket or booth rental for art shows, Listed on CRAA website, and receive newsletter.

Ruby – 50% off two event tickets or booth rental for art shows, listed on website, receive newsletter, free annual CRAA membership, and 10% off artwork of participating CRAA artists

Emerald – 2 free event tickets, 50% off booth rental for art show, newsletter, free annual CRAA membership, and 10% off artwork of participating CRAA artists

Sapphire – 4 free event tickets, free booth rent for art show, listed on website, newsletter, free annual CRAA membership, and 20% off artwork of participating CRAA artists

Additional "Business Advocate" Benefits

Gold – 30% off event ticket or booth rental for art shows, Listed on CRAA website, and receive newsletter.

Ruby – 50% off two event tickets or booth rental for art shows, listed on website, receive newsletter, free annual CRAA membership, and 20% off artwork of participating CRAA artists

Emerald – 2 free event tickets, 50% off booth rental for art show, newsletter, free annual CRAA membership, and 20% off artwork of participating CRAA artists



Sapphire – 4 free event tickets, free booth rent for art show, listed on website, newsletter, free annual CRAA membership, and 30% off artwork of participating CRAA artists

For those businesses who may be advocates and also a sponsor, with duplicate services such as: restaurants, bars, etc. within the community of Castle Rock and surrounding areas, we cannot grant advocate exclusivity on the website. We are a community, and we treat all of our advocates/sponsors in high esteem and equally in the support of our organization and our programs.

For those advocates who would like to be exclusive for a specific art show, special event, community or a company event, we will work with them on the specifics for that request.

General Information

Advocate Trends

Advocates can pick and choose who to support, and artists have to be much better at selling themselves and managing arrangements. Everything is measured against its commercial return.

- Deals are shifting to in-kind support instead of money.
- Established companies are supporting fewer groups but for longer.
- Business advocates want to target the right people at the right time, and will want the organizations they sponsor to help them get their brand noticed, primarily though social media.
- Business advocates want to collaborate with the organizations they sponsor. The trend is to get people participating in and collaborating on projects. More engagement equals more value.



 For the arts, business advocates want a cool and independent vibe. Small, local, underground, or grassroots events are an opportunity to stand out from the corporate crowd.

Expectations of Advocates

- Advocates are looking for results, usually in the form of brand awareness, a
 positive view of the company, or shaping consumer attitudes or maximizing
 exposure. They expect the events sponsored to be of the highest quality.
- Advocates want cold hard numbers for their marketing departments: how many people are expected to attend, how much revenue is expected, what is the overhead, etc.
- Advocates may expect certain perks. For example, free event tickets for their staff, exclusive offers and experiences for their customers, access to social media channels or database, networking opportunities, or invitations to opening receptions. Just a logo on a postcard won't necessarily suffice.
- Advocates will expect audience relevance (how will our people match their people)? We will need to collect and provide data on our audiences.
- Advocates will be looking for a brand fit. CRAA must know the advocates mission statement and ensure that conflicts are avoided.
- Advocates may expect exclusivity; for example, they may want their company name in the title of the event.
- Advocates will expect to maximize publicity. CRAA must do a budget for each event, and it must be watertight. If, for whatever reason, CRAA doesn't have the resources for proper marketing, we should consider approaching the company for help in publicity/promotion instead of cash.



There must be an understanding between parties. This means cooperation and commitment, good communication, and nurturing the relationship.

Attracting Advocates

It is important that CRAA's mission is clearly understood, and that we can clearly articulate what we have to offer. We should be clear about our demographics and have stats ready and available. We should check advocates' websites for mission statements, goals etc. and who they are already sponsoring. If we know someone in the company, we can ask for an introduction or connect with their staff on LinkedIn, company website, social media, etc.

CRAA should create (in addition to our website) a one-page portfolio about our organization which shows our mission, vision, values, history, demographics, and types of events to sponsor.

Our initial approach should not be a full-blown proposal but a testing of the waters to see if they're open to the idea. Find out what the potential advocate wants and whether it's worth it.

When they express interest, we will need to create a solid proposal that tells our story, describes what we do, and explains our demographics. We should provide measurable deliverables with specific targets, and we should be clear about what we are asking for. Advocate opportunities exceeding a single event may require a contract.

Tax Implications of Advocacy

If a nonprofit provides advertising or services as part of the advocacy agreement, the advocacy fee may be subject to unrelated business income tax. When a nonprofit



only acknowledges its advocate, the advocate fee is not subject to taxation. Since the distinction between advertising and acknowledgement is unclear, consultation with an accountant or lawyer is advisable. If contributors receive gifts, such as recordings of events, tickets, memorabilia or passes to after-show parties, valued at more than \$75 from a nonprofit, they can only deduct the difference between the gift premiums and donations on their tax returns. Nonprofits are required to give donors a statement of the fair market value of the gift premium.

The Council of Nonprofits helps distinguish between non-taxable charitable contributions:

https://www.councilofnonprofits.org/tools-resources/tax-treatment-of-income-

received-corporate-sponsorships

IRS classifications for unrelated income for payments made by a business to the nonprofit are summarized here: https://www.irs.gov/charities-non-profits/unrelated-business-income-defined



Castle Rock Artist Alliance

Sponsorship Policy

Purpose of Policy

1. To set out the criteria and decision making process for the advocacy of CRAA activities.

2. To balance CRAA reputation management with revenue generation.

Overall Policy

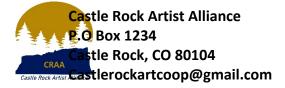
CRAA may solicit and accept advocacy for events, programs, and operations within the terms outlined below. Advocacy monies are deemed a desirable form of revenue diversification which allows CRAA to keep membership dues low and event fees affordable, while contributing to the operational funds of the organization. CRAA may consider in kind, indirect and monetary advocacy. Note, CRAA will not be issuing charitable tax receipts in return for sponsorship funding.

Decision Process

The CRAA Board of Directors is ultimately accountable for the advocacy policy and for approval of individual advocacy agreements. Advocacy opportunities shall be recommended to the Board by members, Directors, or committee Chairs. Recommendations shall be submitted in writing, so that a database can be maintained and potential major advocates identified.

Who to Accept

Only reputable individuals, businesses, and organizations whose image, product, or services do not conflict with CRAA's mission or values may be considered as advocates.



There is no obligation to accept any advocate offer. CRAA's long term reputation and credibility always takes precedent over short-term monetary needs. While each potential advocate agreement will be considered on its merits, and judgment and discretion will characterize the decision making, the following questions will always be raised:

- Would this association be a good fit with CRAA's image?
- Does the advocate conflict with our values?
- Does the advocate suit our overall strategy?
- Will this advocate help us realize our objectives?

Confidentiality

It could damage CRAA's reputation if discussions with an inappropriate advocate became public knowledge. Also, CRAA shall not be the source of any public information about rejected advocacy opportunities. To reduce liability and maintain relationships in case details change in the future, rejections shall be kept confidential. The information will normally be known only to the committee Chairs and/or Board of Directors.

Scope of Sponsorships

Timing: Program and operational advocacy opportunities may be negotiated for any specified time period. Relationships which are anticipated to exceed three years require a review at least every three years. Event advocacy opportunities may be for one event or a related series of events.

Number and Size: For small events and specific aspects of CRAA's operations, having only one or two advocates makes it easier for each advocate to receive sufficient recognition. Several advocates shall be preferred for larger events and programs, unless the advocate is sufficiently significant to enter into discussing of branding the event or program with a corporate or product name.

Advocacy opportunities exceeding a single event or action shall be confirmed by contract. The contract shall clarify relevant aspects of:

- When the advocate will provide payment, or make promised in kind goods or services available.
- Who the main contact(s) will be for each party.
- Any interim or final reporting agreed upon, how the agreement shall be monitored and when reviewed.
- When the agreement terminates, and how early termination is affected.
- Any minimum or maximum amount, and how determined, and any exclusivity commitment.
- How any failure to meet commitments will be handled (e.g., what happens if the event is cancelled).

Update Process

The CRAA Board shall review its advocacy policy at a minimum of every 24 months.

