



PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION

ADMINISTRACION DE ASUNTOS FEDERALES DE PUERTO RICO

REGULATION NUMBER 8

Sponsorships and Donations Regulations

ORDEN ADMINISTRATIVA 09-05

ENMIENDA AL "SPONSORSHIP AND DONATIONS REGULATIONS"

DE

LA ADMINISTRACIÓN DE ASUNTOS FEDERALES DE PUERTO RICO

Por la presente se enmienda el Reglamento de la Administración de Asuntos Federales de Puerto Rico, "SPONSORSHIP AND DONATIONS REGULATIONS" de 9 de septiembre de 2002, a esta fecha vigente, a los fines de que se identifique en su primera página como Reglamento Número 8 de la Administración de Asuntos Federales de Puerto Rico.

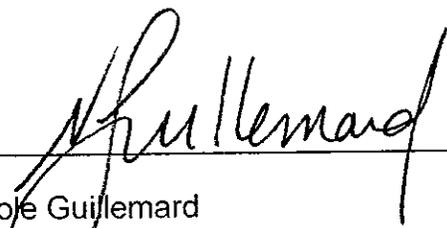
A dichos fines la primera página de este Reglamento deberá leer, como sigue:

Reglamento Número 8

Administración de Asuntos Federales de Puerto Rico

"SPONSORSHIP AND DONATIONS REGULATIONS"

Esta Enmienda al Reglamento de Gastos de Representación, será efectiva desde hoy, 7 de diciembre de 2009.



Nicole Guillemard

Directora Ejecutiva

Regulation Number 8
(Reglamento Número 8)

Puerto Rico Federal Affairs Administration
(Administración de Asuntos Federales de Puerto Rico)

“Sponsorship and Donations Regulations”
(Reglamento sobre Auspicios y Donaciones)

2002 SEP 11 AM 9:30

a:
Victor

De:
Mazda

Puerto Rico Federal Affairs Administration

(PRFAA)

Sponsorship and Donation Regulations

Adopted on September 9, 2002

by Mari Carmen Aponte, Esq.

Executive Director

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Puerto Rico Federal Affairs Administration (PRFAA)

Sponsorship and Donation Regulations

1. PURPOSE:

(A) The purpose of these regulations is to make PRFAA officials and employees aware of the ethical, legal and public affairs issues that must be considered before PRFAA accepts or solicits sponsorships or donations, and to establish the Agency's requirements for accepting or soliciting such sponsorships or donations.

2. DEFINITIONS:

(A) Conflict of Interest (COI): In general, a COI is a situation in which the financial or personal interest of a public servant or the people related to him/her is, could reasonably be or could be perceived to be, in conflict with the public interest. A COI arises from an activity or situation that places a PRFAA official or employee in a real, potential or apparent conflict between his or her private interests and his or her official duties and responsibilities.

(B) Donation Initiative: A donation initiative is the process of identifying potential donors.

(C) Donations: PRFAA is authorized by law to receive and administrate donations of any property or funds. PRFAA is not expressly authorized by law to give donations. For purposes of these regulations, a donation is the provision by contribution, gift, or bequest by a person, group, or organization external to PRFAA of funds, goods, facilities, or services without cost to PRFAA and without expectation of any benefit in return to support a particular PRFAA event or activity or the mission and/or goals of PRFAA.

(D) Employee: All other personnel employed or contracted by PRFAA are employees.

(E) Official: Official includes the following positions of employment at PRFAA:

- i. Executive Director;
- ii. Deputy Director;
- iii. Division Directors;
- iv. Regional Office Directors.

(F) Sponsor: A person, group or organization external to PRFAA, with whom PRFAA enters into a collaborative arrangement in the pursuit of a common goal.

(G) Sponsorship: A sponsorship is a collaborative arrangement between PRFAA and persons, groups or organizations external to PRFAA. In such an arrangement, funds, goods, facilities or services are provided to or by PRFAA to support a particular event or activity, in exchange for some appropriate non-monetary benefit of approximately equal value.

3. COMPLIANCE: PRFAA may participate in a sponsorship or accept a donation only if such sponsorship or donation complies with the following requirements:

(A) The sponsorship or donation must comply with ethical and legal guidelines of PRFAA, the Government Ethics Office and the Office of the Comptroller of Puerto Rico;

(B) The sponsorship or donation must further PRFAA's mission and goals, which include, among others:

- i. Promoting the well being of all Puerto Ricans, whether living on the island or on the mainland;
- ii. Enhancing the image of Puerto Rico and Puerto Ricans in the United States;
- iii. Promoting Puerto Rican culture, art and history or fomenting cultural exchange between all Puerto Ricans;
- iv. Strengthening the links of communication between local and national Hispanic entities in diverse Puerto Rican communities;

- v. Encouraging the participation of Puerto Ricans on the mainland in the electoral process of the United States;
- vi. Encouraging and supporting the social and economic empowerment of Puerto Ricans across the United States.

(C) The sponsorship or donation must be politically and socially neutral, *i.e.*, sponsors or donors with political or controversial motives or objectives must be avoided;

(D) The sponsor or donor must have no expectation of, nor may there be any perception of, preferential treatment from PRFAA resulting from the sponsorship or donation involved, or in any present or future dealings with PRFAA;

(E) There must be no conflict of interest between PRFAA and either the sponsor or the donor or the objective of the sponsorship or donation;

(F) The transaction must be well documented to demonstrate transparency and honesty;

(G) The sponsorship or donation must be used only for the purposes intended;

(H) PRFAA will not endorse any products or services.

4. SPONSORSHIP: Overview of the Administrative Process

(A) The Division that receives the request for a sponsorship must maintain complete records for each request detailing:

- i. All resources being sought or provided;
- ii. Written offers or agreements made by all the parties;
- iii. Specific direction from the sponsor on how the resources are to be used;
- iv. Disposition of unused sponsorship resources; and
- v. If applicable, the benefits or advantages that will be provided to the sponsors.

(B) The PRFAA official or employee facilitating the sponsorship must complete the "Sponsorship and Donation Summary and Approval Form" (SDSA). The following information must be included in the SDSA Form before it will be considered for approval:

- i. Name, address, and telephone information of potential sponsor;
- ii. Detailed description of the sponsor's mission and goals;
- iii. History or background information of the potential sponsor and the particular event associated with the sponsorship;
- iv. Relationship, if any, between the sponsor and PRFAA;
- v. Disclosure if a member of PRFAA if also a member of the potential sponsor;
- vi. Good faith certification of no Conflict of Interests;
- vii. Amount of sponsorship;
- viii. Deadline for payment;
- ix. Any supporting documents, such as:
 - a. Memo from the PRFAA employee or official facilitating the process to his/her supervisor (e.g., Regional Director to the Director of Regional Offices);
 - b. Letter from the organization requesting the sponsorship describing the proposed collaborative arrangement to support a particular event or activity.

(C) Identifying Potential Sponsors: Potential sponsors must be identified in a process that is fair, honest and open. The outcome must reflect the principle of neutrality.

- i. Sponsorships will not be sought or accepted from organizations, businesses, or individuals of controversial or political nature.
- ii. While persons, groups, or organizations with official dealings with PRFAA may be identified as potential sponsors, all Conflict of Interest situations must be avoided.

- iii. Potential sponsors must be reputable and have practices that are consistent with PRFAA's mission and goals.

(D) Unsolicited sponsorships: An unsolicited sponsorship offer must be evaluated against the compliance principles outlined in these regulations.

(E) Approval: The Legal Division must approve in advance all sponsorship proposals or request for donations, or PRFAA's pursuit of any sponsorship or donation initiative. To ensure proper treatment of sponsorships, the Division managing the sponsorship is responsible for completing the SDSA Form. The form must be signed by the Director of the Legal Division or his or her representative.

5. PRFAA's Administrative Procedure to Grant Sponsorships:

(A) Upon receipt of the Sponsorship Proposal from the organization:

- i. The PRFAA employee or official responsible for facilitating the request shall create a file that will contain all the information gathered through this process. At this stage the file should contain at least the following information:
 - a. Name, address, and telephone information of the organization requesting the sponsorship;
 - b. Amount of the sponsorship;
 - c. Particular event associated with the sponsorship;
 - d. Event's date;
 - e. Letter from the organization describing the event and requesting the sponsorship. The relevant information is described on Paragraph 4 (B).
- ii. The Division/Regional Director will evaluate the request according to the compliance principles described in Paragraph 3 of these regulations.
- iii. For sponsorship requests received through the Regional Offices Division, the Regional Director will write a

memo to the Director of Regional Offices supporting the sponsorship. This memo will be accompanied by all the information gathered and a brief statement explaining the reason for his or her support.

- iv. The Division Director will write a memo to the file supporting the sponsorship for a particular event. This memo will be accompanied by all the information gathered and a brief statement explaining the reason for his or her support.
- v. The memo of support shall include a good faith certification of no Conflict of Interest by the Division/Regional Director that will state that to the best of his/her knowledge there is no Conflict of Interest by either him/her, the employees under his/her supervision. Please refer to definition of COI in Paragraph 2 (C).
- vi. The Division Director or his or her designee will make sure that the SDSA form is completed as described in paragraph 4(B) 1.
- vii. If PRFAA decides not to pursue any given proposal then the process will end.
- viii. On the other hand, if the conclusion of this assessment is positive then the Division Director will complete a requisition for goods and services accompanied by a brief memo expressing his or her support. Those documents and the SDSA Form will then be sent to the Legal Division for approval.
- ix. The Legal Division shall evaluate the sponsorship proposal in accordance with the compliance principles established in Paragraph 3. If the proposal is approved then the Director of the Legal Division or his/her designee will stamp a seal of approval in the SDSA form. The SDSA form will then be forwarded to the Director of Administration, Budget and Finance.

- x. The Director of Administration, Budget and Finance will determine whether there are funds available for the approved sponsorship before sending the SDSA form for the signature and approval of the Executive Director.

(B) In the event that PRFAA wants to pursue or solicit sponsorships:

- i. A strategy must be developed in coordination with the Legal Division to identify potential sponsors in accordance with these regulations.
- ii. Once PRFAA has identified the potential sponsors and received a proposal or an expression of interest please follow the procedures in paragraph 5(A) should be followed.
- iii. Examples of possible sponsors that participate jointly with PRFAA in an event:
 - Community Based Organizations like Hispanic Federation (New York, NY)), Fundación Boricua (Orlando, FL), Near Norwest Neighborhood Network (Chicago, IL).
 - Corporations like Coca Cola, Verizon, American Airlines.
 - Non-Profit Organizations like Ford Foundation or FOCUS (NJ).

6. DONATIONS: Administrative Procedure to Accept Donations

(A) Unsolicited Donations: The process starts with the receipt of the donation offer from the organization or individual.

- i. The Division that receives the donation offer must maintain complete records for each request and complete the SDSA form detailing:
 - a. Name, address, and telephone information of potential donor;
 - b. Information about the donor's mission and goals;
 - c. Category of Donation:

- i. Monetary
 - ii. In kind
 - d. Amount of Donation;
 - e. Whether the Donation is for a particular PRFAA event or for the support of PRFAA's mission and goals.
- ii. The Division Director or his/her designee will make sure that the SDSA form is completed as described in paragraph 7 (A).
- iii. At this time an assessment of the proposal will be made by the Division Director in accordance with the compliance principles established in Paragraph 3.
- iv. If the conclusion of this assessment is positive then the Division Director shall send the SDSA Form and a brief statement expressing his or her support to the Legal Division for approval.
- v. The Legal Division shall evaluate the donation proposal in accordance with the compliance principles established in paragraph 3. If the proposal is approved then the Director of the Legal Division or his or her designee will stamp the seal of approval in the SDSA Form.

(B) Identifying Potential Donors: Potential donors must be identified in a process that is fair, honest and open. The outcome must reflect the principle of neutrality.

- i. Examples of possible donors that give a monetary or in kind contribution to PRFAA:
 - Community Based Organizations like Hispanic Federation (New York, NY)), Fundación Boricua (Orlando, FL), Near Norwest Neighborhood Network (Chicago, IL).
 - Corporations like Coca Cola, Verizon, American Airlines.
 - Non-Profit Organizations like Ford Foundation or FOCUS (NJ).

(C) The Director of the Legal Division must approve in advance any donation, or the pursuit of any donation initiative.

(D) In the event that PRFAA wants to pursue or solicit donations:

- i. A strategy must be developed in coordination with the Legal Division in order to identify potential donors in accordance with these regulations.

(E) No proposals to give donations will be considered since PRFAA is not expressly authorized by law to make donations.

(F) Donations must only be used:

- i. For the purposes for which they were made.
- ii. If it is not possible to use the sponsorship or donation for its intended use, the support provided, whatever its form, should be returned.
- iii. Similarly, any unused funds or material must be either returned or a disposition must be negotiated with donor that is consistent with these regulations.

7. EVALUATION COMMITTEE: In the event that any PRFAA official or employee participates in any capacity in the potential sponsor or donor organization:

(A) The employee or official shall be prohibited from participating in any way in the decision making process.

(B) Furthermore, the following steps will be necessary to ensure the transparency of the process:

- i. An Evaluation Committee composed of a minimum of three members will oversee the decision making process. For detailed information on the composition and functions of the Evaluation Committee please see Paragraph 7 (c).

- ii. A certification of no involvement or participation in the process will be required from both the employee or official and the potential sponsor. If for any reason an employee or official of PRFAA does not comply with paragraph 6 (a) then the process will end as there is a COI, and no sponsorship shall be granted.

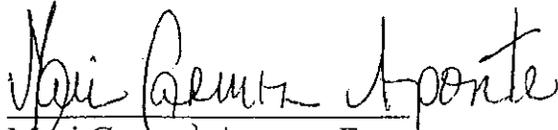
(C) The Evaluation Committee:

- i. Shall be appointed by the Executive Director.
- ii. Shall be composed of a minimum of three members but always in odd numbers.
- iii. Shall include at least one member from the Legal Division.
- iv. Shall serve for a term of one year.
- v. If for any reason the Committee has not been appointed or is unable to fulfill its responsibilities, the Ethics Committee will oversee the process (Ad Hoc).
- vi. If any member of the EC participates in any capacity in the potential sponsor or donor organization, he or she will be required to vacate his position on the Committee. The Executive Director shall appoint an additional person to the EC to replace the former member.
- vii. The EC will oversee the process in the event that an official of PRFAA participates in any capacity in the potential sponsor or donor organization.
- viii. In situations requiring EC participation, the Committee shall prepare a written memo describing its findings and a final recommendation. This memo will be forwarded to the Legal Division for the continuance of the approval process.

8. Effective Date & Amendments

This regulation will be effective immediately upon signature by the Executive Director. This regulation supersedes any other regulation previously written regarding sponsorships and donations. This regulation will be amended or supplemented at the Executive Director's discretion. Any amendments or supplements will be made in writing and signed by the Executive Director.

Approved today, September 9, 2002.



Mari Carmen Aponte, Esq.
Executive Director