

SBA

SOP 90 75 3

Outreach Activities

**Office of Communications and Public Liaison
U.S. Small Business Administration**



**SMALL BUSINESS ADMINISTRATION
STANDARD OPERATING PROCEDURE**
National

SUBJECT: Outreach Activities	S.O.P.		REV
	SECTION 90	NO. 75	3

INTRODUCTION

1. Purpose. This SOP establishes Agency policy on cosponsored activities.
2. Personnel Concerned. All SBA employees.
3. Directives Cancelled. SOP 90 75 2.
4. Originator. Office of Communications and Public Liaison.

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		PAGE 1

SBA Form 989 (5-90) Ref: SOP 00 23

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Chapter 1 General Overview

1. Purpose

This SOP establishes Small Business Administration (SBA) policy on all Agency Cosponsored Activities.

2. Scope

This SOP applies to all SBA employees unless otherwise noted.

3. Authority

This SOP is governed by various Public Laws and authorities including:

- a. Cosponsorship authority in the Small Business Act, 15 U.S.C. § 633(h).
- b. SBA's cosponsorship regulations, 13 C.F.R. Part 106.
- c. Office of Government Ethics regulations, 5 C.F.R. § 2635.

Chapter 2 Cosponsorships – Purpose and Eligibility

1. Purpose

Section 4(h) of the Small Business Act authorizes the Agency to provide assistance for the benefit of small businesses through Cosponsored Activities with any Eligible Entity. This assistance must be for U.S. businesses and further the mission of the Agency. Assistance generally includes training, education, or dissemination of information.

2. Cosponsorship Eligibility

- a. Eligible Entity. SBA may enter into a Cosponsorship Agreement with any Eligible Entity with whom such partnership would not create a conflict of interest with the Agency. Eligibility is generally determined by the Originating Office on a case-by-case basis however the following types of entities are not eligible to cosponsor activities with SBA; an entity that is a current recipient of 8(a), SDB, or HUBZone program certification, an SBA guaranteed loan, or a certificate of competency or surety bond guarantee. In addition, SBA shall not enter into a Cosponsorship Agreement with an entity in litigation with SBA.

- b. Public Officials and Candidates for Public Office. Generally speaking, Federal, state or local government officials are Eligible Entities and may cosponsor SBA activities. If a Federal, state or local government official including his/her official staff, or a candidate for public office including his/her official campaign staff wishes to participate in an SBA cosponsored activity as a cosponsor, speaker or as part of the official program, he/she will be advised in writing, in advance, that his/her remarks will be not be designed to facilitate, or be directed toward the success or failure of a political party, candidate for public office or a political group.
 - (1) However, Federal, state or local government officials who are candidates for public office, or a member of his/her official office or campaign staff, are not eligible to cosponsor, speak at, or be a part of the official program of an SBA Cosponsored Activity if that activity will take place within thirty (30) calendar days before a primary or general election in which the candidate is on the official ballot (unless the upcoming election is a primary and the candidate is the only candidate for a particular office on the primary ballot), without the written approval of SBA's Chief of Staff (or designee) through the Designated Agency Ethics Official (DAEO) (see below).
 - (2) Requests for approval shall be submitted in writing through the DAEO and:
 - (a) Identify the Cosponsors and provide a short description of the activity;
 - (b) Identify when and where the activity is going to take place and whether it is in the candidate's home district or state;

- (c) Identify the kind of election and how many calendar days prior to the election the activity will take place;
- (d) Identify (by name and title) the candidate for public office (or the member of his/her staff, if applicable) that will participate in the activity and the public office for which he/she is a candidate;
- (e) State what role the candidate or staff member will have at the activity; and
- (f) Explain whether the candidate has an official or historical connection or involvement with the issue to be addressed at the activity, with the host organization or with the activity itself (ex: Senator X is on the Senate Small Business Committee).

3. Allowable Activities

Many types of activities may be cosponsored activities so long as the activity is jointly planned and conducted by SBA and the Cosponsors and provides assistance for the benefit of small businesses. Acceptable Cosponsored Activities may include, but are not limited to the following:

- a Training. An activity in which presenters from SBA, a Cosponsor or a third party actively deliver an instructional program with information or experiences on SBA programs or services or a business-related subject. Training may be conducted in-person classroom style, or online via the Internet.
- b Publications. This includes stand-alone print or electronic publications which contain information on SBA programs and services. These publications may also include general information on other topics of interest to small business owners so long as the content is appropriate and approved in advance in writing by the Responsible Program Official.
- c Web Pages or Sites. The phrase cosponsored Web pages or sites refers to a variety of activities including (1) the actual Cosponsored Activity itself, (2) a means to host the Cosponsored Activity (i.e., online training, digital publication or podcast), or (3) a means to advertise or register participants for the Cosponsored Activity. Regardless of the circumstance, cosponsored Web pages or sites must not include commercial activity (the selling or promotion of a product or service other than the Cosponsored Activity). For example, the Cosponsor could not place a banner ad on a cosponsored Web site to advertise a 2-for-1 sale of its product. All Cosponsored Web pages or sites must include information or links to SBA programs and services. They may also include general information on topics of interest to small business owners so long as the content is appropriate and approved in advance in writing by the Responsible Program Official. Web-based advertising, in any format, is not permissible on Web sites within the www.sba.gov domain.
- d Television and Radio Programs. SBA may cosponsor television or radio programs so long as the show is original and the content includes appropriate references or discussions of SBA products and services. These programs may also include general

information on other topics of interest to small business owners so long as the content is appropriate and approved in advance in writing by the Responsible Program Official. SBA may not cosponsor a pre-existing, regular television or radio program (although SBA employees may appear on those shows as guests). For purposes of cosponsorship, a television and radio program is distinguished from advertising. Television and radio programs may be of varying length but will provide substantive content or discussion of SBA programs and services as opposed to a 30 or 60 second spot which simply mentions an SBA product or service and refers people to a Web site for additional information.

- e Videos and Podcasts. SBA may cosponsor videos or podcasts so long as the content includes appropriate references or discussions of SBA products and services. Videos and podcasts may also include general information on other topics of interest to small business owners so long as the content is appropriate and approved in advance in writing by the Responsible Program Official.
- f Counseling. One-to-one counseling may be a part of a Cosponsored Activity only if the counseling is performed by an SBA employee or by an SBA grantee that provides counseling services as part of its SBA funded activity.
- g Recognition Events. Events that solely celebrate the contributions of small business, small business owners, or small business advocates may be a Cosponsored Activity. Awards given at such activity must be part of an SBA established program of recognition. For example, SBA's Small Business Person of the Year.
- h Matchmaking Activities. Activities designed to bring together government and private sector resources and small business owners are permissible so long as the activities are (1) not exclusive to any one group or benefit only one entity and (2) no business transactions (e.g., signing of contracts) take place during the Cosponsored Activity. The matchmaking concept is usually applied to government contracting or financing initiatives.
- i Discrete or Severable Segments of an Overall Activity. Eligible Entities may Cosponsor all or a portion of an SBA activity so long as each Cosponsors' roles and responsibilities are clearly defined in the Cosponsorship Agreement and each activity's expenses and source of revenue, as relevant, is distinguishable in the budget. Each Cosponsor must sign the Cosponsorship Agreement.

Similarly, SBA may cosponsor a portion of an Eligible Entities' activity so long as the portion SBA is cosponsoring conforms to law and SBA policy governing cosponsorships. SBA's cosponsored portion must be easily distinguishable as a discrete segment of the overall activity. A Cosponsorship Agreement must be drafted to cover the segment of the overall activity to be cosponsored.

4. **Limitations**

Not every joint effort between SBA and another entity is properly viewed as a cosponsorship. Certain types of activities are not suitable as a cosponsorship because they are illegal, create appearance problems for the Agency, subject the Agency to additional liability, or are otherwise inappropriate activities for SBA. This includes but is not limited to the following:

- a Advertising. While advertising the Cosponsored Activity itself may be one component of a Cosponsored Activity, the sole objective of the cosponsorship must not be advertising. Advertising is broadly defined as the practice of calling something to the attention of the public by paid announcement.
- b Existing Commercial Products. SBA must not cosponsor a pre-existing publication, software program, training program, Web site, or any other commercial product or service if SBA did not play a role in its creation and is only asked to contribute its logo to the product.
- c Counseling. SBA must not incorporate counseling into a Cosponsored Activity if the counseling is to be provided by a Cosponsor that is not an SBA grantee that provides counseling services as part of its SBA funded activity or an SBA employee.
- d Political Activities. SBA must not cosponsor a political activity. A political activity is one that is primarily designed to facilitate, or directed toward, the success or failure of a political party, candidate for public office or political group. A political fundraising event or activity will always be considered a political activity.
- e Fundraising Activities. SBA must not cosponsor activities which also serve, in whole or in part, as a fundraising program for the Cosponsor.
- f Networking Receptions. SBA must not cosponsor an activity that is solely a networking or social reception. Social reception refers to activities where the sole purpose is to mingle with others while refreshments are served and SBA does not have a formal opportunity make a presentation on SBA programs and services. While a modest reception may be one component of a Cosponsored Activity, it may not be the only or primary activity.

5. **Working With Grantees**

SBA administers several Congressionally-mandated grant programs under which SBA provides financial assistance to recipient organizations who in turn provide some form of assistance (e.g., training, counseling or other services) to the small business community. The scope of this assistance is established in the recipient organization's Cooperative Agreement. A recipient organization is the legal entity which received the grant award. It should be noted that many SBA grant recipients participate in activities both within and outside of the scope or authority of its Cooperative Agreement.

- a Activities within the Scope of the Cooperative Agreement. SBA may co-host an activity with a grant recipient organization without drafting a Cosponsorship Agreement when the proposed activity is authorized in the Cooperative Agreement. If the activity is authorized by the Cooperative Agreement it is considered “within the scope of the Cooperative Agreement.” Therefore, SBA and the grant recipient may co-host the activity under the authority of the Cooperative Agreement. No additional documentation is required. The terms and conditions of the Cooperative Agreement govern the activity. Under its Cooperative Agreement, a grant recipient is allowed to charge participants a reasonable fee to cover the costs associated with holding the activity. Any fees charged are considered program income.
- b Cosponsoring with Grantees. When SBA cosponsors an activity with multiple grant recipient organizations or with one grant recipient and one or more additional parties, a Cosponsorship Agreement is required. All cosponsorship rules apply.
- c Activities Outside the Scope of the Cooperative Agreement. Many of SBA’s grant recipients also provide programs and services with funds they received from source(s) other than SBA. These activities are considered “outside the scope of the Cooperative Agreement.” For example: a university performs counseling and training activity as authorized in the Cooperative Agreement with SBA but it also provides training services outside of the Cooperative Agreement. If SBA and the grant recipient(s) will cosponsor an activity outside of the scope of the Cooperative Agreement, a Cosponsorship Agreement is required. The terms and conditions of the Cosponsorship Agreement govern the activity.

Chapter 3

Cosponsorship Approval Process

1. Overview

- a Details of the procedure for documenting, processing and approving a Cosponsored Activity is set forth in paragraphs 2-10 of this chapter. Generally, the activity begins with the Originating Office (usually a district or program office) planning the activity, recruiting and vetting potential cosponsors and submitting a Cosponsorship Agreement and SBA Form 1615, Cosponsorship Approval Request to the Office of Strategic Alliances (OSA). OSA will review the Cosponsorship Agreement and once satisfied the required documentation is in order, it will obtain approval from the Administrator or designee. After the activity is approved, the Originating Office will have the Cosponsors sign the agreement, conduct the activity and complete SBA Form 2299, Final Cosponsorship Report upon conclusion of the activity. A step-by-step look at the cosponsorship process is as follows:
- (1) The idea is fully developed by SBA and the Cosponsors.
 - (2) Draft the Cosponsorship Agreement and solicit additional cosponsors if necessary.
 - (3) Vet all potential cosponsors pursuant to paragraph 3(a) below. This may be done simultaneous with drafting the Cosponsorship Agreement.
 - (4) The Responsible Program Office reviews the Cosponsorship Agreement and signs SBA Form 1615 to acknowledge his/her approval of the activity. General Counsel or designee then performs a conflict of interest determination signs SBA Form 1615 acknowledging his/her approval of the activity.
 - (5) Send the Cosponsorship Agreement and SBA Form 1615 to OSA for processing. OSA will assign a cosponsorship authorization number and seek approval of the cosponsorship activity from the Administrator or designee.
 - (6) Once approved, all Cosponsors must sign the Cosponsorship Agreement.
 - (7) Conduct the activity.
 - (8) Upon completion of the activity, the Responsible Program Office must complete and sign SBA Form 2299 and submit the Final Cosponsorship Report to OSA.
- b Several offices must cooperate to seek approval of a Cosponsored Activity. The Originating Office, OSA and General Counsel each perform key roles.

- (1) Role of Originating Office. The Originating Office is responsible for planning or formulating the Cosponsored Activity in consultation with the potential cosponsors, recruiting and vetting potential cosponsors pursuant to paragraph 3(a) of this chapter, and drafting a Cosponsorship Agreement and submitting it with SBA Form 1615 to OSA for Agency approval.
- (2) Role of Responsible Program Official. The Responsible Program Official is the individual in the Originating Office accountable for drafting the Cosponsorship Agreement and executing the Cosponsored Activity in accordance with the applicable laws, regulations and Agency policy. For each proposed Cosponsored Activity, the Responsible Program Official must review the proposed activity, cosponsors and budget including source and use of funds and certify compliance with this SOP by signing SBA Form 1615. The Responsible Program Official must also ensure SBA Form 2299 is submitted to OSA, as outlined later in this chapter.
- (3) Role of General Counsel. The General Counsel or his/her designee (which may include field counsel) is responsible for reviewing the Cosponsorship Agreement, making a conflict of interest determination for each Cosponsor and certifying that the Cosponsored Activity and documentation are in compliance with the applicable laws, regulations and Agency policy. The General Counsel or designee must sign SBA Form 1615 for each proposed Cosponsored Activity.
- (4) Role of OSA. OSA is the administrative office with the authority and responsibility to coordinate the development, implementation and oversight of SBA's Cosponsored Activities. OSA will receive all requests for approval of Cosponsored Activities, process the required paperwork, assign a cosponsorship authorization number to each activity and present each Cosponsorship Agreement to the Administrator or designee for Agency approval. OSA will also vet all potential for-profit cosponsors and others upon request and maintain records of each Cosponsored Activity. In accordance with the Small Business Act, the Administrator or his/her designee or the Oversight Committee, as appropriate, (see paragraph 8 of this chapter) must approve each Cosponsored Activity. The Administrator may only delegate this approval authority to the Deputy Administrator, an Associate Administrator or Assistant Administrator.

2. Required Documentation

- a Cosponsorship Agreement. As established in 13 C.F.R. Part 106, the Originating Office must set forth the terms and conditions of each Cosponsored Activity in writing. In other words, it must draft a Cosponsorship Agreement for each activity it proposes to cosponsor. The Originating Office must use the Cosponsorship Agreement templates provided by OSA (see yes.sba.gov/osa) however the templates may be customized for a specific activity. Each Cosponsorship Agreement must contain the following provisions, as applicable:

- (1) Basic information about the Cosponsored Activity including name, date(s), location(s), estimated number of attendees and estimated direct cost of the activity;
 - (2) Term of the agreement;
 - (3) Narrative description of the Cosponsored Activity;
 - (4) Listing of SBA's and each Cosponsor's rights, duties and responsibilities with regard to the Cosponsored Activity;
 - (5) Proposed budget providing a reasonable estimation of all anticipated direct costs and the type and source of financial contribution(s) (including but not limited to cash, in-kind contributions, and Participant Fees);
 - (6) Statement that each Cosponsor agrees that it will not make a profit on the Cosponsored Activity;
 - (7) Statement that Participant Fees, if charged, will not exceed the minimal amount needed to cover the anticipated direct costs of the Cosponsored Activity as outlined in the budget;
 - (8) Statement that excess funds will be processed in accordance with this SOP;
 - (9) Draft agenda;
 - (10) Statement that each Cosponsor agrees to abide by the provisions of the Cosponsorship Agreement and the requirements of 13 C.F.R. Part 106 and this SOP;
 - (11) Required disclaimer language (see chapter 5, paragraph 1) relating to non-endorsement, and nondiscriminatory actions, and other disclaimers (i.e., arrangements for disabled individuals) as necessary given the scope of the Cosponsored Activity;
 - (12) Cosponsorship authorization number;
 - (13) A termination and amendment provision;
 - (14) Statement granting SBA permission to use copyrighted materials;
 - (15) Statement on marketing restrictions, including use of the SBA logo; and
 - (16) Statement prohibiting political speech if a Public Official or Candidate for Public Office cosponsors or participates in a Cosponsored Activity.
- (b) Cosponsorship Approval Form. The Responsible Program Official must complete and sign Part I of SBA Form 1615. Part II must be signed by the General Counsel or designee. SBA Form 1615 is available through OSA's web site (see yes.sba.gov/osa).

3. Processing

- a Vetting. All potential Cosponsors must be vetted by the Originating Office or OSA. Vetting entails gathering information about each potential Cosponsor in order for the General Counsel or designee to make a conflict of interest determination. Vetting must be completed by the Originating Office or OSA prior to signing SBA Form 1615. Originating Offices may vet non-profit and government entities. All for-profit entities must be vetted by OSA. Detailed vetting procedures are outlined on OSA's Web site (yes.sba.gov/osa). Upon request of the Originating Office, OSA will assist with the vetting process for non-profit and government entities. Results of the vetting process

must be given to the General Counsel or designee in order for him/her to make a conflict of interest determination.

- b. Conflict of Interest Determination. The General Counsel or designee must evaluate the results of the vetting in order to determine that each potential Cosponsor does not exhibit an actual or apparent conflict of interest with the Agency. The General Counsel or designee must sign SBA Form 1615 to demonstrate a conflict of interest determination was performed. Although the conflict of interest determination is made on a case-by-case basis, for purposes of cosponsorship, there will always be a conflict with a current recipient of an 8(a), SDB, or HUBZone program certification, SBA guaranteed loan, a certificate of competency or surety bond guarantee; or a party in litigation with SBA.
- c. Send in Required Documents. To begin the approval process, the Responsible Program Official must submit the following documents, in the noted formats, to OSA. Please note OSA will not be able to seek Agency approval of a Cosponsored Activity until both documents have been received.
 - (1) Draft Cosponsorship Agreement. Send one electronic copy (in Microsoft Word) of the draft Cosponsorship Agreement, including all necessary attachments, to OSA. Cosponsorship Agreements should be emailed to OSA at cosponsorships@sba.gov.
 - (2) Cosponsorship Approval Form. A signed SBA Form 1615 should be faxed to OSA at (202) 205-6113 or any other number designated by OSA.

4. Review

OSA will review all the information it receives from the Originating Office including the Cosponsorship Agreement and attachments and SBA Form 1615. It will also perform a general review of the activity to make sure it is in the best interest of the Agency.

5. Approval

- a. Approval Notification. Once OSA receives and reviews the Cosponsorship Agreement it will notify the Originating Office by email of the Agency's decision and provide a copy of the approved Cosponsorship Agreement.
- b. SBA's Signature. OSA will secure Agency approval by having the Administrator or designee sign and return a copy of the signed agreement to the Originating Office by fax or mail.
- c. Cosponsor(s)' Signature. The Responsible Program Official must obtain each Cosponsor's signature and return the signed agreement to OSA.

6. Modifications/Amendment Process

- a. Non-substantive Changes. The Responsible Program Official may authorize, in writing, non-substantive amendments to an approved and executed Cosponsorship Agreement. Non-substantive amendments include date and location changes, typographical corrections, and changes to contact information. A copy of any non-substantive changes or amendments must be submitted to OSA during the final cosponsorship reporting period as noted in paragraph 10 of this chapter. Please note, changes in estimated budget dollar amounts are not considered a modification to the agreement. A final budget will be reported with actual costs through the Final Cosponsorship Report (see paragraph 9 of this chapter).
- b. Substantive Changes. All other changes must be approved and signed by the Administrator or designee. To request approval of an amendment, please email your written request, along with the draft amendment to OSA at cosponsorships@sba.gov. Types of amendments which must be approved by the Administrator or designee include, but are not limited to:
 - (1) Addition or deletion of a Cosponsor or a major change in any of a Cosponsor's duties and responsibilities,
 - (2) Significant change in nature or scope of activity,
 - (3) Change in types of expenses established in the budget,
 - (4) Change in source of income (ex: you originally did not intend to charge participation fees but after approval of the agreement decide to charge a fee), or
 - (5) Term of the agreement.

7. Waiver of SOP Requirements

- a. The Administrator may waive one or more cosponsorship requirements where the General Counsel or designee has determined the specific requirement is not mandated by law.
- b. Each request for a waiver must be written, contain a full and detailed justification, and be made in advance of the Cosponsored Activity. Waiver requests must be submitted by email to OSA (cosponsorships@sba.gov) at least 14 calendar days before the Cosponsored Activity is scheduled to take place. Waiver requests may be submitted by either the Responsible Program Official or legal counsel so long as the written request contains the recommendations of both officials.

8. Oversight Committee

- a. Purpose. The Oversight Committee refers to an internal SBA committee with authority to approve Cosponsored Activities meeting the criteria outlined below.
- b. Members. The Oversight Committee will consist of the Associate Administrator for Field Operations, Associate Administrator for Entrepreneurial Development and one individual named by the Administrator. This individual must be an Associate or Assistant Administrator. Voting responsibility of individual members is non-delegable. A simple majority of the members of the Oversight Committee must vote to approve the following:
 - (1) Cosponsorship or series of cosponsorships with the same entity(s) in a twelve month period with a total projected budget of more than \$300,000, and
 - (2) Cosponsorships with public officials.
- c. Approval. A Cosponsorship Agreement meeting the above criteria may not be signed by SBA until the Oversight Committee has provided written approval of the activity. Decisions of the Oversight Committee are considered final but may be appealed to the Administrator.
- d. Appeal. To appeal a decision by the Oversight Committee, the Responsible Program Official must submit a written appeal to OSA, within three business days of receipt of the Oversight Committee's decision. The appeal must contain the Responsible Program Official's specific objections to the Oversight Committee's decision and provide explicit reasons why the activity should be approved. OSA will forward the appeal, cosponsorship file and documentation containing the Oversight Committee's vote to the Administrator within three business days of receipt of the appeal.
- e. At his/her discretion, the Director of OSA may ask the Oversight Committee for approval of any Cosponsorship Agreement.

9. Reporting

- a. Final Cosponsorship Report. The Originating Office must submit SBA Form 2299 to OSA within 60 calendar days following completion of the activity. The final report must provide details of the activity including:
 - (1) Actual number of small businesses assisted or number of attendees;
 - (2) A final accounting report from the Fiscal Agent (sample report provided at yes.sba.gov/osa) which includes a list of total cash contributions from each

Cosponsor, total amount of Participant Fees collected and itemized list of expenses paid by the Fiscal Agent; and

(3) A copy of the final budget.

- b. Cancelled Cosponsorships. If a cosponsored activity is postponed or cancelled the Originating Office is responsible for notifying OSA by email of the postponement or cancellation no later than the end of each semi-annual reporting period identified in paragraph 10 of this chapter (March 31 and September 30). Proper notification will ensure that an accurate Agency report is submitted to the Office of Inspector General.

10. Post-Activity Responsibilities

- a. Responsible Program Official. The Responsible Program Official must ensure all the proper documentation and paperwork is completed and submitted to OSA for the official cosponsorship file. He/she is also responsible for ensuring any excess Cosponsorship Funds are handled according to the terms and conditions established in chapter 4 of this SOP. The Responsible Program Official should complete the cosponsorship file within 60 calendar days of the Cosponsored Activity. A complete file contains the following items:
- (1) A copy of the executed Cosponsorship Agreement including all amendments and waivers;
 - (2) A copy of the signed SBA Form 1615;
 - (3) A copy of the signed SBA Form 2299; and
 - (4) A copy of any additional correspondence or documents reviewed by OSA.
- b. OSA. OSA is responsible for maintaining the complete the cosponsorship file as described above and compiling the Agency's semi-annual reports to the Office of Inspector General (OIG).
- (1) Semi-Annual Reporting Requirement. Section 4(h) of the Small Business Act states that SBA's Inspector General shall report semi-annually to Congress on SBA's Cosponsorship Activities. OSA is responsible for compiling all cosponsorship data into the semi-annual report for OIG. OSA must provide OIG with the cosponsorship report no later than April 10, for the period of October 1 – March 31, and October 10, for the period of April 1 – September 30.

11. Oversight and Responsibility

- a. Pre-Activity. SBA is responsible for solicitation of all Cosponsors for a Cosponsored Activity, negotiating Cosponsorship Agreement terms and conditions, and securing the appropriate signatures from Cosponsors. SBA may not delegate this responsibility to a Cosponsor.
- b. During Activity. Upon approval and signature of the Cosponsorship Agreement, the Responsible Program Official holds primary responsibility for ensuring the activity is conducted according to the terms and conditions established in the Cosponsorship Agreement and the applicable laws, regulations and Agency policy. Responsibilities are assigned as follows:
 - (1) Responsible Program Official. Upon receipt of an approved and signed Cosponsorship Agreement from OSA, the Responsible Program Official shall implement the terms of the Cosponsorship Agreement and follow all record keeping requirements as outlined in this SOP. The Responsible Program Official must make the necessary arrangements to ensure the activity is conducted in the manner agreed to in the Cosponsorship Agreement, that all Cosponsorship Funds are collected and expended appropriately, and that each Cosponsor is given Appropriate Recognition.
 - (a) The burden is on the Responsible Program Official to ensure that the Cosponsored Activity is conducted in compliance with the applicable law and Agency policy and to obtain legal advice from the General Counsel or designee if necessary.
 - (b) Cosponsored Materials. The Responsible Program Official must approve, in advance, any printed or electronically generated Cosponsored Material used to publicize or conduct the Cosponsored Activity to ensure compliance with this SOP and appropriate use of the SBA name and logo.
 - (c) All print, audio-visual and Web-based materials created for the public as part of a Cosponsored Activity may require clearance. These materials must conform to SOP 90 55, Graphics and Writing Standards, and follow the clearance process established in that SOP. Web-based materials may require additional clearance pursuant to SOP 90 56, SBA Web Management.
 - (2) OSA. OSA is available for consultation should the Responsible Program Official need advice or guidance while conducting the Cosponsored Activity. The Director of OSA has a general duty to monitor all cosponsorships and address problems and concerns of which the Director is made aware. OSA is responsible for maintaining the official cosponsorship file.

- (3) General Counsel. The General Counsel or designee will be available for consultation should the Responsible Program Official need legal advice or guidance while conducting the Cosponsored Activity.
- c. Post-Activity. All Cosponsored Activities are subject to review during a Quality Service Review (QSR). The Responsible Program Official must be prepared to show the QSR team copies of its cosponsorship files.

Chapter 4 Cosponsorship Funds

1. Funding a Cosponsored Activity

Cosponsored activities may be funded in a number of ways. SBA or a cosponsor may provide cash or an in-kind contribution, a Cosponsor may charge a Participant Fee, or SBA may accept a gift under its gift acceptance authority. When evaluating funding options, you should look at the type and source of funds and match them with the intended use. Some sources of funds, such as appropriated funds, may carry restrictions that make the use of such funds inappropriate for a particular activity. See explanations below.

- a. Appropriated Funds. Subject to appropriations law, SBA may use appropriated funds to support a Cosponsored Activity. However SBA must purchase the product or service directly (following the appropriate procurement process) and provide that product or service to the Cosponsored Activity as an in-kind contribution. SBA may not give appropriated funds to the Fiscal Agent as a contribution to the pool of Cosponsorship Funds.
- b. Participant Fees. A Cosponsor may charge participants a minimal fee necessary to cover the direct costs of providing the Cosponsored Activity. Participant Fees must be carefully calculated to offset the estimated direct costs of the Cosponsored Activity. For accounting purposes, Participant Fees must be used to pay cosponsorship expenses before other sources of income are utilized. The Fiscal Agent is responsible for collecting, managing and expending Participant Fees.
- c. Cash from the Cosponsor. Cosponsors may contribute cash to support the Cosponsored Activity by writing a check or wiring funds to the Fiscal Agent. The Fiscal Agent is responsible for collecting, managing and expending each Cosponsor's cash contribution.
 - (1) The Cosponsor may solicit and accept donations on its own behalf for the purpose of meeting its share of the costs of the Cosponsored Activity. SBA employees may not assist the Cosponsor with such fundraising activity. SBA's name, seal or logo must not be used to secure such donations. Only the Cosponsor, as the recipient of the donation, may acknowledge its donor. Donations to the Cosponsor must not be construed as gifts to SBA or gifts to the cosponsorship.
 - (2) Cosponsors must be informed that when soliciting donations to meet its share of the costs of the cosponsorship, they must make it clear that they, not SBA, are asking for the donation. Cosponsors must not imply that SBA endorses, directly or indirectly, their fundraising activities.
 - (3) A Cosponsor may recognize its donor(s) verbally or in writing with something like the following, "Cosponsor would like to thank Acme Corp for its generous

donation which was used to support this event.” Written acknowledgements should be placed as far away, spatially, from the SBA logo as possible.

- d. **In-kind Contributions.** In lieu of cash, SBA and Cosponsors may contribute products and services which may be used to provide logistical or administrative support to the Cosponsored Activity. This contribution does not include a product or service of the Cosponsor(s) (see chapter 2, paragraph 4). If a Cosponsor pays a vendor directly for a product or service used to support the Cosponsored Activity, it is considered an in-kind contribution. One example is a Cosponsor contributing use of its conference room for a cosponsored training activity.
- e. **Gifts.** SBA may solicit, accept and use cash or in-kind gifts from non-cosponsoring entities to support Cosponsored Activities. SBA must follow the gift solicitation and acceptance procedures outlined in SOP 90 53, Gifts to the Agency. Cash gifts must be placed in SBA’s Business Assistance Trust Fund. Only SBA, as the recipient of the donation, may acknowledge its Donor. Donations to SBA must not be construed as gifts to the cosponsorship. Please see SOP 90 53 for a discussion of Agency gifts.
 - (1) SBA may thank its Donors verbally or in writing by stating something like the following, “SBA wishes to thank Acme Corp for its generous donation which was used to support this event.”

2. Funding Limitations

Cosponsorship Funds may be used for nearly any expense so long as that type of expense is approved as part of the proposed cosponsorship budget, is a direct cost of the activity and is necessary and integral to the activity. There are some restrictions which include, but are not limited to the following:

- a. Cosponsorship Funds must not be used to reimburse a Cosponsor for expenses unless approved by the General Counsel or designee in advance;
- b. Cosponsorship Funds must not be used to pay a Cosponsor’s general operating expenses, overhead (including salaries) or other indirect costs of the activity;
- c. Cosponsorship Funds must not be used to pay a Cosponsor’s or SBA’s travel expenses; and
- d. Cosponsorship Funds must not be used to purchase alcohol.

3. Budget

- a. **Purpose.** Each Cosponsorship Agreement must be accompanied by a proposed budget. The purpose of the cosponsorship budget is two-fold; (1) to serve as an event planning tool and (2) to demonstrate the Cosponsor(s) will not make a profit or accumulate excess funds from the Cosponsored Activity.

- (1) The cosponsorship budget must show the projected revenues and expenses of the activity and yield a zero-dollar balance, meaning the budget should demonstrate neither an overage (profit) nor a shortfall (loss) of funds.
 - (2) The budget should reflect your best estimate of the direct costs incurred by the Cosponsored Activity (see discussion of direct costs below) and revenue. It should reflect two things, (1) what the expenses are and (2) how those expenses will be met by cash or in-kind contributions or collection of Participant Fees. Every direct expense must have an accompanying source of revenue.
 - (3) All Participant Fees must be strictly accounted for.
- b. Budget Tips: Be as explicit as possible when describing expenses. Avoid non-descriptive terms such as “decorations,” “marketing” and “miscellaneous,” especially if these expense items constitute a large portion of the overall budget.
- (1) The budget may be in any format so long as it is clear what the expenses are and who is paying or providing in-kind support.
 - (2) The items in the budget should correlate to the event description and each Cosponsor’s roles and responsibilities.
- c. Responsibilities of Fiscal Agent. If any cash is to be collected, from Cosponsors or participants to support the cosponsored activity, one of the Cosponsors must be designated as the Fiscal Agent for that Cosponsored Activity. As Fiscal Agent, the Cosponsor must set-up a separate accounting mechanism to manage the Cosponsorship Funds. The Fiscal Agent must take whatever internal accounting measures are necessary to ensure it does not commingle its own funds with the Cosponsorship Funds. The Fiscal Agent shall receive all cash from the Cosponsors or participants and pay the cosponsorship expenses accordingly. At the end of the Cosponsored Activity, the Fiscal Agent must provide SBA with a full accounting of the cash received and expenses paid.
- d. Direct and Indirect Costs. Cosponsorship budgets should reflect the estimated direct costs of the Cosponsored Activity. Direct costs refer to only those expenses which can be specifically attributed to the delivery of a Cosponsored Activity (meaning but for this activity, you would not incur those costs).

Direct costs may include, but are not limited to the following:

- (1) Room rental;
- (2) Room set-up (tables, drapes/linens, carpet, wiring etc);
- (3) Refreshments;
- (4) A/V Equipment Rental;
- (5) Cosponsored Web Site Creation/Maintenance;
- (6) Hiring of contractors to perform logistics or event planning services;
- (7) Speaker fees for speakers not employed by SBA or a Cosponsor;

- (8) Conference signage;
- (9) Marketing/advertising expenses;
- (10) Photocopies of workbooks or other handouts to be used during the Cosponsored Activity;
- (11) Event security;
- (12) Photographer/videographer; and
- (13) Costs related to compliance with the Americans with Disabilities Act (ex: hiring of a sign language interpreter).

Indirect costs or otherwise excluded expenses include:

- (1) Employee salaries and benefits;
 - (2) Copying of non-cosponsored materials;
 - (3) General office supplies not utilized to support Cosponsored Activity;
 - (4) Cosponsor or SBA's travel; and
 - (5) Non-approved reimbursements to the Cosponsor
- e. Excess Cosponsorship Funds. In the event Cosponsorship Funds remain in the cosponsorship account after all the expenses have been paid, the Cosponsors must decide how to handle the excess funds in accordance with this SOP.
- (1) If the source of excess funds is Participant Fees, the excess funds must be returned to participants on a pro rata basis; or
 - (2) If the source of excess funds is cash contributions from Cosponsors, the excess funds may be returned to the Cosponsors on a pro rata basis or the Cosponsors may agree in writing that excess Cosponsorship Funds (except any funds contributed by an SBA grant recipient) will be a Gift to the Agency following the Agency's Gift procedures as outlined in SOP 90 53.

Chapter 5 Cosponsorship Material and Marketing and Promotion of Cosponsored Activities

1. Cosponsorship Material

- a. Use of Disclaimers. Unless an exception is granted by the Director of OSA in writing, any print or electronically generated Cosponsorship Material must contain the required disclaimer (indicated below), the cosponsorship authorization number (as assigned by OSA) and any other disclaimers relevant to the specific activity. Podcasts or other audio tools must incorporate the required disclaimer language and cosponsorship authorization number as an audio statement. Video or other digital mediums must incorporate the required disclaimer language and cosponsorship authorization number as readable text on the video screen or an audio statement.
- (1) Required Disclaimer: All Cosponsorship Material must contain the following statement: “SBA’s participation in this cosponsored activity is not an endorsement of the views, opinions, products or services of any cosponsor or other person or entity. All of SBA’s programs and services are extended to the public on a non-discriminatory basis.”
 - (2) Cosponsorship Authorization Number: All Cosponsorship Material must contain this number, as assigned by OSA during the approval process.
 - (3) Disability Accommodation Statement: Cosponsorship Material publicizing an activity with personal attendance must contain the following statement: “Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance. Contact (insert name and phone number).”
 - (4) Web-based Activity Disclaimer: Web sites not hosted on the www.sba.gov domain utilized as part of a cosponsored activity must contain the following statement: “This Web site is provided as a public service under Cosponsorship Authorization # (as provided by OSA). It is not an official U.S. government Web site and may contain links to non-U.S. government information. Inclusion of such links does not constitute or imply an endorsement by SBA. SBA is not responsible for the content, accuracy, relevance, timeliness or completeness of linked information. Please use caution when considering a product, service or opinion offered by a linked Web site.”
- b. Use of logo. Once the Cosponsorship Agreement is signed by all parties, the SBA logo may be used with each Cosponsor’s logo on all Cosponsorship Materials. SBA’s logo must not appear on any Cosponsorship Materials until the Cosponsorship Agreement has been signed by all parties and the Responsible Program Official has approved the Cosponsorship Materials in accordance with the Agency policy governing use of the SBA logo, placement and other design elements as outlined in SOP 90 55. The SBA seal must not be used on Cosponsorship Materials.

2. Marketing and Promotion of Cosponsored Activities

- a. PR- mailings/email blasts. Press releases, mailings, blast-fax and e-mail blasts may be utilized to market a Cosponsored Activity. Any printed or electronic material to announce the cosponsorship or to be distributed at the Cosponsored Activity, shall be approved in advance by the Responsible Program Official. Any printed or electronic material containing the names or logos of SBA, a Cosponsor or a Donor must include the appropriate disclaimers and the cosponsorship authorization number. All cosponsorship mailings, blast fax and email blasts must comply with the policies set forth in Chapter 8 of SOP 00 10 2, Mail Management Program, the Telephone Consumer Protection Act of 1991, 47 U.S.C. §227, and the CAN-SPAM Act, 15 U.S.C. §7701 *et seq.*
- b. Advertising. Cosponsored Activities may be advertised or promoted in the same manner as any other SBA-sponsored activity. Advertising must be factual, include the required disclaimers (see chapter 5, paragraph 1) and be approved in advance in writing by the Responsible Program Official.
- c. Appropriate Recognition. SBA and all Cosponsors must receive “appropriate recognition” for their participation in the Cosponsored Activity. Once a Cosponsored Activity has been approved and the agreement signed by all parties, the Cosponsor may use its name in connection with SBA’s only in factual publicity for that specific Cosponsored Activity. Factual publicity includes dates, times, locations, purposes, agendas, fees and speakers involved with the activity. Such factual publicity must not imply that the involvement of SBA in the event is an endorsement of the general policies, activities, products or services of the Cosponsor.
- d. Promotional Items of a Cosponsor. Gift bags and other promotional items that use the name or logo of a Cosponsor may be given to attendees at a Cosponsored Activity if the item is paid for by a Cosponsor and provided by the Cosponsor directly to attendees, subject to the following:
 - (1) Appropriated funds must not be used to support the assembly or distribution of the promotional item;
 - (2) The item must not directly promote the products/services of a Cosponsor;
 - (3) The item must not be the actual product of the Cosponsor;
 - (4) The item must be something the attendees can use during the Cosponsored Activity such as a note pad, pen, coffee mug, tote bag to carry Cosponsored Materials, etc.;
 - (5) The item must be of nominal value and have no resale value;

- (6) The item must not be distributed by SBA employees and should be left in the back of the room or distributed by the Cosponsor at its expo booth (if applicable); and
 - (7) Promotional item should not be considered part of the Cosponsor's contribution to the Cosponsored Activity and should not be documented in the Cosponsorship Agreement.
- e. Promotional Items which are Cosponsorship Materials. Cosponsored gift bags and promotional items of nominal value may be given to attendees of a Cosponsored Activity subject to the following:
- (1) Only Cosponsorship Materials may be included in cosponsored bags;
 - (2) The cosponsored item should contain the names/logos of all Cosponsors or none of the Cosponsors, unless all the Cosponsors agree otherwise;
 - (3) The cosponsored item must display the required disclaimer language (see above) and the cosponsorship authorization number as appropriate for the item;
 - (4) The item must be of nominal value and have no resale value;
 - (5) The item must be something the attendees can use during the Cosponsored Activity such as a note pad, pen, coffee mug, tote bag to carry Cosponsored Materials, etc.; and
 - (6) The item must not be the actual product of one of the Cosponsors or directly promote the products or services of the Cosponsors.

Chapter 6

Role of SBA Employees

1. Role of SBA Employees in General

To ensure that a Cosponsored Activity is successful, SBA employees may participate in the activity a variety of ways. Employees may attend planning meetings, market the activity, register attendees, staff an SBA booth, present information about SBA programs and services, present SBA awards, and otherwise help to plan and conduct the activity. Government ethics rules govern the conduct of an individual employee planning and participating in a Cosponsored Activity.

- a. SBA employees must not exhibit preferential treatment to any private individual or entity and must not promote the products or services of any Cosponsor during the course of the Cosponsored Activity.
- b. SBA employees must not solicit Cosponsors' promotional gift items (i.e., non-cosponsored material) to present to attendees and must not assist in the distribution or assembly of items provided by Cosponsors (see chapter 5, paragraph 2(d)). SBA employees must apply ethics gift acceptance rules (5 C.F.R. Part 2635) to determine if they may accept a Cosponsor's promotional gift item offered by Cosponsors at the event.
- c. SBA employees may distribute Cosponsored gift bags and promotional items of nominal value (see chapter 5, paragraph 2(e)) to attendees of a Cosponsored Activity.

2. Solicitation of Cosponsors or Donors

SBA employees may actively solicit Eligible Entities for any Cosponsored Activity. Likewise SBA may solicit cash or in-kind donations to SBA which may be used to support a Cosponsored Activity, subject to the provisions of SOP 90 53. SBA employees must not help a Cosponsor solicit donations for the Cosponsor (see chapter 4, paragraph 1).

3. Registration

SBA employees may handle pre-activity or on-site registration for any Cosponsored Activity. If a Participant Fee is charged, SBA employees, as part of their registration duties, may accept Participant Fees and promptly turn that money over to the Fiscal Agent for deposit into the Cosponsorship Fund.

4. Attendance at Cosponsored Activities

SBA employees may attend a Cosponsored Activity so long as he/she has permission to do so from his/her supervisor.

5. Partaking of Food at Cosponsored Activities

SBA employees attending a cosponsored activity at which light refreshments or a meal are served may partake of the refreshments or meal so long as he/she is required to attend the Cosponsored Activity by his/her supervisor and is performing a vital function during the activity. This may include managing and overseeing the activity, providing registration or other on-site support, speaking, presenting awards or staffing an SBA booth.

Appendix A
List of Forms

<u>Form</u>	<u>Paragraph</u>
SBA Form 1615, Cosponsorship Approval Form	3-1
SBA Form 2299, Final Cosponsorship Report	3-1

Appendix B

Definitions

1. Appropriate Recognition refers to the statutory requirement that SBA and the Cosponsor(s) receive appropriate recognition and publicity for cosponsorship of the activity and that such recognition must not constitute or imply an endorsement by SBA of any products or services of the Cosponsor.
2. Candidate for Public Office refers to any individual running for an elected Federal, state or local government office.
3. Cooperative Agreement is an instrument that awards Federal funds to a recipient for performance of a project to benefit the public. Documents which provide the terms and conditions of the Cooperative Agreement are the Program Announcement and Notice of Award.
4. Cosponsor means an entity or individual that has signed a written Cosponsorship Agreement with SBA and who actively and substantially participates in planning and conducting an agreed upon Cosponsored Activity. As part of their participation, Cosponsors may make a financial contribution to support the Cosponsored Activity.
5. Cosponsored Activity means an activity, event, project or initiative, designed to provide assistance for the benefit of small business as authorized by section 4(h) of the Small Business Act, which has been set forth in an approved, written Cosponsorship Agreement. The Cosponsored Activity must be planned and conducted by SBA and one or more Cosponsors. A Participant Fee may be charged by SBA or another Cosponsor at any Cosponsored Activity. Assistance for the purposes of Cosponsored Activity does not include grant or any other form of financial assistance. However, assistance for the benefit of small business may include training SBA participating lenders on SBA's programs, training prime contractors or government procurement officers on how to utilize SBA's contracting programs or other initiatives targeted towards entities providing assistance to small businesses.
6. Cosponsorship Agreement means an approved written document which has been duly executed by SBA and one or more Cosponsors. The Cosponsorship Agreement shall contain the parties' respective rights, duties and responsibilities regarding the planning and implementation of the Cosponsored Activity.
7. Cosponsorship Funds refers to all cash collected in support of a Cosponsored Activity. Cosponsorship Funds may be derived from a Cosponsor's cash injection or money collected from each participant (i.e. registration fee). The Fiscal Agent, subject to oversight by SBA, is responsible for collecting and expending all Cosponsorship Funds.

8. Cosponsorship Material means all print and electronic materials used to promote the Cosponsored Activity or used during or as the Cosponsored Activity. Cosponsorship Materials may include, but are not limited to, flyers, brochures, mailers, email, promotional pieces, web pages, or any other physical, print or electronic item bearing SBA's name or logo.
9. Donor means an individual or entity that provides a Gift, bequest or devise (in cash or in-kind) to SBA. As applied in this SOP, Donor does not include an individual or entity that provides cash or in-kind support to a Cosponsor for use during a Cosponsored Activity. Donors may not be referred to as cosponsors or sponsors.
10. Eligible Entity refers to a potential Cosponsor. An Eligible Entity must be a for-profit or not-for-profit entity, or a Federal, State or local government official or entity. Individuals, other than government officials, are not eligible to be a Cosponsor. All entities must be legal entities authorized to conduct business in the United States.
11. Fiscal Agent refers to the Cosponsor with responsibility for collecting, managing and disbursing the Cosponsorship Funds.
12. Gift (including a bequest or a device) means the voluntary transfer to SBA of something of value without the Donor receiving legal consideration.
13. Originating Office means the field or program office that proposes, plans and participates in the Cosponsored Activity.
14. Participant Fee means a minimal fee assessed against a person or entity that participates in a Cosponsored Activity and is used to cover the direct costs of the activity.
15. Public Official means an elected or appointed federal, state or local government official.
16. Responsible Program Official is an SBA senior management official from the Originating Office who is accountable for the Cosponsored Activity. If the Originating Office is a district or branch office, the Responsible Program Official is the district director or their deputy. In headquarters, the Responsible Program Official is the management board member or their deputy with responsibility for the relevant program area.
17. Vetting refers to the process of gathering information about a potential Cosponsor in order for the General Counsel or designee to make a conflict of interest determination.