

Responses to questions supplied by CPI July 23, 2010

STATE OF COLORADO

MEMORANDUM

July 23, 2010

TO: Members of the Capitol Building Advisory Committee

FROM: Jennifer Thomsen, Legislative Council Staff, 303-866-4791

Deborah Haskins, Office of Legislative Legal Services, 303-866-2313

SUBJECT: Dome Restoration Project Fund-raising Proposal

House Bill 10-1402 authorizes Colorado Preservation, Inc. (CPI) to raise funds for the repair of the Capitol dome. The bill charges the Capitol Building Advisory Committee (committee) with reviewing, advising, and making recommendations to the Capital Development Committee (CDC) on the proposed fund-raising efforts and plans. The CDC will approve and oversee the fund-raising plan. This memorandum identifies issues the committee may want to consider in its review of the dome fund-raising proposal submitted by CPI. It is organized and provides questions based on CPI's proposal documents.

Overview and Timeline Document

General question. The document contains little information about legislative oversight for the campaign beyond reporting and the transfer of funds. Is the committee comfortable with this? What role, if any, does the committee foresee itself playing on an on-going basis?

A. This is a question that the committee will need to answer. CPI will be happy to comply with any system that is proposed by the committee that does not cause excessive delay for a sponsor to support the campaign.

General question. Does the committee want to consider how to handle requests from individuals who would like to make a donation, especially in year one of the campaign? For example, if a visitor to the Capitol expresses interest in making a donation, should the tour guides refer the visitor to CPI?

B. If it is permissible the Capitol should be equipped with "donation boxes" for anonymous individual gifts of cash and checks. All donations must be credited by the Treasurer to the Capitol Dome Restoration Trust Fund.

Will CPI be prepared to accept individual donations?

C. Yes, CPI has been equipped since last August to accept on-line and by-mail contributions which are deposited into the restricted Dome account held by Colorado Business Bank. This is currently done on the CPI website, and upon approval of the plan, an independent Share in the Care Colorado website will be launched. CPI acknowledges all donations in writing and maintains a database of donors so that they may be appropriately recognized.

Does the committee wish to explore other ways to handle these types of donations?

? Committee needs to answer this question.

What is the rationale for waiting until the second year of the two-year campaign to initiate the public gift campaign? The tour guides have already reported that they have received inquiries from visitors who are interested in making donations.

D. CPI needs to raise sufficient revenue to design, obtain approval from CDC and launch the public gift campaign elements. This revenue will be derived from the Corporate Campaign. The public gift campaigns will be much more successful when we can announce that significant progress has been made with the Corporate Campaign. We are a small organization with limited capacity. We have to reserve our resources and use them where they will have the greatest impact during the limited amount of time we have been granted to raise the required \$4 million due by June 2011, and the final \$4 million by June 2012.

Please also note that the act says [Section 1, 2-3-1304.3 (b)] that the CDC is authorized to ..."approve a broad-based grassroots fund-raising effort that includes cause-related marketing AND MAY (not "will" or "must") include outreach campaigns to Colorado school children and to the public..." While we certainly want to do so, we are not legally required to conduct such outreach campaigns.

Page 1. What is Creative Strategies Group's role, if any, in the fund-raising? Who will be approaching potential corporate partners to seek support?

E. Creative Strategies Group is the marketing consultant retained and compensated by CPI to develop and assist in the implementation of the Share in the Care Colorado campaign. James Hare, CPI staff and board, and members of the Share in the Care Colorado Campaign Committee, will close sponsorships with corporate partners. I will decide who is best equipped to support me in this effort.

Page 1. Does the committee wish to receive the quarterly reports CPI is required to submit to the CDC and the Department of Personnel and Administration?

E. I would imagine that they would and would be happy to submit them to CBAC.

Page 1. Are all expenses paid from CPI's 15 percent administrative fee?

F. Yes.

Have expenses related to Creative Strategies Group's services and the development of the corporate sponsorship and public awareness campaign been paid from the \$50,000 gift from AngloGold/Ashanti North America?

G. Yes, AngloGold/Ashanti North America feels very strongly in their corporate commitment to this important life safety issue at the Capitol. Their \$50K gift was made to CPI specifically to enable CPI to retain the services of a marketing expert. To-date CPI has expended \$9,461 of the \$50K.

How is the administrative fee paid? Is it withheld from the amounts transferred to the state on June 1, 2011, and June 1, 2012?

H. Yes, that is how it will be handled.

#### Corporate Partnership Opportunities Document

Page 4. The Corporate Partnership Opportunities document lists as a typical sponsorship benefit "hospitality and limited-edition merchandise rights for client and staff entertainment and the opportunity for business-to-business networking." What does this entail?

I. This is intentionally broadly stated. Each sponsoring corporation will want to incorporate the approved basic elements of the Share in the Care Colorado Campaign into their specific marketing and public relations efforts, and utilize them to maximize their benefit to their corporate goals. As a hypothetical example, Corporation A might hold a benefit golf tournament to help publicize its support of the campaign at which golf balls imprinted with the Share in the Care Colorado trademark are provided.

#### Presenting Partner Rights and Benefits Document

Page 1. A corporate partner receives licensing rights to the Share in the Care Colorado logo and "Proud Sponsor" moniker statewide. Will the corporate partner use the logo and moniker only on advertisements that are specifically designed for the Share in the Care program?

J. Yes and No. While it is conceivable that the corporate partner might want to create a specific ad promoting its affiliation with the Campaign, the partner will most likely use its sponsorship of the campaign as an added element in its existing advertising and promotional programs by including the logo and moniker in them.

Who will design the advertisements — Colorado Preservation Inc., Creative Strategies Group, the corporate partner?

K. The corporate partner will design their own advertisements. CPI/CSG will have no involvement in advertising/promotion design for sponsors beyond advising them about the specifics of the approved Capitol Dome Sponsorship Policy.

The document states that the logo and moniker may not be used as a commercial endorsement without "express written permission." Who does the committee believe should grant this permission — the CDC, the committee, CPI?

L. CPI will report to the CBAC/CDC each time a sponsor has been signed up for the campaign and has made its sponsorship pledge. We suggest that at this point, CDC's approval of the sponsor should indicate that "express written permission" has been granted to the sponsor.

Page 4. Is the committee comfortable with language promising opportunities to interact with government leaders?

M. I hope so. Interaction is defined as attending Campaign events to which government leaders have also be invited. We sincerely hope that government leaders will want to attend such events.

#### Capitol Dome Sponsorship Policy Document

General question. House Bill 10-1402 requires the committee to "evaluate and consider how these efforts will promote public support for the project and recognize major sponsors of the restoration project in a tasteful and appropriate manner consistent with the importance and historic nature of the state capitol building." Does the committee wish to include more specific language about what it considers tasteful and appropriate in the sponsorship policy?

? Committee needs to answer this question.

General question. Does the committee wish to consider including a requirement for final review and approval of advertisements by a member of the committee, the CDC, or the Executive Committee of the Legislative Council? Staff learned, when researching the Washington Monument fund-raising campaign, that all advertisements were approved by a staff member of the Parks Service, as well as a National Parks Foundation staff person.

N. This is certainly a good idea so that there are no "surprises" during the campaign. Perhaps a small group made up of CDC, ECLG and/or CBAC members could be given this responsibility.

General question. Should the sponsorship policy explicitly state that advertisements shall not create an impression that the State of Colorado is sanctioning or promoting a particular product or business?

M. Another good idea

General question. Should the sponsorship policy state that corporate logos will not be displayed on the scrim or the Capitol building?

N. Hopefully I am repeating this for the last time; the Share in the Care Colorado trademark is the only element that we are requesting be placed on the scrim. Corporate logos will not be permitted on any portion of the scrim covering the scaffolding over the dome. The signage proposed for Lincoln Park, if approved, is the appropriate location for campaign sponsor recognition. Let's state this in the policy to put an end to this continuing and divisive misconception.

General question. Does the committee wish to add any additional prohibitions or prohibited business categories to the sponsorship policy?

? Committee needs to answer this question.