



UNDERWRITING PROCEDURES PACKET

The attached information is required for all Access Sacramento community producers to read and adhere to before proceeding with any search for underwriting monies or before receiving payment (monies, goods or services) for production services when using any Access Sacramento equipment.

The packet includes:

Underwriting Agreement and Underwriting Proposal - must be completed, turned in to Executive Director, and approved before proceeding further.

Underwriter's Letter of Agreement - must be signed by the Certified Access User and each Underwriter prior to submission of programming for cablecast on Access Sacramento channels.

Underwriting Financial Report - must be filled out and turned in on a quarterly basis, whether or not you have received or spent money during the reporting period.

Underwriting Credits Guideline - Read and follow through as outlined. If you have questions, contact the Executive Director.

Underwriting procedures are intended to track any cash received by an individual or group, including any payment received for serving as a crew member during the use of publicly owned Access Sacramento equipment or facilities. This tracking is mandated by the City and the County of Sacramento. Additionally, the Internal Revenue Service (IRS) periodically reviews the non-profit, non-commercial status of Access Sacramento. Be aware that any cash, goods and/or services you receive may need to be reported as income. The non-profit, tax-exempt status of Access Sacramento does not cover your revenue generating activities. You are an independent contractor and no relationship of employer-employee or principal-agent exists between you and Access Sacramento.

Any questions regarding the enclosed should be addressed to the Executive Director by calling 456-8600.

UNDERWRITING AGREEMENT

THIS AGREEMENT is entered into on the date of _____, by and between ACCESS SACRAMENTO, a California nonprofit public benefit corporation and _____ ("Programmer").

Recitals

- A. Programmer wishes to obtain underwriting for the production of programming using the channels, equipment, facilities and resources of Access Sacramento.
- B. By entering into this Agreement, the parties wish to set forth the terms and conditions under which Programmer may engage in underwriting activities in support of its programming using the channels, equipment, facilities and resources of Access Sacramento.
- C. Programmer acknowledges that he or she has executed Access Sacramento's Statement of Compliance, under the terms of which Programmer has agreed to comply with all of Access Sacramento's Operating Rules and Procedures, including any amendments subsequently adopted by Access Sacramento. In particular, Programmer acknowledges the prohibition against commercial programming set forth in Part III, Section 6 of Access Sacramento's Operating Rules and Procedures. The provisions of this Agreement are intended to supplement Part III, Section 8 of Access Sacramento's Operating Rules and Procedures relating to the underwriting activities of Programmer.
- D. For the purposes of this Agreement, the term "underwriting" shall include all efforts by Programmer to raise funds from third parties to finance the costs of producing and cablecasting programming on channels provided by Access Sacramento.

Agreements

1. Authorization to Seek Underwriting. Access Sacramento hereby authorizes Programmer to solicit underwriting funds in support of his or her programming using the channels, equipment, facilities and resources of Access Sacramento. This grant of authority is strictly limited to the underwriting proposal submitted by Programmer and approved by Access Sacramento. Any material deviation by Programmer from the approved underwriting proposal shall require the written authorization of Access Sacramento's Executive Director. Programmers shall avoid any direct or indirect representation to any third party that Access Sacramento is sponsoring, supporting or in any way lending assistance to Programmer's underwriting activities.
2. Letter of Agreement. Programmer shall submit to Access Sacramento on Underwriter's Letter of Agreement, signed by the Certified Access User (Programmer) and each Underwriter, prior to submission of programming for cablecast on Access Sacramento channels.
3. Use of Proceeds. Programmer agrees to use all funds he or she derives from such underwriting activities exclusively to support his or her noncommercial cablecasting activities.
4. Term of Authorization. Access Sacramento's authorization to Programmer to engage in underwriting activities shall be limited in time to the time period specified in Programmer's approved underwriting proposal. Any extension of the term of this Agreement shall require the prior written consent of Access Sacramento's Executive Director.
5. Reports. Programmer shall submit to Access Sacramento quarterly reports, on forms approved by Access Sacramento, certifying to Access Sacramento the amount of funds raised by Programmer from underwriters in the preceding quarter and identifying the specific use of all such funds. Such reports shall be submitted to Access Sacramento every three months during the term of this Agreement, with a final report, reporting receipts and expenditures during the entire term of the Agreement, to be submitted within 30 days of the date of expiration or termination of this Agreement.
6. Maintenance of Records. Programmer shall maintain, during the term hereof and for a three (3) year period thereafter, suitable wage and hour records and receipts to substantiate third party purchases of necessary supplies or services. Copies of said records and receipts will be submitted with the Final Underwriting Financial Report.
7. Audits. Programmer agrees to submit true and correct copies of the records he or she is required to maintain under paragraph 5 above to Access Sacramento and/or the Sacramento Metropolitan Cable Television Commission upon request by either such party.

8. Termination. Should Programmer breach the provisions of this Agreement, Access Sacramento's Operating Rules and Procedures or the terms of any other Agreement between Programmer and Access Sacramento, Access Sacramento shall have the right, in addition to any and all other rights it may have, to terminate this Agreement upon written notice to Programmer. Furthermore, the late receipt of required documentation shall result in suspension of user privileges until documentation is presented to the Executive Director.

Access Sacramento, a California nonprofit public benefit corporation

DATED: _____

By _____

Its _____

PROGRAMMER:

DATED: _____

(signature)

(print or type name)



Underwriter's Letter of Agreement

The undersigned Certified Access User represents to Access Sacramento that, in connection with work on the production of _____ (title of program) ("the Program") using Access Sacramento equipment and facilities, and the submission of the Program for cablecast on Access Sacramento channels, the Certified Access User has directly or indirectly received compensation, reimbursements, gifts, grants or other forms of payments from any other person, firm or entity (hereinafter referred to, respectively, as "Payments" and "Payor").

The name of the Payor making Payments to the Certified Access User in connection with this Program is:

Payor Name Phone

Payor Address City State Zip

The Certified Access User shall provide a copy of this Statement to each Payor, and shall obtain each Payor's written acknowledgment hereof, prior to submission of the Program for cablecast on Access Sacramento channels.

UNDERWRITER/PAYOR:

CERTIFIED ACCESS USER:

Print Name

Print Name

Signature

Signature

Date

Date

The Payor should be aware of the following:

1. In order to provide the public with a means of communications, under the terms and conditions of its agreement with the Sacramento Metropolitan Cable Television Commission, Access Sacramento grants use of Access Sacramento equipment and facilities and access to Access Sacramento cable channels.
2. The Certified Access User is not employed by, or otherwise affiliated with Access Sacramento in any way, other than as a member of the public who has been certified by Access Sacramento to use its equipment and facilities to work on and produce non-commercial programs for cablecast on Access channels, thus entitling him/her to the status of "Certified Access User."
3. Any eligible member of the public, including the Payor, may elect to take the training offered through Access Sacramento and become certified to use, without cost, Access Sacramento equipment and facilities to work on and produce programs for cablecast on Access channels.
4. Access Sacramento does not charge for channel time or use of its equipment and facilities and accordingly, Payor understands that any payments made by the Payor to the Certified Access User in connection with the Program are solely for unrelated purposes.
5. The Program must premiere on Access Sacramento channels, and may be retained in the Access Sacramento tape library for future cablecast at the discretion of Access Sacramento.
6. The Certified Access User and Access Sacramento shall jointly own the copyright of the Program and materials made by the producer with the facilities and services of Access Sacramento.

7. Beyond the required cablecast of such a program on Access Sacramento channels, all other uses of the Program produced with the facilities and services of Access Sacramento, including tape duplication, must be agreed to in writing by the Certified Access User and Access Sacramento. Tape duplicated copies of the Program may not be sold for profit.
8. Access Sacramento prohibits the production and/or presentation of the following material:
 - A. Material designed to promote the sale of commercial products or services;
 - B. Commercial programming which in whole or in part depicts, demonstrates, or discusses products, services or businesses with the intent or substantial effect of benefitting or enhancing a profit-making enterprise;
 - C. Material that directly solicits or appeals for funds;
 - D. Material that is obscene;
 - E. Material which constitutes libel, slander, invasion of privacy or publicity rights, unfair competition, violation of trademark or copyright, or which might violate any local, state or federal law;
 - F. Programming which constitutes or promotes any lottery or gambling enterprise in a manner which is in violation of any applicable local, state or federal law.
9. Access Sacramento has no responsibility for any approvals, clearances, licenses, etc. for the use of the Program, or any material contained in the Program, including, without limiting the generality of the foregoing, approvals by broadcast stations, networks, sponsors, music licensing organizations, copyright owners, performers' representatives, performers, and persons appearing or referred to in the Program, or any other approvals that may be necessary to cablecast the Program, or material contained in the Program, on Access channels, such matters being the sole responsibility of the Certified Access User and/or the Payor, as appropriate.
10. Access Sacramento Operating Rules and Procedures summarized in this Statement, Underwriting Procedures Packet, and other relevant documentation, may be examined at Access Sacramento's offices during normal business hours.

ACKNOWLEDGED BY THE PAYOR AS RECEIVED:

 (Typed or Printed Name)

 (Signature)

 (Title -- if applicable)

 (date)



UNDERWRITING CREDITS

(from the Access Sacramento Operating Rules and Procedures)

8.0 Underwriting (revised 1996)

After receiving approval in advance from Access Sacramento, users are permitted to give aural and/or visual underwriting credit to a person or organization that has paid for, in whole or in part, the production, distribution or promotion of a program cablecast on a community use or public access channel managed by Access Sacramento, so long as the underwriting credit does not violate FCC rules or regulations, the terms of the Access Sacramento Operating Rules and Procedures (including Section 6.0, Programming Content Restrictions, above), and the following additional guidelines:

- 8.1 A credit to an individual underwriter shall not exceed ten (10) seconds in length and total underwriting credits may not exceed thirty (30) seconds in length during a single break for credits.
- 8.2 No address may be shown or listed.
- 8.3 The audio shall be a single voiceover announcement identifying the underwriter and the service they provide (if appropriate).
- 8.4 Underwriters may be given a credit at the open of every underwritten program and must be given a credit at the end of the program.
- 8.5 If the program is longer than one (1) hour and fifteen (15) minutes, underwriters may receive a credit at the open of the program, at each sixty-minute interval (or at a natural break as close to the hour as possible), and at the close.
- 8.6 If the program is longer than two (2) hours and fifteen (15) minutes, underwriters may receive a credit at the open of the program, at each sixty-minute interval (or at a natural break as close to the hour as possible), and at the close.
- 8.7 A fifth (5th) credit may be given in programs exceeding three (3) hours and fifteen (15) minutes in length, and so on.
- 8.8 A complete packet of information regarding underwriting and fundraising procedures, available at the Access Sacramento administrative office, must be obtained by interested individuals and an agreement must be signed with Access Sacramento before any underwriting or fundraising activities are permitted to occur.



Tips on Evaluating Underwriting Credits

Access Sacramento evaluates proposed underwriting credits by using guidelines established by the Federal Communications Commission to regulate such credits used by public broadcasting stations. Therefore, **underwriting credits should be made for identification purposes only and should not promote the contributor's products, services or company.**

When does a credit promote rather than identify? In general, underwriting credits that include information beyond that required to identify the underwriter run the risk of being impermissibly promotional. While this is ultimately a judgment call, five practices are not allowed because they cross the line between identification and promotion: comparative descriptions; qualitative descriptions; pricing information; calls to action; and inducements to buy, sell, rent or lease. Here's a summary and several examples of each.

1. COMPARATIVE DESCRIPTIONS

Donor acknowledgments that contain descriptive language comparing the underwriter's products or services with those of competitors are not permitted. Comparative descriptions usually include words that imply a comparison to others such as:

Best
Better
More
Superior

Examples of acknowledgments that include these comparative terms are:

"... Serving more cities than any other airline."
"...With more assets than any other bank."
"...Featuring the best products in town."

The relevant test is not whether each of these statements is true: a statement can be truthful and still be comparative. The issue is whether the statement compares the underwriter's products or services with its competitors. If it does, the statement is promotional and should not be included in the underwriting credits.

2. QUALITATIVE LANGUAGE

As a general rule, donor acknowledgments that contain qualitative descriptions of the underwriter's products or services are not permitted. Qualitative descriptions include words that describe the features, benefits, advantages, or other qualities offered by the underwriter's products or services. Examples of qualitative words are:

Fine
Excellent
Tasty

Examples of descriptions that include qualitative words are:

"Distributor of fine furniture."
"Builder of homes of distinction."
"Home-made taste in a frozen dessert."
"With 20 convenient locations."
"Maker of quality products."

As mentioned under "comparative descriptions," whether these statements are true makes no difference. If qualitative language is used to describe an underwriter's products or services, the acknowledgment probably serves to promote rather than identify the underwriter, and therefore would not be allowed.

3. PRICING INFORMATION

Announcements containing price information are not permitted. This includes any announcement of interest rate information or other indication of savings or value associated with the product. Examples of pricing information are:

"7.7% interest rate now available."
"Making computer power affordable at every desk."
"Office products at discount prices."

4. CALLS TO ACTION

Announcements that contain a "call to action" are not permitted. Most "calls to action" are addressed directly to the viewer and tell the viewer to take action. Examples of "calls to action" are:

"Ask about our IRA's."
"Stop by our showroom to see a model."
"Try product X next time you buy oil."
"Enjoy a night out at John's Restaurant."

5. INDUCEMENTS TO BUY, SELL, RENT, OR LEASE

Announcements containing any inducement to buy, sell, rent or lease are not permitted. Language or descriptions that give reasons for doing business with the underwriter should be suspected of serving promotional rather than identification purposes. Examples are:

"Six months' free service."
"A bonus available this week."
"Special gift for the first 50 visitors."
"Now offering free checking."
"With 20 nearby stores to save you time and money."

In determining whether an underwriting credit promotes rather than identifies, you need to consider the overall effect of both audio and video. A common misconception about underwriting credits is that established corporate slogans are acceptable by definition. All slogans, even those that are part of a company's logo, must not contain comparative or qualitative descriptions of the underwriter's products or services, pricing information, calls to action, or inducements. In short, all slogans must be non-promotional.



QUARTERLY

UNDERWRITING FINANCIAL REPORT

Programmer: _____

Program/Series Title: _____

Reporting Period: _____ to _____

A REVENUE

- 1 Total amount received during this reporting period \$ _____
- 2 Total amount received during previous reporting periods \$ _____
- 3 Total amount received to date (A1 + A2) \$ _____

B EXPENSES

- 1 During this reporting period:
 - a Total Personnel \$ _____
 - b Total Equipment Rental/Purchases \$ _____
 - c Total Facilities Rental \$ _____
 - d Total Recording Tape Purchases \$ _____
 - e Total Promotion/Advertising Costs \$ _____
 - f Total Postage/Delivery Costs \$ _____
 - g Total Materials and Supplies Costs \$ _____
 - h Total Travel Costs \$ _____
 - i Total Other Costs \$ _____
 - j Total Expenses Paid (sum of 1a through 1i) \$ _____
- 2 To date:
 - a Total expenses paid during this reporting period (from 1j above) \$ _____
 - b Total expenses paid during previous reporting periods \$ _____
 - c Total expenses paid to date (2a + 2b) \$ _____

I agree to maintain complete records relating to the above revenues received and expenses paid and agree to make them available for inspection by Access Sacramento and the Sacramento Metropolitan Cable Television Commission. This shall include suitable wage and hour records and receipts to verify purchase of necessary supplies and services. All revenue received has or will be used exclusively to support our noncommercial and nonprofit cablecasting activities.

Signature

Address

Date

City State Zip



Date _____

REMINDER: UNDERWRITING FINANCIAL REPORT

ORGANIZATION _____

REPRESENTATIVE _____

ADDRESS _____

City _____ ST _____ Zip _____

____ Please note that a quarterly financial report, required by Section 4 of your Underwriting Agreement with Access Sacramento. Your report is due on _____.

____ Please turn in your quarterly report no later than _____.

Note: Quarterly written reports, must be filed even if there has been no activity.

____ We have received _____ reports to date, and require _____ more to complete your Underwriting Agreement which expires on _____.

____ Please note that your Underwriting Agreement, effective for a one-year period which began on _____, has now expired. In accordance with Section 4 of the Agreement, please provide a final report which includes an accounting of your receipts and expenditures during the entire term of the Agreement. (I have enclosed copies of your previously submitted quarterly reports to help you prepare your final report.) As described in Section 5 of your Underwriting Agreement, you are also required to maintain all records which confirm the expenditures reported in your financial reports. Please provide copies of these records with your final report. If you fail to submit a final report by the deadline date, Access Sacramento and the Sacramento Metropolitan Cable Television Commission may elect to audit your receipts and other documents. Please comply to this request to prevent any future restrictions of your Access Sacramento production activities.

Please turn in your final report no later than _____. If you wish to continue your underwriting activities, you must also complete a new Underwriting Agreement application and obtain approval from Access Sacramento.

A delay in timely reporting could result in suspension of use privilege.

Thank you very much for your attention to this notice.

Sincerely,

Ron Cooper
Executive Director

enclosure(s)



FINAL

UNDERWRITING FINANCIAL REPORT

Programmer _____

Program/Series Title _____

AGREEMENT PERIOD: Beginning _____ Ending _____

A REVENUE

1 Total amount received during AGREEMENT period \$ _____

B EXPENSES

1 During the AGREEMENT reporting period:

a Total Personnel \$ _____

b Total Equipment Rental/Purchases \$ _____

c Total Facilities Rental \$ _____

d Total Recording Tape Purchases \$ _____

e Total Promotion/Advertising Costs \$ _____

f Total Postage/Delivery Costs \$ _____

g Total Materials and Supplies Costs \$ _____

h Total Travel Costs \$ _____

i Total Other Costs \$ _____

C TOTAL EXPENSES PAID (sum of 1a through 1i) \$ _____

D RECORDS

I have attached copies of all records which confirm the expenditures reported in my quarterly financial reports. I have maintained complete records relating to the above revenues received and expenses paid, and will make them available for inspection by Access Sacramento and the Sacramento Metropolitan Cable Television Commission. These records include suitable wage and hour records, and receipts to verify purchase of necessary supplies and services. All revenue received has been used exclusively to support our noncommercial and nonprofit cablecasting activities.

Signature

Address

Date

City State Zip