# Operational Policy: Provision of Gifts (NAG 4)

## Blind & Low Vision Education Network NZ

## Statement of Intent:

The Blind & Low Vision Education Network NZ (BLENNZ) has a responsibility to ensure that expenditure on gifts incurred by BLENNZ is clearly linked to the business of BLENNZ. Employees must not be influenced, or create the perception of being influenced, when performing their duties, by either directly or indirectly soliciting or receiving any gift, discount or hospitality.

Wherever possible decisions relating to gifts will be made in accordance with guidelines provided by both the Ministry of Education (example school policies) and the Office of the Auditor General (OAG). Decisions outside of this policy must be made by the Board of Trustees.

The Principal will implement and manage this policy. The Principal may further delegate some responsibilities to other staff members. All such delegations must be as set out in the Board of Trustees’ Delegation Policy.

## Definitions:

Discount: a deduction from the full amount of a price.

Gifts: gifts, gratuities or rewards which may include money, vouchers, travel, packaged goods or tickets to an event.

Hospitality: an invitation to join a donor for a meal, attend an event, receive free or heavily subsidised accommodation, or similar, which would otherwise need to be paid for by BLENNZ if the offer was to be accepted.

Employees: all BLENNZ staff including volunteers and contractors working for or on behalf of BLENNZ.

Nominal Value: less than NZD$50.

Board staff leaving gift: $20 per year after 5 years of continuous service.

Loyalty Reward Scheme Benefits: loyalty reward schemes provide a benefit to the customer for continuing to use a particular supplier of goods or services.

## Principles:

The principles that apply are:

* BLENNZ employees must not obtain inappropriate personal gain due to their position
* Acceptance of a gift, discount or hospitality must not give rise to a conflict of interest, nor the perception of a conflict of interest
* Gifts presented to BLENNZ employees should be viewed as belonging to BLENNZ, unless given as a personal gift within this policy’s stated nominal value
* Gifts should be declined unless they are of nominal value, or refusing them will cause embarrassment or cultural offence
* Hospitality should be declined unless approval is received by the Principal or Board of Trustees.

Timing and frequency should also be considered. Offers of gifts or hospitality, even if of nominal value, may be of concern if offered repeatedly and/or at times when they could be seen to influence or reinforce a particular decision or action.

## Giving Gifts:

All gifts should be purchased through normal purchase procedures and in accordance with delegated levels of authority.

A full register must be maintained of all gift purchases, including what was purchased, costs and recipients. The Board has the right to review this register. The register can be located on the BLENNZ group drive: Sensitive Expenditure Register.

The cost of the gift should be reasonable and appropriately reflect the benefit received.

If the gift is to be given during international travel then the staff member should receive authorisation for the value of the gift prior to travel. If the need to purchase a gift arises unexpectedly during international travel, then a full record of the gift should be added to the Sensitive Expenditure Register. The cost of such a gift should be justifiable to the Board.

The giving of koha or Meaalofa (the Pasifika equivalent of koha) should be done in consultation with the appropriate line manager who may in turn consult with Te Whānau o Homai or local Iwi or Pasifika representatives to determine the amount of koha to be given.

All staff who resign or retire after having worked five years or more, may have this service recognised through the presentation of a leaving gift based on an agreed value per year of service. If the gift is from the Board as a result of retirement or resignation, Fringe Benefit Tax, Resident Withholding Tax or PAYE may also need to be paid and budgeted from Board funds. Spending on farewells and retirements should be both moderate and conservative, and suitable for the occasion. Examples of excessive spending are:

* Approval is given to spend $1,000 but this is spent on the farewell party and additional funds are spent on a leaving gift;
* the value of the gift is beyond the limit approved.

## Receiving Gifts:

Gifts should not be accepted if there is concern that their acceptance could be seen by others as an inducement or a reward that might place the staff member under an obligation.

Small personal gifts given to a staff member by non BLENNZ employees, such as flowers, chocolates, tokens etc with approximate values of less than $50 may be kept by the recipient. It is not necessary to report offers of most gifts of nominal value. Gifts openly distributed by suppliers and clients (e.g. pens, badges, stationery, calendars) or of a perishable nature (such as flowers) also do not need to be reported. However if such gifts are offered frequently (e.g. more than twice a year) or at a time when decisions are pending, they must be reported. If the gift is larger and more valuable than the prescribed nominal value, then the recipients must advise the Principal. In terms of their delegated authority, the Principal may consult with the Board Chair in determining the use of the gift.

Under no circumstances should cash or items of a higher value than $50 be accepted unless they are given as donations to BLENNZ for one of its Centres, Services or activities. They should be properly receipted and accounted for in the BLENNZ accounts and or the Sensitive Expenditure Register.

When deciding whether or not to accept a gift, discount or hospitality, a number of factors must be weighed up. Key considerations include:

* the ability to demonstrate continuing impartiality, in both operational and non operational matters
* the possibility of reputational risk
* the potential that accepting a gift, discount or hospitality will negatively impact on BLENNZ’s standing within the community.

Other factors which need to be balanced include:

* the impact on the would-be donor/host of refusing to accept an offered gift, discount or hospitality
* any organisational benefit from acceptance, including the potential to build relationships.

If there is a concern that the gift was given in an attempt to influence, or concern that is could be seen to influence BLENNZ, then the gift should be declined and must be reported.

If gifts cannot be declined without giving offence to the donor, or it is not possible to make an assessment at the time, the appropriate Senior Manager must be informed. They in turn will discuss the gift with the Principal and a decision will be made as to how the gift will be treated e.g. kept by a department, shared among staff or retained by the individual employee.

Hospitality that includes provision of modest refreshments (e.g. morning or afternoon tea) does not need to be reported. A meal does not need to be reported if it is provided as part of:

* a networking, business or planning meeting, or site visit
* a function gathering
* professional development (conference or course).

Discounts may only be accepted if they are offered on the basis of BLENNZ’s membership in a discount scheme, group or organisation. Membership of Koru Club is a private expense.

Prizes won by staff attending a conference that has been funded by BLENNZ, are deemed the property of BLENNZ. However prizes won up to a value of $50 may be kept by the staff member. Prizes won over $50 must be declared to the Principal and a decision made as to how the prize will be treated.

## Incentive or Reward Schemes:

OAG guidelines state “The principles of preserving impartiality and integrity are particularly relevant. We expect that staff making procurement decisions would not personally receive any loyalty rewards as a result of those decisions. Controls and clear guidance about expectations are necessary for all involved, so that to the maximum extent possible the entity as payer for the goods or services benefits from the rewards”. BLENNZ employees are therefore not eligible for, and must not accept, any prize or other reward scheme benefit linked to activities which are funded by BLENNZ. Examples include fuel company competitions and the collection of Flybuys reward points. Prizes received from a free competition entry obtained while undertaking an entity’s business are also considered a loyalty or reward scheme. These should be declared to the Principal who will make a decision as to how the prize will be treated.

In addition, in accordance with OAG guidelines, BLENNZ Staff will to the extent that it is practically possible within the requirements of the law:

* treat loyalty rewards accruing to staff carrying out their official duties as the property of BLENNZ;
* apply, as far as practicable, those loyalty rewards only for the benefit of BLENNZ;
* ensure that staff keep a record of loyalty rewards accrued and applied for the benefit of the entity, and regularly supply the entity with a report of this record; and
* require staff leaving an entity with unapplied loyalty rewards to transfer the benefits to the entity or buy the unapplied rewards from the entity at the market rate. Where neither of these is practical, arrangements should be made with the supplier to cancel the unapplied rewards.

## Supporting Documents:

[Ministry of Education: Kiwi Park School Model Policies](http://education.govt.nz/school/running-a-school/school-finances/model-financial-policies-kiwi-park-school/)

[Office of the Auditor General: Gift and Sensitive Expenditure Guidelines](http://www.oag.govt.nz/2007/sensitive-expenditure)

Approved: 

Date: 12 August 2021

Next Review: 2024