



# Gifts, Benefits & Hospitality Policy & Procedure Version 2.1



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## 1 Document Control

Version	Date	Amended by	Comments
1.0	2/3/2016	Alfonso Noutso	Initial
1.1	03/06/2016	Alfonso Noutso	Minor value adjustment
2.0	23/11/2017	Edward Howarth and Tim Hogan	AFRC Annual Review
2.1	13/06/2018	Edward Howarth	Minor administrative amendments

## 2 Purpose

This policy states Box Hill Institute Group (BHIG) requirements regarding the management of gifts and benefits. BHIG are committed to openness and transparency which includes the appropriate management of the receiving and giving of gifts and benefits by BHIG staff and students

## 3 Policy Statement

BHIG is committed to being a professional and ethical workplace. This can only be achieved and maintained if the community is confident that staff are not influenced by gifts or benefits.

In the course of their duties, staff and students are sometimes offered gifts or benefits by members of the wider community or by work colleagues. Similarly, the Institute may give gifts or benefits to Institute staff, students, or members of the community.

The objective of this policy and procedure is to ensure that Institute monies spent on the provision of gifts and benefits, or gifts and benefits received by staff, uphold the following principles:

- The effective use of Institute funds
- Managed, disclosed and reported in accordance with, the mandatory requirements of the DET Gifts, Benefits and Hospitality Policy - February 2015, the VPSC – Gifts Benefits & Hospitality Framework and all related Institute policies and procedures.

Staff must not give or accept gifts, benefits and entertainment that will compromise, or appear to compromise, their integrity and objectivity in performing their duties, or cause, or appear to cause a conflict of interest.

This policy and procedure relates to items given by the Institute or received by a member or officer of the Institute acting in the capacity as a staff member of the Institute.

Gifts and benefits given by a personal friend or family member to the Institute staff member in a purely personal capacity are excluded.

## 4 Legislative Authority

Public Administration Act 2004

[Public Administration Act 2004](#)

Crimes Act 1958

[Crimes Act 1958](#)

Gifts, Benefits & Hospitality

[Victorian Public Sector Commission](#)

Financial Management Act 1994

[Financial Management Act 1994](#)

## 5 Definitions

This section of the policy outlines key terms that commonly appear in gifts, benefits and hospitality policies.

**Asset register** is the register of assets held or managed by a department or public body under the Financial Management Act 1994. Significant gifts accepted on behalf of the public sector organisation or the State of Victoria should be recorded on the asset register.

**Audit committee** responsibilities usually include assuring the adequacy of the organisation's risk management framework, operational performance of business units, and integrity of management reporting.

**Benefits** are preferential treatment, privileged access, favours or other advantage offered. They include invitations to sporting, cultural or social events, access to discounts and loyalty programs, and promises of a new job. While their value may sometimes be difficult to quantify in dollars, they may be highly valued by the intended recipient and therefore used to influence their behaviour.

**Bribes** are money or other inducements given or promised to employees to corruptly influence the performance of their role. Bribery of a public official is an offence punishable by up to ten years imprisonment.

**Conflicts of interest** occur when an employee's private interests conflict with their public duty. Employees have a duty to always resolve a conflict in the public interest, not their own. This may mean that they decline a gift or transfer the gift to their employer's ownership if this is identified as being in the public interest.

**Employees** are the directors, chief executive and all other employees of a public sector organisation.

**Gifts** are free or heavily discounted items, intangible benefits or hospitality exceeding common courtesy that are offered to employees in association with their work. Gifts may also be provided by organisations to, for example, a visiting delegation from another jurisdiction.

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They may be enduring such as a work of art or consumables such as a box of chocolates. They range in value from nominal to significant and may be given for different reasons.

Gifts declaration is the form an employee uses to declare reportable gifts. Information on the form is either transferred to a gifts register or filed on a central secure file. If there is no gifts register, the audit committee audits the declarations on file. A declaration form is provided at Appendix B.1.

**Gifts register** is a register of reportable gifts. It records the date a gift was offered, information about the donor and recipient, the nature of the gift, its estimated value and how it was handled. A designated person maintains the register, which is reviewed by the organisation's audit committee. If maintained in an electronic format to enable search and analysis, the register is protected from unauthorised changes.

A register is provided at Appendix B.2.

**Hospitality** is the friendly reception and treatment of guests, ranging from offers of light refreshment at a business meeting to restaurant meals and sponsored travel and accommodation. Hospitality may be offered to a public sector employee. It may also be provided by public sector organisations in three situations:

- 'Official State hospitality' is that hosted directly by an elected official and not a public sector organisation. This may include some diplomatic, consular and ceremonial activities, state contributions to the Australian system of honours and awards and the conduct of community cabinets. This type of hospitality is exempt from this policy.
- 'Official hospitality' refers to the hosting of diplomatic and foreign government officials, community representatives and/or people from the private and academic sectors by public sector organisations, and state-sponsored events. The persons attending these events are usually from organisations other than those within the Victorian public sector although public sector employees may attend to accompany a Departmental secretary or executive and/or Minister and liaise with attendees.
- 'General hospitality' is usually that provided by public sector organisations, often in the workplace and often involving internal stakeholders or fellow public sector employees. General hospitality can be provided for a range of purposes, from providing sustenance at a lengthy meeting through to celebrating achievements. Modest hospitality includes light refreshments such as tea or coffee offered as courtesy and light meals such as sandwiches served at a business meeting held over meal times. It also extends to more generous forms of hospitality such as catered meals at functions, meals at restaurants, and may include the provision of alcohol. Depending on the nature of the hosting organisation's business, sometimes recipients of general hospitality may be external stakeholders or business partners.

**Host** is the person, office holder or organisation which authorises, organises and pays for an event.

Responsibilities of a public sector host include initiating the event and approving decisions, for example in relation to cost, selecting invitees, ensuring the event runs smoothly and meets its objectives, and facilitating relationships between invitees.

**Lobbyists** communicate with public officials to influence government decision-making, including the making or amendment of legislation, the development or amendment of a government policy or program, the awarding of a government contract or grant, or the allocation of funding.

**Official business** is work that is consistent with a public sector organisation's functions and objectives, and an employee's role. A departmental Secretary may be asked to accompany a Minister on official business. Senior staff may be asked to attend the official opening of a government sponsored project or to take part in a study tour of institutions to develop government policy. These activities constitute official business, do not have a private benefit and would not ordinarily be recorded as a reportable gift.

**Reportable gifts** are those that must be recorded, typically on a gifts declaration form and/or a gifts register. At a minimum, reportable gifts include accepted gifts, benefits and hospitality that exceed a nominal value. They could also include gift offers of any value, whether they are accepted or not. The gifts may have been offered to an employee directly or extended to them as a guest of their partner or other close relation.

**Value** is the estimated or actual value of a gift in Australian dollars. It is also the cumulative value of gifts offered by the same individual or organisation within a 12-month period. Significant gifts may warrant independent valuation.

Nominal value refers to the value of a gift offer. It is used to determine whether an offer, if accepted, is a reportable gift. Typically a threshold between zero and \$150 is set to determine nominal value, depending on the organisation's perceived level of risk and the type of gifts that it considers may be accepted without compromise. Irrespective of dollar value, a gift offer that could create a reasonable perception that an employee could be influenced must be refused.

**Venues** are locations used for official and general hospitality. They vary and can include physical spaces such as Government House, departmental and agency meeting rooms, public facilities such as town halls, and private facilities such as hotels and reception centres.

## 6 Minimum Requirements and Accountabilities

Minimum Requirements for all Public Officials Accepting Gifts, Benefits and Hospitality

Employees & Office holders:

1. Do not solicit gifts, benefits or hospitality.
2. Refuse all offers of gifts, benefits or hospitality that could be reasonably perceived as undermining the integrity and impartiality of the Institute or themselves.
3. Refuse all offers of gifts, benefits or hospitality from people or organisations about whom they are likely to make decisions involving:
  - tender processes
  - procurement
  - enforcement
  - licensing
  - regulation.
4. Refuse all offers of money or items easily converted to money such as shares.
5. Refuse bribes and report bribery attempts to the CEO of the Institute or their delegate and if necessary to Victoria Police.

If unsure about how to respond to an offer of a gift, benefit or hospitality of more than nominal value, seek advice from a manager or HR Business partner.

## 7 Procedure

Gifts and Benefits given by the Institute

7.1 These are general principles associated with expenditure by the Institute on gifts and benefits:

7.2 A gift or benefit is understood to mean:

- A staff award, reward or other token of recognition
- Hospitality or catering for staff events
- Hospitality or catering for community or student events
- Floral tributes
- Small gifts for official visitors and guests
- Gifts for hosts

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- Farewell or retirement gifts for staff

7.3 In the normal course of operation expenditure of Institute funds on gifts or benefits must be endorsed by an Executive Head of a Division or Group (such as Director or Executive Manager) within that person's financial delegation and must adhere to the principles of the responsible Institute funds.

7.4 As a general rule, gifts or benefits up to the value of \$250 would be considered usual expenditure.

Expenditure on gifts or benefits to a value of:

- \$250.00 to \$1000.00 requires approval of the Deputy CEO or CFAO

7.5 Over \$1000 requires the approval of the CEO.

7.6 Any proposed expenditure on a farewell gift or function for the any staff member must be approved by the Chief Executive Officer (CEO).

7.7 Any proposed expenditure on a farewell gift or function for the Chief Executive Officer (CEO) must be approved by the Board.

7.8 The costs of meals, beverages and entertainment incurred by gatherings of staff by themselves, or with partners, will not be regarded as hospitality incurred for official Institute purposes and is not covered by this policy and procedure.

7.9 The Institute will cover the costs of gifts and benefits only if these costs have been incurred for official Institute purposes and with the required approvals.

7.10 Monitoring by the Governance, Audit, Risk & Compliance Manager (and possibly the internal and external auditors) of gifts and benefits expenses will occur after the fact. The Governance, Audit, Risk & Compliance Manager will bring any apparent extraordinary expenditure to the attention of the Chief Executive Officer (CEO) or the Chief Finance & Accounting Officer (CFAO) who will discuss the issue with the Executive Head concerned, and, if the Chief Executive Officer (CEO) is not satisfied that correct process has been followed, a discussion will occur between the Executive Head and the supervisor regarding expenditure on this type of item in the future. If the matter concerns the CEO, this monitoring will be undertaken by the Chief Executive Officer (CEO) and CFAO.

7.11 All gifts given by the Institute exceeding the value of \$150 must be registered by the authorising staff member with the Governance, Audit, Risk & Compliance Manager in the Gifts Register.

7.12 All gifts given by the Institute with a value of less than \$150 are not required to be registered.

7.13 A gift or benefit received by the Institute staff member is anything of value offered to a staff member – any item or service – that is over and above the staff member's normal salary or employment entitlements.

7.14 Gifts and benefits can include event invitations, hospitality meals and drinks, travel, corporate box and other consumer rewards, promotional materials (such as a diary), textbooks for evaluation (refer to note 1), samples, vouchers, discounts on goods or services or money.

Below is an example of the types of gifts and benefits staff members could be offered and the actions that should be taken:

Example of Gift Value of less than \$50	Action to be taken by Staff Member
<ul style="list-style-type: none"> <li>• Pen, diary, mouse pad</li> <li>• Mug, coaster</li> <li>• Promotional cap</li> <li>• Conference satchel</li> <li>• Bunch of flowers • Inexpensive bottle of wine</li> <li>• Box of chocolates • Movie tickets</li> <li>• Food or drink at work-related meeting or function.</li> </ul>	<p>Staff member is usually allowed to keep the gift or benefit.</p> <p>Does not need to be registered in Gifts Received Register</p>
Example of Gift Value between \$150 and \$350	Action to be taken by Staff Member
<ul style="list-style-type: none"> <li>• Discounts on products for personal use</li> <li>• Personal organiser</li> <li>• Lucky door prize from seminar or conference</li> <li>• Tickets to theatre or sporting event</li> <li>• Book on a relevant topic</li> <li>• Evaluation textbook</li> <li>• Hamper of gourmet food</li> <li>• Expensive bottle of alcohol.</li> </ul>	<p>Management decides if the staff member may retain the gift or benefit.</p> <p>Must be registered in the Gifts Received Register.</p>
Example of Gift Value of more than \$350	Action to be taken by Staff Member
<ul style="list-style-type: none"> <li>• Laptop computer</li> <li>• Corporate guest package as part of a major event</li> <li>• Use of facilities (gym, holiday unit)</li> <li>• Travel – free or discounted for person use</li> <li>• Invitation to participate in a conference/event by a corporate contractor which is represented as travel and accommodation</li> <li>• Scholarship or training</li> </ul>	<p>The gift or benefit becomes an asset of the Institute and management determine how it will be used.</p> <p>Must be registered in the Gifts Received Register.</p>

## 8 Gifts, Benefits & Hospitality Register

The Governance, Audit, Risk & Compliance Manager will maintain a Gifts Register. All Institute staff must report a gift received with an individual or accumulated value in excess of \$50 to the Governance, Audit, Risk & Compliance Manager within 14 days of receiving the gift. The staff member may or may not be eligible to retain the gift in accordance with the guidelines in the table above and on the advice of the Chief Executive Officer (CEO).

Document: **Gifts, Benefits & Hospitality Policy & Procedure**  
Document No.: **COR-POL-001**  
Process Area: **Corporate Services**



## 9 Review

This policy and any associated procedures must be reviewed annually, in accordance with State Government directions. The Gift Register is reviewed twice a year and this shows that BHIG commitment to the continual application of maintaining a comprehensive Gifts, Benefits and Hospitality register in line with corporate objectives, protecting business assets and support delivery of financial sustainability.

## 10 Approval Body

The AFRC is the approval body.