Annexure A
Gifts and Benefits Policy

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1.1. Examples of what could be a gift

A gift is a tangible item of value which is offered to one person or organisation by another. A gift could be any of the following:

- Gift vouchers;
- Souvenirs/mementos;
- Promotional products or samples;
- Corporate merchandise; and
- Special occasion gifts which can include flowers, wine, chocolates or gift baskets.

1.2. Examples of what can be a benefit

A benefit is a non-tangible item of value which is offered to one person or organisation by another. A benefit could include, but is not limited to:

- Entertainment such as lunches and/or dinners (note there are ACU rules that apply to entertainment and these are referred to in Section 9 – Business expense, entertainment expenses and credit cards).
- Sponsored and corporate events such as attending a private or corporate box at the football, an opening night at the theatre, or attending a marquee at the races;
- Discounts or free upgrades such as discounts free entry to events or shows or upgrades on flights;
- Travel and associated costs (paid for or subsidised by a third party) which do not fall within the exceptions set out in the 'Scope' section of this Policy.

1.3. Types of Gifts

Gifts can be any of the following types:

Gifts of appreciation

These are gifts offered to an individual staff member or the organisation in gratitude for any specific work or activity performed or for the praiseworthy performance of duties. i.e. A Gift offered to a staff member who speaks at official functions as part of their duties would be considered as a gift of appreciation.

Token gifts

Token gifts are offered in business situations to an organisation or employee representing the organisation. These gifts are often products that are mass-produced and not given as a personal gift.

Ceremonial gifts

These are often in the form of official gifts that are offered by one organisation to another. Such gifts are often given to the host organisation when conducting official business with delegates from another organisation. These gifts may sometimes be offered to express gratitude, however the

gratitude usually extends to the work of more than one person in the organisation, and therefore the gift is considered to be for the organisation and not a particular individual.

Gifts of influence*

Gifts of this nature are given for the intention of gaining favour with the recipient so that the giver receives favourable treatment in the future.

***This type of gift is prohibited.**

1.4. Guiding Principles[1]

Staff and affiliates can use the following Guiding Principles to assess if a gift or benefit should be accepted or rejected:

- What does ACUs policy say about gifts, benefits and hospitality?
- Does the Policy include a token monetary threshold, allowing low-value items to be accepted?
- Am I in a high-risk or sensitive role (for example, procurement, audit or regulation)?
- What perceptions would arise if I accepted the offer?
- Would accepting a gift, benefit or hospitality bring ACU into disrepute?
- Would refusal cause public embarrassment for ACU (for example, when gifts are offered in a ceremonial context by an overseas delegation)?
- Would accepting a gift, benefit or hospitality potentially foster a relationship that may give rise to a conflict of interest or a sense of obligation?
- Does the offer relate to my specific role or is it more widely available to others?

Additional considerations:

- Who is offering the gift or benefit or who is the gift or benefit being offered to? What is the nature of the commercial relationship between ACU and the other parties?
- Why is the gift being offered? Is the reason for the gift transparent?
- What is the value of the gift? Is it proportionate to the reason it is being offered or given (for example is the gift extravagant or excessive compared to what is the accepted norm)?
- What is the frequency that the gift or benefit is being offered or given? Is it a one-off or is it repeated?
- Is the gift being offered in a consistent manner (for example is it being offered or given to a single team member compared to the entire team)?
- Is the gift being used as a substitute for remunerating or compensating an individual for work or services?

[1] Adapted from the ICAC website - https://www.icac.nsw.gov.au/prevention/basic-standards/gifts-and-benefits

1.5. Dealing with Suppliers

It is not uncommon for suppliers to provide product samples or to arrange business lunches/dinners for the purpose of developing business relationships with their customers. According to the Queensland Crime and Corruption Commission (CCC), some suppliers set out to create false friendships and use gifts and benefits to manipulate the buyer. The CCC refers to this practice as "grooming"[2].

In their article titled 'Procurement and Contract Management' (2016)[3], the CCC advise that procurement officers working with suppliers and contractors can start to favour (sometimes unconsciously) those suppliers to which they have established a good relationship with. When this occurs, the procurement officer can fail to regularly retest the market, and this can affect the quality of information available to make informed decisions about products and services being sourced, potentially resulting in a loss of value for money. A close relationship with a supplier may also lead to accusations of bias and a conflict of interest.

In 2012, ICAC conducted a state-wide investigation into corrupt procurement practices involving NSW local councils[4]. According to ICAC (quoted):

…Operation Jarek investigation that found 41 people engaged in corrupt conduct, mostly in relation to supplying or receiving secret benefits to ensure orders would continue to be placed with the supply companies involved.

ICAC published a full report concerning Operation Jarek[5], with 15 recommendations for corruption prevention to councils. The fourth recommendation stated, *"that councils ensure that their policy provides that all staff who hold financial delegations are prohibited from receiving gifts of any kind."*

[2] CCC Gifts and benefits 2021 - https://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Corruption-Prevention-Advisory_Gifts-and-benefits-Nov-2021.pdf

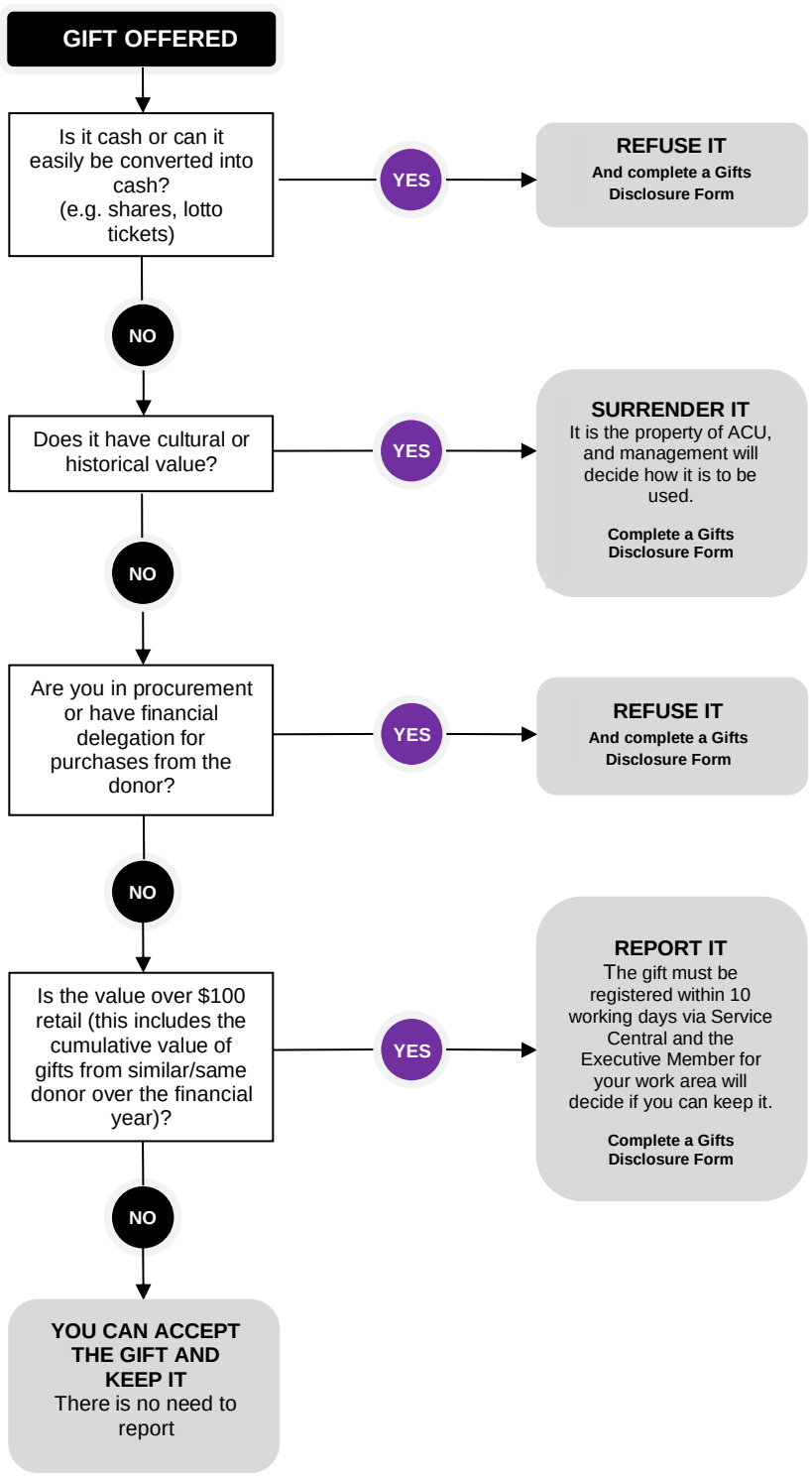
[3] CCC – Procurement and contract management, 2016 - https://www.ccc.qld.gov.au/sites/default/files/Docs/Publications/CCC/Corruption-Prevention-Advisory-Procurement-and-contract-management-2016.pdf

[4] ICAC – Media Release Operation Jarek 2012 - https://www.icac.nsw.gov.au/media-centre/media-releases/2012-media-releases/icac-conducts-state-wide-council-talks-to-share-lessons-from-operation-jarek-investigation

[5] ICAC – Operation Jarek report and recommendations 2012 - https://www.icac.nsw.gov.au/investigations/past-investigations/2012/public-authorities-operation-jarek

1.6. Gifts and benefits — making the right decision*

All gifts are initially the property of ACU. You may be allowed to keep some gifts — follow this flow chart to find out.



*Adapted from the CCC's Gifts and Benefits publication 2016.