



# Gifts & Grants Procedure

Procedure Number

WCDHB-PF-0008

Version Nos:

6

## 1. Purpose

This Procedure outlines the West Coast District Health Board's (WCDHB) position on the giving and receiving of any gifts, hospitality, or Koha.

## 2. Application

This Procedure is to be followed by all staff throughout the WCDHB.

## 3. Definitions

For the purposes of this Procedure:

**Fringe Benefit Tax** is taken to mean a tax payable on the value of fringe benefits provided to employees by an employer.

**Koha** has long been an important aspect of tikanga Māori. The giving of koha stems from the tradition of bringing gifts or taonga when visiting tangata whenua or other people. In more recent times the giving of money has replaced, in some instances, the giving of gifts, taonga and kai (food). Koha is usually placed in an envelope and depending on the tikanga or the occasion, is either placed on the ground of the marae, the floor of the whare or is placed quietly in the hand of an individual.

## 4. Responsibilities

For the purposes of this Procedure:

**Chief Financial Officer** is required to oversee all aspects of this Procedure.

**All Line Managers** are required to monitor the implementation of this Procedure within their area of responsibility.

**All Staff Members** are required are required to ensure they abide by the requirements of this Procedure.

## 5. Resources Required

This Procedure requires the following resources:

- WCDHB Gifts Register

## 6. Process

### PART A - GIFTS PROCEDURE

#### 1.00 Receiving Gifts/Koha

1.01 The line between token gifts of appreciation and those that might compromise the recipient is often not easily defined but as a general standard a gift should not be accepted (what ever the nature or value) where it could be seen by others as an inducement or a reward that might place the WCDHB under an obligation.



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- 1.02 As a general rule staff should not accept hospitality and/or corporate gifts in excess of \$200 and must have HOD/HOS approval for values over \$50. For purposes of clarity, an invitation to dinner will be deemed to be within this approval.
- 1.03 Under no circumstances can gifts be exchanged for cash nor can goods, works and/or services be received, or seen to be received by staff for private use by themselves and their partners and/or family.
- 1.04 Attendance at functions or events such as, sports or cultural events that involve significant work time for the employee and/or expenses for the host of over \$100, may be accepted subject to prior notification to their HOD. Annual leave and travel cost reimbursement may be required where the HOD considers these to be significant.
- 1.05 The WCDHB Finance Department is required to maintain a gifts register and all gifts received by staff must be reported via this gift register. The gifts register details the recipient, donor, value, description and purpose of the gift.
- 1.06 All offers of gifts to the WCDHB with a value of \$1,000 or above, and any gifts with conditions attached, are to be referred to the Chief Executive Officer (CEO), before any decision about receiving the gifts is made.
- 1.07 The CEO (or delegate) may at their sole discretion accept gifts for the use or enjoyment of staff/patients or for the benefit of the WCDHB. Such offers may be subject to approval by the WCDHB Board (where appropriate), and will also be subject to the gift or donation not resulting in compromising the integrity of the WCDHB or staff.

### **2.00 Giving Gifts/Koha**

- 2.01 The line between gift given as a token of appreciation and those that might compromise the WCDHB is not easily defined but as a general standard the giving of gift is acceptable if it is a token gift, and which would not be seen by others as an inducement or a reward.
- 2.02 All hospitality and/or gifts and/or Koha must be from approved budget provisions and, as a general rule should not exceed \$100 per recipient. HODs prior approval is required.
- 2.03 Gifts/Koha are recognised as a discretionary contribution which is distinct from actual expenditure and which is appropriate to the occasion and incurred for services supplied.
- 2.04 To meet with the Inland Revenue Department guidelines (per the IR278 booklet), in order for gifts/Koha to be tax deductible the following conditions must be met:
  - i. the gifts/Koha must be linked to WCDHB's business or taxable activity, and
  - ii. adequate records must be kept to support the payment and this linkage. "Adequate records" means:
    - the particulars of the meeting (time, date, place)
    - the reason for attending the meeting
    - the type of payment made (cash, cheque, supplies)
    - the source of payment (where the supplies came from)- the receipt or tax invoice.



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- 2.05 The WCDHB Finance Department is required to maintain a gifts register and all gifts and Koha given by the WCDHB must be reported via this gift register. The gifts register details the recipient, donor, value, description and purpose of the gift/Koha.

### **3.00 Koha**

- 3.01 When an event that is specific to kaupapa Māori requires a Koha, consultation with the General Manager Māori Health should occur. If the occasion is unplanned, such as a tangihanga (funeral) then common sense should prevail, and if the occasion warrants a different form of gifting, such as a plant and or a taonga, discussion should occur with the General Manager Māori Health. The need and purpose for Koha should be clearly identified.
- 3.02 A WCDHB Request for Koha Form is to be completed by staff, allowing enough time for the Form to come via internal/ external mail to the General Manager Māori Health.
- 3.03 The WCDHB Request for Koha Form is then to be authorised by the General Manager Māori Health, if they deem it appropriate for Koha to be given, and then the Form is to be forwarded to WCDHB Finance Department.
- 3.04 The WCDHB Request for Koha Form is actioned by the WCDHB Finance Department and the cheque is either sent or collected (which ever is requested on the Form).
- 3.05 Any Koha received by the WCDHB shall be forwarded to the WCDHB Finance Department and allocated to the appropriate Koha budget for future use.

### **4.00 Non-monetary Recognition of Staff**

- 3.01 Expenditure which will result in a Fringe Benefit Tax (FBT) liability is generally not considered appropriate. As a general rule, any entertainment benefit that employees consume or enjoy when they choose, and that is outside their employment duties, is subject to Fringe Benefit Tax. Authority is to be sought from the relevant delegated financial authority within the appropriate budget centre.

### **5.00 Gifts To Staff**

- 5.01 Farewell and other gifts for staff are normally by private donation. If there is a contribution by the WCDHB, this is subject to FBT and all such expenditure must be reported to the Finance Department, identifying the date, costs, recipients and the reason for the expenditure. Any contribution by the WCDHB is to be moderate and conservative.

### **6.00 Reporting of Inappropriate Expenditure or Gifts**

- 6.01 Staff who may consider there are grounds for enquiry into inappropriate expenditure or gifts, must advise their line manager, Chief Financial Officer or the Quality and Risk Manager immediately. Alternatively, disclosure may be made under the WCDHB Protected Disclosures Procedure.



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### 7.00 Loyalty Rewards Schemes

- 7.01 A WCDHB staff member is entitled to receive any airpoints or other loyalty points earned while traveling. However, any travel booked must be at the best and lowest cost to the WCDHB ignoring any loyalty programme the staff member may be a member of. Evidence may be required to be provided that travel at the best and lowest cost to the WCDHB has been booked.

### PART B - GRANTS PROCEDURE

- 1.00 Grants should be provided to achieve an identified measurable benefit to the community.
- 1.01 To ensure that grants, gifts, and concessions to community organisations are provided in an equitable and accountable manner and produce the benefits towards which they are aimed, the WCDHB may implement a community grants program which will involve public advertising and consideration of application for funding assistance in accordance with the published guidelines decided by it from time to time.
- 1.02 It is not compulsory that a community grants programme be instigated in any financial year and WCDHB may consider requests for donations at any time on an adhoc basis and each case shall be considered on its merit without precedent.
- 1.03 At budget time WCDHB may elect an amount, which is to be made available for making grants to community organisations and the percentage rate of subsidy and the maximum amount of subsidy that is available.
- 1.04 The WCDHB will appoint a Community Grants Selection Panel.
- 1.05 This panel will oversee the process of grant allocation
- 1.06 The panel will be the sole determinate of the criteria to be used in assessing the grant applications (NOTE: - where funding to be allocated as grants has been provided from an external source for a specific purpose – there may be a requirement to use selection criteria provided by the external source).
- 1.07 The criteria might include:
- i. The number of people likely to benefit;
  - ii. The amount requested per person;
  - iii. Whether a particular organisation has benefited in previous years;
  - iv. The consequences of not making the grant;
  - v. Alignment of the purpose with the WCDHB's aims and objectives as set out in the District Annual Plan/District Strategic Plans;
  - vi. Sustainability;
  - vii. Value for Money.
- 1.08 The panel will decide the funding percentages to be allocated.
- 1.09 The decision of the panel is final, and is not subject to any appeal process.



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- 1.10 Advertisements will be placed in local media advertising the availability, the details of funding and requesting applications, by a specified date, addressing the selection criteria.
- 1.11 When the advertisement has been issued WCDHB Board Members and WCDHB staff may encourage organisations to apply, but should not indicate if an application is likely to succeed.
- 1.12 After the closing date, the panel will consider all the applications and assess them against the criteria.
- 1.13 During this process the panel may request additional information from the applicants and may conduct interviews.
- 1.14 The Panel will make recommendations of the grants to be awarded.
- 1.15 The WCDHB will consider the recommendations and decide what grants are to be awarded.
- 1.16 The WCDHB may require, as a condition of each grant, that the organisation submit a report confirming that the grant has been used for the purpose intended. This may be a copy of the accounts of the organisation supported by an explanation, if necessary. These reports should be submitted by the anniversary of the closing date for applications or before this at a specified date.
- 1.17 Media relations for all grants will be handled as per the WCDHB External Communications Procedure.

## 7. Precautions And Considerations

- ➔ At all times an ethical approach should be taken to the acceptance of gifts, bearing in context and relationships.
- ➔ All hospitality and/or gifts and/or Koha must be from approved budget provisions and, as a general rule should not exceed \$100 per recipient
- ➔ The WCDHB Finance Department is required to maintain a gifts register and all gifts and Koha given by the WCDHB must be reported via this gift register.
- ➔ Grants should be provided to achieve an identified measurable benefit to the community.
- ➔ The Community Grants Selection Panel will be the sole determinate of the criteria to be used in assessing the grant applications.

## 8. References

There are no references associated with this Procedure.

### 9. Related Documents

WCDHB External Communications Procedure

WCDHB Financial Regulations

WCDHB Protected Disclosures Procedure

WCDHB Request for Koha Form

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