**ACCEPTANCE OF GIFTS AND HOSPITALITY**

**Background**

It is recognised that both the giving and receiving of gifts and hospitality have an important role in facilitating business practice. However, such a practice can also have a strong negative effect unless handled with great care. The acceptance of gifts, services or hospitality is related to the issue of conflicts of interest and can leave an organisation or its officers vulnerable to accusations of unfairness, partiality or deceit. Commercial relationships may be subject to bias and its ethical reputation may be at risk. Even though not recognised as a commercial organisation, an international chess organisation or federation, such as the Welsh Chess Union, is affected by such considerations. This policy seeks to clarify the matter and provide guidance to WCU officers.

**Overall objectives**

The WCU must have a clear, unambiguous “Gifts & Hospitality” policy which provides guidance to officers. It needs to define:

* What can be accepted without disclosure
* What cannot be accepted
* What should be recorded
* How officers can seek further advice.

**Considerations**

When a gift is not a gift? It would be unusual for a WCU officer to be given a gift of any sort because of his/her position within the WCU. Is there an expectation (from either party) that the relationship between giver and the WCU will change **or be influenced** in any way as a result of the acceptance of such a gift? If so, it is not a gift – but is a bribe.

Is the scale inappropriate? What constitutes a non-trivial gift or hospitality? It is difficult to put a monetary value on this – what is significant to one officer may be trivial to another.

Reciprocity In addition to **influence**, it may be appropriate to consider if the receiver would be able to reciprocate the gift or hospitality.

Cash. The acceptance of cash gifts to an officer is rarely acceptable. Under this heading it may be appropriate also to consider the WCU acceptance of sponsorship. Is it transparent; are the objectives of the sponsor clear to all? Will the sponsor/WCU each be happy to publicise the donation?

**Policy**

The following are a number of proposals for discussion by the WCU management board. It may be appropriate to introduce or change any limits that are proposed.

What gifts need to be disclosed? If a WCU officer is offered a gift with an estimated monetary value exceeding £5 but below £25, that offer must be reported to the WCU Executive Officer who will report the matter at the next MB meeting. Where appropriate gifts exceeding £25 which cannot be declined may be accepted on behalf of the organisation but must be raffled at the earliest opportunity with funds being donated to the Welsh Chess Educational Trust.

What cannot be accepted? A gift of cash can never be accepted by a WCU officer. However, and cash sum accepted on behalf of the WCU must be given immediately to the WCU finance director for banking into the WCU account. This will be reported to the MB and subject to normal conditions of sponsorship.

Acceptance of hospitality Hospitality given or received must have a clear purpose and be for the benefit of the WCU. Hospitality of a minor nature (bar drinks etc) can be given or accepted by a WCU officer where the value is trivial. Where the value may exceed £25 the hospitality should if practical be discussed in advance with the WCU Executive Officer. Whether or not such prior discussion is possible, the matter must be reported at the next MB meeting and recorded in the minutes.

Uncertainty and discussion The prime objective of this policy is to make all such transactions as open and transparent as possible. It may be that an officer is uncertain if a particular occurrence falls within this policy; in such a case that officer should seek prior approval from the WCU Executive Officer. If accepted or given, the matter should be reported to the next MB meeting according to the values as set out above.

Sanctions The breach of this policy by a WCU officer can render the WCU vulnerable and open to accusation of deceit, bias or fraud. Accordingly, any breach of the policy must be discussed by the MB at the earliest opportunity. If appropriate, the MB will require the resignation of the officer or may suspend him until the next AGM.