

I have been asked to create a policy and put in place a practice for employees accepting gifts from vendors (such as luncheons, tickets to professional sports games, presents, etc.). Can anyone share what your policies or practices are?

Also, in the case of employees who receive tickets to events from vendors, what is your policy regarding how you handle their leave to attend the event if it is during their working hours? Right now, employees are receiving additional paid time off, without being required to use PTO!

Summary: 16 responses.

- **5 did not have a formal policy, but some of those had informal guidelines.**
- **6 said no gifts or gifts limited to a “nominal” value.**
- **4 said that prizes of any value are shared among all their employees via a raffle or drawing.**
- **Several specifically said gifts needed to be reported to management or acceptance approved by management first.**

Regarding how to handle leave to attend an event during working hours, 4 said they would expect the employee to use PTO. 2 said they would not charge PTO.

Through the years we have seen a significant decline in gifts from vendors and therefore we have no policy regarding gifts received from vendors.

No real policy in place. Obviously, it can't be allowed to affect decision making as far as choosing a vendor because they give you hockey tickets or something. As for time off, if it's lunch or something, that's not a huge deal, as they likely discuss a little business while out, but as far as leaving work to go 'have fun' with a vendor, I think I'd look at that as them needing to use vacation time or something, at least for 90% of the time off.

We don't have a formal policy, but we do share gifts received from vendors, often giving them away in raffles. For tickets, employees need to go on their own time. All gifts need to be reported to HR or upper management.

We do not have a formal policy but would like to see what everyone else has.

Business lunches at \$15 ok no liquor, beer only one. Receiver should leave tip. Tickets No except to top mgmt. to accept and distribute. No pay for attendance.

Our company allows lunches.

As far as tickets to games, gifts, gift cards etc. We raffle off to all interested employees the professional sports game tickets. We send out an email and post in the lunchroom the details of the tickets and all who are interested put their name in and we pull one of those names out of a hat. We do not allow the same people to win each time. If everyone in, has already won one, then OK. It is prohibited that purchasing or others receiving the tickets use them for themselves. Grounds for termination.

As far as gifts or gift cards or swag that is shipped to you for spending so much \$ with Uline etc or given to us from vendors, that is all turned into purchasing and we use that as a giveaway for employees. For instance, if we get [sporting team] game tickets, we raffle the tickets and give them a team hat or t-shirt with it. Everything else, and more, is collected from vendors and we use for Christmas gifts at our Christmas lunch. We make it so everyone gets something of approx. same value, with a Grand Prize or Two. We number each package and again pull an employee name for each package and dole them out at the luncheon.

Works well for us and is just much more fair.

Best of luck.

If the event is during work time, we do not charge PTO to the employee.
Our policy states that:

Gifts of cash or cash equivalents are strictly prohibited. Common courtesies, sales promotion items of small value, occasional meals, and nominal and reasonable entertainment appropriate to a business relationship and associated with business discussions are regarded as acceptable in moderation. Any questionable items or situations should be discussed in advance, with a member of management.

As the value of golf outings and ticket prices have increased the word "nominal" gets a little harder to interpret, so the check in with management has become a more important part of this policy.

No gifts over \$25

No sporting events/ concerts etc... unless both the vendor and employee attend (no tickets as gifts)

No cumulative gifts over \$100 in any 12 month period

Gifts

Employees must not accept gifts, favors, loans, entertainment or other gratuitous services from competitors, customers or suppliers of the Company. A gift or favor would not include loans from financial institutions on customary terms, articles of nominal value ordinarily used for sales promotion or which could not be considered material enough to be a business inducement, ordinary business lunches or other reasonable entertainment consistent with local social and business custom. No employee may accept cash of any amount from any person that has business dealings with the Company.

Under no circumstances may cash payments be made to customers. Other gifts, favors and entertainment extended to customers must be legal and reasonable. If you have questions regarding the appropriateness of any gift, favor or entertainment, you should consult with the Human Resources Manager.

The terms of a customer's gift policy must be honored by the Company without exception.

Employees in a subordinate/supervisory relationship must not exchange favors or gifts that could, or could appear to, give rise to an obligation.

We have deemed \$25 or less as "nominal value."

Here is our policy. We have not encountered any events occurring during work time, other than a lunch, so we haven't had to address it.

Ethical Conduct

Employees may not give or receive gifts or favors to or from any customer, vendor, supplier, or competitor – other than a gift of nominal value – without the prior consent of a manager. In no event shall an employee give or receive a gift in the form of cash

It is not permissible, and may be unlawful, to give, offer, or promise anything of value for the purpose of influencing someone in connection with company business or a company transaction. Similarly, it is not permissible, and may be unlawful, to solicit, demand, or accept anything of value with the intent of being influenced or rewarded in connection with any company business or transaction. Therefore, no employee may give or receive any gift if it could reasonably be viewed as being done to gain a business advantage.

Our employees are certainly allowed to take a client to lunch, to a sporting event, or to send flowers for a special occasion. At the same time, our employees may be taken to lunch or sporting events by our clients. But we cannot do things such as pay for trips or large expensive gifts, give cash, or anything else considered "of value". Not only is this considered unethical, it may be illegal.

Many of our customers also have their own ethical conduct policies and we certainly do not want to be involved in any cases where a customer's employee may have violated their policy. Any employee offered a gift from any customer, vendor, supplier, or competitor representative should report that gift to his/her direct supervisor and to the Accounting & Office Manager. The acceptance of gifts is not prohibited; however, management prefers to monitor gifts and the business relationships of those receiving gifts. Gifts should never be a consideration relative to doing business with a client, vendor, supplier or competitor. Price, quality of product, and service are the prime considerations in doing business.

Gifts, Gratuities and Business Courtesies

XXX is committed to competing solely on a merit of our products and services. We should avoid any actions that create a perception that favorable treatment of outside entities by XXX was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom XXX does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of XXX or customers, or would cause embarrassment or reflect negatively on XXX's reputation.

Meals, Refreshments and Entertainment

We may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manger or co-worker or having the courtesies known by the public.

Gifts

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets and other modest presents that commemorate a special occasion.
- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items). Generally, employees may not accept compensation, honoraria or money of any amount from entities with whom XXX does or may do business. Tangible gifts (including tickets to a sporting or entertainment event) that have a market value greater than \$100 may not be accepted unless approval is obtained from management. Employees with questions about accepting business courtesies should talk to their managers.

We currently don't have a policy. Looking forward to what others do.

It is X Company's policy that all employees avoid any conflict between their personal interests and those of the Company. The purpose of this policy is to ensure that the Company's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the Company. It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. Holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with the Company, by any employee who is in a position to directly or indirectly influence either the Company's decision to do business, or the terms upon which business would be done with such organization.
2. Holding any interest in an organization that competes with the Company.
3. Being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Company or which competes with the Company.
4. Profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with the Company. A conflict of interest would also exist when a member of an employee's immediate family is involved in situations such as those above. This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

We do not allow employees to accept gifts openly. Should a vendor want to present the gift to the company, we will open the gift for all employees to share. If this is not possible, then we will have a lottery drawing for the gift for those interested.

The employee needs to take PTO to attend the event.

Our policy is below. As far as tickets to events, we determine who gets to attend events from those who sign up to be in the drawing. It seems to work well. We do not offer company paid time to participate at events which are normally outside of work hours.

Gifts and Gratuities

It is the policy of The Company to operate and manage the Company according to high ethical standards. All employees are expected to comply with this policy. Because of this policy and other considerations, no employee of The Company shall accept any payment, fee, service, gifts or gratuities from any other person, company or organization who seeks to do business with The Company, or from any customers or prospective customers of The Company. Sales promotion items of small value (less than \$10) or treats such as sweet rolls or candy that all employees can enjoy will be regarded as acceptable in moderation. Also, occasional meals with vendors as long as they are inexpensive luncheon meals and associated with business discussions will also be acceptable.

Any exceptions to the above policies must be discussed with an officer of the Company. In addition, no employee shall extend to any customer, prospective customer or vendor anything other than the above acceptable items and the traditional Christmas gifts for customers. Gifts shall only be given to customers as a thank you and shall never be used to influence a customer to buy from us.

Here is our written policy:

Entertainment, gifts and gratuities. Employees cannot accept gifts of more than nominal value, (approximately \$25.00), from any individual or company who does or wishes to do business with (company) without prior company approval. Also, business courtesies cannot be provided to a customer that may have the appearance or effect of obtaining a competitive advantage.

For something like using tickets approved by the company, we would treat it as a normal business day and pay them (without over-time) and not have to use PTO.
