



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

**HEALTH SERVICE
EXECUTIVE
NATIONAL FINANCIAL
REGULATION
CASH AND BANK
NFR-13**

NFR-13

Cash and Bank

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13.1. Introduction

- 13.1.1.** A significant amount of income is channelled through the Health Service Executive (HSE) departments in the form of cash and cheques as well as through Electronic Funds Transfer (EFT's) and credit/debit cards. All this income is deposited into HSE bank accounts. Receipting and banking of monies is an official HSE function, to document income to the HSE for both the correct attribution of income within business units, correct identification of income and bank balances within the end of year financial statements and for audit purposes.
- 13.1.2.** The HSE has responsibility to ensure that income received and held by the HSE is identified, collected, receipted and banked properly and promptly and the proper use of finances and resources in a manner which satisfies their requirements for accountability, internal control, and the management of financial risk.

13.2. Purpose

- 13.2.1.** To ensure that all monies are collected, receipted, recorded, held, disbursed and banked properly and promptly.
- 13.2.2.** To recognise the need to safeguard public funds and to protect employees from inappropriate charges of mishandling funds, by defining their responsibilities in the cash handling process.

13.3. Scope

- 13.3.1.** This regulation applies to all funds, irrespective of their source, passing through the HSE bank accounts and the conduct of all the financial affairs of the HSE.
- 13.3.2.** These procedures comprise income receipting, banking arrangements, internal cash management and disbursement and security and control over cash and cash equivalents. Petty cash disbursements/ Franking Machines are dealt with in NFR-01; Purchase to Pay Process.
- 13.3.3.** For the purpose of these procedures, income represents that received direct from cash, cheques, and credit/debit cards or direct deposit.
- 13.3.4.** This regulation should be read in conjunction with other interrelated regulations to be found at [HSE National Intranet - National Financial Regulations](#).

13.4. Assistance / Further Information

- 13.4.1.** Additional information regarding this regulation should be addressed to the Assistant National Director of Finance, Annual Financial Statements (AFS) & Governance.
- 13.4.2.** Requests for derogations should be made in writing to the above Assistant National Director of Finance, and may be implemented only after written authorisation is received from said directorate.
- 13.4.3.** It is intended that this regulation will be regularly updated to reflect and incorporate new and additional legislative and other directives. Notifications will be issued on [HSE National Intranet - National Financial Regulations](#) and via email communications.

13.5. Effective Date

13.5.1. This regulation is effective immediately and supersedes all prior directives issued relating to the management of Cash and Bank. This regulation applies to all HSE employees.

13.6. General Rules

13.6.1. The stewardship of financial assets for the HSE is shared by authorised employees across departmental divisions. While the central banking management function is performed by HSE Vote and Treasury Finance Directorate, these departmental divisions receive cash and cheques for charges of services and are responsible for their own bank deposit or otherwise control the income received in respect of charges levied by the department.

13.6.2. The Chief Executive Officer (CEO), the National Director of Finance and the Assistant National Director of Finance, Vote & Treasury are responsible for initiating and executing all transactions with banking institutions for all branches of the HSE. The management of this responsibility can be delegated where deemed necessary.

13.6.3. The Vote & Treasury Finance Directorate are responsible for providing input on long term strategic cash needs and the effect on the operating budget. The Directorate is responsible for developing, implementing, and maintaining a cash management system that meets the following objectives:

1. Provide the capacity to forecast operating cash requirements and provide an early warning system for potential problems.
2. Maximising the rate of return on the investment of surplus cash balances by providing cash flow forecasts that establish the amount of cash needed to meet daily working capital requirements.
3. Identify individual accounts and funds that contribute to negative cash flow situations and recommend corrective action steps.
4. Establish and maintain appropriate corporate banking relationships to provide for the receipt and disbursement of all funds.

13.6.4. A statement of all bank account arrangements must be reported to the CEO and the HSE Board for their appraisal and approval. It is the responsibility of the National Director of Finance to produce this report on an annual basis in the prescribed manner.

13.6.5. All bank accounts must be authorised by the Department of Finance (DOF) as all bank accounts in the name of the HSE are "Public Bank accounts". All new bank accounts must subsequently be authorised by two of the three main signatories as delegated by the Board of the HSE.

13.6.6. All authorised signers must be authorised by two signatories at a level above the level of signatory being duly authorised as delegated by the HSE Board. All accounts will have at least three authorised signers as the three main signatories are authorised signatories for all new HSE bank accounts.

13.6.7. Regular bank and imprest reconciliations must be prepared, approved by relevant Line Managers and submitted to the appropriate officer for review and approval.

13.6.8. Management should review out-dated cheques and ensure that they are addressed on a consistent, accurate and timely basis.

- 13.6.9.** A Bank Overdraft facility is not permitted.
- 13.6.10.** No borrowing may take place and HSE assets may not be offered as security for any borrowing, without the approval of the Department of Finance and the HSE Board.
- 13.6.11.** The HSE Vote and Treasury Finance Directorate is responsible for the investment of funds. All investments shall be made in the name of the HSE and in adherence with the Department of Finance directives.
- 13.6.12.** All HSE practices must ensure the safeguard of cash receipts and deposits against theft or loss.
- 13.6.13.** Registers must be maintained by designated officers for all approved HSE bank accounts and imprest accounts. These registers must be updated regularly and reviewed by the National Director of Finance or officer designate at agreed intervals.
- 13.6.14.** Separately administered bank accounts are to be used only for their intended purpose i.e. Health (Repayment Scheme) Bank a/c and Hepatitis C a/c and Fair Deal Bank a/c and are not to be used as a depository for cash receipts or as a cheque cashing fund. The custodian of these separately administered bank accounts is responsible for (a) the fund's safeguarding and security, and (b) the cyclical reconciliation between the Financial Accounting System and bank records. The custodian of these accounts will be designated by the National Director of Finance. The policies and procedures in this regulation fully apply to these accounts.
- 13.6.15.** Separately administered bank accounts for non HSE funds are to be used only for their intended purpose i.e. Patient Private Property Accounts and are not to be used as a depository for HSE cash receipts or as a HSE cheque cashing fund. The custodian of these separately administered bank accounts is responsible for (a) the fund's safeguarding and security, and (b) the cyclical reconciliation between the Financial Accounting System and bank records. The custodian of these accounts will be designated by the Assistant National Directors of Finance in each region. The policies and procedures in this regulation fully apply to these accounts.
- 13.6.16.** The National Director of Finance and the CEO assigns authority and responsibility for the process to accept credit card and other electronic payments to relevant HSE Managers.
- 13.6.17.** E banking where appropriate and properly approved is the preferred Internet-based banking service used by the HSE giving more control and flexibility in carrying out business financial transactions with the bank. The National Director of Finance assigns responsibility for and control of electronic transfers for cash disbursements to the relevant Managers. EFT Banking is subject to the same controls (i.e. in terms of segregation of duties, arithmetic and authorisation and monitoring controls etc) as outlined in this regulation for non EFT Banking processes unless specified.
- 13.6.18.** It is HSE's policy to minimise the number of departments collecting cash items. Each collection point may have different requirements for cash item collection, may use different numbers of employees, and may deposit at different locations. Periodic surveys must be performed by the Regional Assistant National Director of Finance/ Equivalent Grade or officer designates to identify all cash collection points. If the controls are inadequate for the volume of cash collected, corrective

action is requested and monitored. All employees involved with cash item collection should both be aware of, and comply with the guidelines in this regulation.

13.6.19. All income shall be collected promptly using the correct procedures and the appropriate documentation.

13.6.20. All income received must be receipted immediately upon being received and must be recorded by the issue of an official HSE receipt.

Exceptions are granted for

- Income received through the post that may not be receipted immediately and should be recorded in a remittance register at the time of post opening pending transfer to staff for receipting.
- Collections from coin machines i.e. phones where receipts are not feasible.

13.6.21. All income must be deposited without delay to the HSE bank account and properly recorded.

13.6.22. All monies collected and deposited must be regularly reconciled to the bank and financial records.

13.6.23. Disbursements shall not be made from money collected i.e. all moneys collected, regardless from what source, must be lodged intact.

13.6.24. HSE and officers' personal funds are to be kept separate. HSE funds should be deposited only into appropriate HSE Bank accounts. Official moneys shall not be used for providing temporary loans to staff. Official moneys shall not be used for the encashment of private or payroll cheques.

13.6.25. It is the responsibility of every officer involved in the collection, receipt or custody of HSE moneys to safeguard these moneys adequately while under their physical control.

13.6.26. Where offers of donations in cash or cash equivalent are made to employees of the HSE, officers must have regard to the receipting and banking procedures in this regulation. Refer also HSE NFR-17: Voluntary Donations, Gifts & Bequests at HSE National Intranet - National Financial Regulations.

13.7. Cash Receipting Locations

13.7.1. All new cash collection locations must be approved by the Regional Assistant National Director of Finance / Equivalent Grade on the recommendation of the Local Health Office (LHO) Manager. For new cash collection locations:

- a. Submissions must be directed to the relevant LHO Manager/Equivalent Grade by local Line Managers. This proposal must give the following details:
 - Location name
 - Details of the accountable Line Manager
 - Details of the receipting team officers
 - Approximate level of monies being collected in the location and the basis of the calculation (include backup evidence)
 - Frequency of receipts and lodgements
 - Type of receipts expected e.g., charge cards, cash, and cheques.

- Arrangements for lodging cash and cash equivalents.
 - Security arrangements for the storage of cash
 - Insurance arrangements for the custody of cash
- b. In obtaining approval to accept credit or debit cards in payment for goods or services Business units must submit a cost benefit analysis along with a request for permission to accept cards as payment at the point of sale.
- The following facts must be considered when deliberating whether to approve a request:
- Is the volume of transactions sufficient to justify the costs of offering payment by credit or debit card?
 - Which credit and debit cards (from which financial institutions) will be accepted?
 - Does the Business unit have access to:
 - i) a dedicated telephone line that will permit automatic credit and debit card processing by swiping the credit or debit card?
 - ii) the internet for online payment processing options?
 - If the Business unit intends to accept Cardholder Present transactions, does the Business unit have a secure means of storing the signature verification provided by the buyer/payer at the point of sale or payment?
 - If the Business unit will accept Cardholder Not Present transactions, can it demonstrate excellent record-keeping practices and can it reassemble the transaction in the event of a dispute or a chargeback?
 - Are procedures in place to protect personal, sensitive information from disclosures, including compliance with Data Protection legislative requirements.
- c. The submission request must be certified by the Line Manager and endorsed by the LHO Manager/Equivalent Grade prior to being forwarded for approval to the Regional Assistant National Director of Finance / Equivalent Grade.
- d. Line Managers must ensure that responsibility for cash items is clearly defined and documented.
- e. Line Managers must ensure that appropriate separation of duties exists i.e. cash item handling, record keeping, and reconciliations should be assigned to different individual officers.
- f. Each receipting locations must obtain a HSE Official pre-numbered Receipts Book or equivalent.

13.8. Receiving and depositing Cash – non cash register

- 13.8.1.** Manual receipts must only be issued where a cash register is NOT operated or where it is temporarily out of action.
- 13.8.2.** Income collected must be counted by two members of staff.
- 13.8.3.** Income collected must be agreed by the two members of staff to receipts issued.
- 13.8.4.** Details of income collected must be entered on the Receipts Book or equivalent and signed by the two members of staff involved in the cashing up process.

- Details to be recorded shall include: -
 - A unique receipt number.
 - The date on which money was received
 - The payer's name.
 - The amount of payment .
 - Whether payment was made by cash, cheque, money order, and postal order or otherwise.
 - The purpose for which money was received.
 - The relevant receipt code for the payment (manual receipts only).
 - The account number, invoice number and date (computerised receipts only).

- Receipts take the form of a manual or electronically generated document:

Manual Receipt

- Receipts books shall be in triplicate.
- The top copy is the official receipt which shall be issued to the person making the payment.
- The first carbon copy must be sent to the section which furnished the account.
- The second carbon copy must be retained in the receipt book.
- The identifying numbers on each official receipt and carbon copy shall be consecutive and the identifying numbers shall appear in print.
- List of receipts issued including cancelled receipts, indicating date, cost centre/cost element codes, receipt number and the amount must be remitted frequently to the local Finance division in each Area for input to the financial system.
- Stocks of receipt books shall be maintained by designated officer(s) in each LHO/Equivalent Business Unit or office designate.
- Unused manual receipt books shall be held under the control of a responsible official and kept under lock and key. A register shall be kept of the serial numbers of all unused manual receipt books and regular reconciliations¹ undertaken by a responsible official of the physical stock of unused receipt books to book stock as recorded in the register above. Any discrepancies between physical stock and book stock shall be brought to the immediate attention of the Regional Assistant National Director of Finance / Equivalent Grade or officer designate.
- All cancelled manual receipts shall be filed and held for audit

Computerised Receipts

- Patient Billing Systems shall issue a receipt to the payee.
- The copy receipt must be retained (manual or electronic).
- The Patient Billing System will retain the data pertaining to the receipt, which may not be altered.
- Detailed procedures concerning the operation of the receipting option within the Patients Billing System are contained in the instruction manuals of each system. Further details available at relevant Finance divisions.

13.8.5. No amendments are to be made to receipts. If an error is made the receipt must be cancelled. In the event that a receipt is cancelled, both the top and all copies must be retained in the receipt book as proof of cancellation. Sanction for this process requires sign off from Senior Line Managers.

¹ Where no fixed terms outlined, reconciliations/reviews in this regulation should be conducted at a minimum on a quarterly basis.

13.8.6. Spoiled or cancelled receipt originals and copies should be stamped with the word "cancelled" and a brief explanation of the reason for cancellation should be denoted on the face of the document.

13.8.7. In instances where duplicate receipts are requested, a copy of the original document, crossed "copy" can be furnished to the payee.

13.9. Receiving and depositing cash - cash registers

13.9.1. All income received must be processed immediately through the cash register, where applicable.

13.9.2. Cheques received and credit/debit card transactions must be supported by a valid card.

13.9.3. All cash register receipts must be handed to the customer at the time the income is received except where it is necessary to void/cancel an entry. In these circumstances the till receipts must be retained in the till drawer for cashing up purposes.

13.9.4. All income received and processed through the cash register must be placed in the cash register drawer immediately on collection.

13.9.5. There should be a daily reconciliation between monies received in Patient Billing systems and monies recorded in the cash register.

13.9.6. The cash register drawer must be closed before each transaction is processed and under NO circumstances should the cash register drawer be left open to process more than one transaction.

13.9.7. Cashier keys allocated to individual cashiers to gain access to the cash register must not be left in the cash register when not attended by the cashier.

13.9.8. Access to the daily/period reading, e.g. "X"² totals, must be restricted to members of staff involved in the day to day operation of the cash register.

13.9.9. Refunds must not be made from income held in the cash registers except where refundable deposits have been received.

13.9.10. Access to the clearance of cumulative reading, e.g. "Z" totals, must be restricted to a senior authorised member of staff.

13.9.11. Some cash registers have the facility to gain access to the cash drawer should the register breakdown. The relevant line Manager must ensure that access to this key is secured.

13.9.12. It is recognised that on occasions requests may be made for change and that this will necessitate staff having access to the cash register. Under these circumstances only staff with authorised access to the day to day operation of the cash register must carry out the transaction, i.e. the cashiers.

13.9.13. Where a number of cashiers have access to the cash register individual cashiers should be identified by user name on receipts where the cash register allows for this facility.

² In some systems this X reading is referred to as Z2 reading.

13.9.14. On the occasion of errors when using a cash register, e.g. press wrong key, the following must be applied:

- Over or under ringing must be brought to the attention of another member of staff who must initial the cash register roll.
- Where a transaction is to be voided (cancelled) then the member of staff with access to the void key must be contacted to void/cancel the incorrect transaction.
- Ideally this should be immediately before the correct entry is processed. Where it is not possible to void/cancel the incorrect transaction immediately the entry on the cash register roll must be initialled by the cashier and the customer receipt held in the drawer to facilitate the voiding of the entry at a later time by the authorised member of staff.

13.9.15. The 'cashing up' process should be carried out by two people.

- Officers should remove the cash float(s) from the register prior to cashing up and reconciling income received. The float should be kept separately from income, e.g. in a Float Bag, and retained in the safe or other secure cabinet. Under no circumstances should the float be kept in the register's cash drawer overnight or when the Business unit is closed.
- All income left after removal of the float should be counted and details recorded on relevant paperwork.
- Record the daily/period reading ("X" totals) from the cash register.
- Compare the total of income counted to the daily/period reading and calculate any overs or unders and record.
- The cashier and a witness should sign the relevant records for analysing the cash collected.
- At the end of the day (or designated business period) the designated Line Manager must take the cumulative reading from the cash register and record. Note the void key must not be used to alter the daily/period or the cumulative readings.
- The officer must compare the unique identification numbers of the previous and current cumulative readings to ensure that they run sequentially. Where these numbers do not exist then it will be necessary to carry out a reconciliation of the current and previous cumulative readings with the daily/period reading ("X" total). This is to identify any unauthorised use of the cash register between cashing up periods. Any discrepancies must be reported to senior line Manager immediately.
- The officer must question any significant over or unders between expected income (daily/period reading) and actual takings (cash, cheques counted and credit/debit card transactions, where received) and record the findings on the relevant documents.
- All material discrepancies should be reported to relevant Manager as soon as possible.
- The relevant line Manager must endorse the related documents.
- The relevant line Manager is responsible for the safe custody of the takings pending banking.
- The relevant line Manager must ensure that the empty cash register drawer is left open at the close of business to visibly demonstrate that no monies are present and prevent potential damage to registers in the event of a break in to the premises outside working hours.

13.10. Receiving and depositing cash from public telephones or coin machines³

13.10.1. This relates to those machines/telephones controlled by the HSE, i.e. where all income collected is to be paid to the HSE's bank account. Those machines/telephones that are administered by a third party, e.g. concessions, are not subject to these procedures unless HSE staff has access to the machines under the agreement with the concessionaire.

13.10.2. All keys must be kept securely and only issued to and used by members of staff authorised to do so by the relevant line Manager.

13.10.3. When it is required that machines/telephones are to be emptied the following procedure must be applied:

- Machines must be emptied by two members of staff.
- Those collecting the cash must jointly count, verify and record the income collected.
- A record of income collected from the vending machine or telephone must be maintained showing:
 - a. Date of collection,
 - b. Cumulative meter readings, if available,
 - c. Income receivable according to the meter readings,
 - d. Actual cash taken,
 - e. Any overs or unders. All overs and shortages must be recorded and any significant or persistent discrepancies reported immediately to the relevant line Manager.
 - f. Signatures of the two members of staff undertaking the collection.

13.10.4. Public telephones shall be emptied at least once a week by persons nominated by the relevant line Manager and the takings lodged.

13.11. Receipt and depositing of cheques

13.11.1. Where cheques are tendered by individuals at the time of the payment, i.e. not by post, the cheque should be supported by a cheque guarantee card unless otherwise directed by the relevant line Manager.

13.11.2. Where a cheque guarantee card is produced the following checks to the card must be applied before the payment is accepted and a receipt issued:

- The card relates to the person tendering the cheque.
- The card is current, i.e. has not expired
- The payment received is not in excess of the card limit. If this is the case then the cheque should not be accepted.
- The signature on the cheque is the same as that on the card.
- The cheque card number, expiry date and guarantee value are written on the back of the cheque.

It should be noted that where a cheque guarantee card is required it is not permitted to draw several cheques with individual values not exceeding that of the card to satisfy a payment that exceeds the value of the card.

13.11.3. All cheques should be payable to Health Service Executive and crossed "a/c payee only" and the location where received identified on the back.

³ This includes for example parking ticket machines

13.12. Electronic Deposits

- 13.12.1.** Direct Deposits allows authorised departments to deposit funds directly into the HSE Bank Account.
- 13.12.2.** Direct deposit arrangements should be agreed and approved in advance with the Assistant National Director of Finance, Vote and Treasury Directorate.
- 13.12.3.** Direct deposits should be regularly monitored and reconciled to bank documentation and or other relevant supporting records.

13.13. Receiving and depositing - Charge Cards

- 13.13.1.** The receipt of credit and debit card transactions will be recorded in accordance with the instructions laid down by the respective credit/debit card issuer when setting up the facility to receive such payments.
- 13.13.2.** Income from credit and debit cards will be controlled in much the same way as income received by cheque, i.e. card validation, but will need to be identified separately on banking records in order that the income can be traced when received through the banking system. This is because there is normally a delay in receiving income from these transactions.
- 13.13.3.** Where income is received by the use of credit or debit cards it must be determined that the card is current before the payment is accepted and a receipt issued. It may be necessary to contact the card issuer to determine that the level of credit available covers the payment to be received. This will be stated in the instructions of the card issuer. Check that the credit card expiry date is valid.
- 13.13.4.** The Cashier will process the credit card payment and issue a receipt.
- 13.13.5.** The original of the cashiers receipt and the copy of the credit card payment are to be sent / given to the payee. The copy of the cashiers receipt is to be attached to the relevant Receipt Book /Cashiers form or equivalent and supporting documentation and filed. The receiving department should account for the numerical sequence of all credit / debit card receipts to ensure that all are accounted for and this record should form part of the cash receipts backup journal.

13.14. Banking of receipts

- 13.14.1.** All monies received by departments must be lodged on the day of receipt into the local central receipts/banking section or direct to the bank unless prior arrangements have been sanctioned by the relevant senior manager in the location/business Unit. All approved banking arrangements should be documented by each location and reviewed periodically.
- 13.14.2.** It is recognised that where small amounts of income are collected it may not be practical or appropriate to same day bank. In such circumstances banking may be delayed at the discretion of the relevant line Manager. Stringent safety measures should be arranged to protect these funds with due care to ensure adequate insurance cover is in place. Refer to paragraph 13.23 for further guidance.
- 13.14.3.** All income received must be banked intact. Under NO circumstances must retentions or deductions be made to the takings to be banked.

- 13.14.4. Any shortages in income identified during the cashing up process must not be made up from other sources.
- 13.14.5. All overs identified in the cashing up process must be banked and under NO circumstances must they be removed from takings to be banked.
- 13.14.6. All overs and shortages must be recorded and any significant or persistent discrepancies reported immediately to the relevant line Manager.
- 13.14.7. Care must be taken to ensure that paying in slips are completed clearly in order that income can be identified by Cashiers.
- 13.14.8. The deposit should be checked by an independent officer and both officers should sign and date the relevant deposit documents.
- 13.14.9. A running total of collections shall be entered at the foot of each page of the receipt book or equivalent and when collections are banked the book or equivalent must be ruled off and totalled. A bank deposit reference number shall be entered against each lodged amount total.
- 13.14.10. Monies received by non-receipting locations should be forwarded immediately to a receipting location for lodgement. The onus is on the non-receipting officer to get confirmation of this transaction.
- 13.14.11. Care must be taken to ensure that supporting documentation is completed clearly in order that income can be identified by local Finance sections and allocated to appropriate cost centre codes. All journal entries must be reviewed, approved and recorded by designated employees in the Finance office.

13.15. Opening Bank Accounts

- 13.15.1. Prior to the opening of any bank account a mandate must be completed by the Assistant National Director of Finance Vote & Treasury and approved by two of the following three HSE officers
 1. CEO,
 2. National Director of Finance (DOF)
 3. Assistant National Director of Finance, Vote & Treasury
- 13.15.2. The request for formal approval must include the following details: -
 - o The purpose for which the account is required;
 - o The name and address of the bank;
 - o The account type;
 - o Expected cash-flow envisaged to be processed through the account on a weekly/monthly basis and related calculations;
 - o A list of cheque signatories/authorised officers.
- 13.15.3. Upon approval, the proposal shall be submitted to the selected financial institution that has the contract for HSE banking services (currently Ulster Bank Ltd).
- 13.15.4. Once designated as a HSE public depository, a financial institution will retain that status until the expiration of the tender period or the National Director of Finance/CEO rescind such status or the financial institution no longer meets the HSE qualifications of public depository.

- 13.15.5. This process need not be followed for expanded accounts or minor changes in services within an existing contract.
- 13.15.6. The title of each bank account opened must incorporate the name of the HSE and “Public Bank Account” in its title. Under no circumstances are accounts to be opened in the name of any individual HSE officers.
- 13.15.7. All new bank accounts are Public accounts and require Department of Finance approval prior to consultation with the financial institution.

13.16. Authorised Signatories and Cheques

- 13.16.1. Requests for approval of signature authority shall be submitted to the delegated officers of the HSE Board for certification. The request shall stipulate the account title and number, the public depository and the person(s) who are to have signature authority.
- 13.16.2. Signatory authority shall be set out by the HSE Board or delegated officers and shall be for an indefinite period unless the HSE Board stipulates a specific period.
- 13.16.3. The Assistant National Director of Finance Vote & Treasury or the CEO designate shall maintain a file of individuals who currently have signature authority on state accounts held in public depositories.
- 13.16.4. If an individual is deleted from the list of authorised signers and not replaced, the CEO is not required to seek approval of the HSE Board. The CEO will, however, be required to notify the financial institution of the change. Notice will also be given to the designated officer with responsibility for updating the signatory register.
- 13.16.5. The National Director of Finance shall conduct a periodic review of the file of individuals who have signature authority to ensure that it has been properly maintained.
- 13.16.6. To facilitate the signing of cheques when manual signatures are impractical facsimile signature are permitted. The designated facsimile signatures will be the CEO and the National Director of Finance or officer designate(s).
- 13.16.7. To facilitate the approval of EFT electronic signatures are allowable.
 - Set up of these signatories requires approval as above in Opening Bank Account.
 - The control and use of passwords must be strict and monitored regularly by officers designated by the National Director of Finance.
 - Only essential personnel as designated under the approval process above should be signatories on these electronic banking functions.

13.16.8. Cheques

- All cheques and withdrawal slips must be signed by at least two of the authorised officers.
- All cheques must only be signed on foot of original supporting documentation, i.e. invoices.

- Under no circumstances shall blank cheques or withdrawal slips be pre-signed by any authorised officer.
- Cheques made “payable to cash” are not permitted and the signatories should not sign cheques payable to themselves.
- A register of cheque books shall be maintained at the location which operates the account. The following details must be recorded in the register.
 - (a) cheque numbers (start/end);
 - (b) date received;
 - (c) signature of recipient of cheque book.
- Cheque payments/withdrawals should ideally be replaced with EFT’s.
- Any HSE cheques which are to be cancelled should immediately be rendered non-negotiable. A replacement cheque can be issued where applicable and with approval of appropriate Line Manger.
- Un-presented cheques relating to the previous fiscal years should be transferred to the General Ledger Suspense Account by Finance annually. Cheques which remain un-presented prior to the previous fiscal year, i.e. greater than twelve months outstanding, should be recognised as revenue and cleared from the Suspense Accounts.
- Any replacement cheque will only be issued after it is verified that the original cheque is still outstanding and that a stop payment has not been done, nor has it been replaced.

13.17. E-Banking and EFT

- 13.17.1. EFT is to be used in the HSE for direct payments to employee and creditor accounts and for the collection of receipts from debtor accounts where feasible.
- 13.17.2. The CEO delegates the authority to make electronic fund transfers to a designated administrator, the National Director of Finance who appoints his/her designees for the day to day administration of the system. Arrangements should be made with the bank to keep on file a certified copy of these permitted delegations.
- 13.17.3. Disbursing banks will be instructed to make electronic transfers to approved accounts upon receipt of written/electronic authorisation. A list of approved accounts and signatures will be provided to each disbursing bank.

13.18. Register of Bank Accounts

- 13.18.1. A Register shall be maintained in the HSE Vote & Treasury Finance Directorate and contain the following information: -
 - (a) Name of account
 - (b) Location of account
 - (c) Type of account
 - (d) Account number
 - (e) Decision number (approval reference number)
 - (f) List of authorised signatories
 - (g) Year-end balance

13.19. Closure of Bank Accounts

- 13.19.1. In the event of an account being discontinued, a Final Reconciliation Account must be prepared and submitted to the National Director of Finance.
- 13.19.2. The recorded cash on hand must be lodged to the relevant bank account, where applicable.
- 13.19.3. Notice must be given to the office of the Vote & Treasury Finance Directorate or the CEO designee to update the Register.
- 13.19.4. All documentation relating to closure of accounts shall be retained for audit purposes.

13.20. Cash Management Process ⁴

13.20.1. HSE Corporate Cash Drawdown Operational procedures:

- Agencies must submit cash requirement reports upon request. Standard data collection forms will be issued from HSE Finance Vote & Treasury Directorate on a weekly basis in the case of HSE Agencies and on a monthly basis on the case of HSE Voluntary Agencies.
- Cash requests are allocated and compared to weekly/annual limits taking account of budget which is still due to be allocated.
- Weekly payment run is determined and the cash ordered from the DOF by Pay Master General (PMG) electronic interface.
- Agency payment runs are input on the financial system and the remittance advices are sent via email. Payments are normally set up for daily delivery processed on Thursday each week.
- Payee and payment files are exported to the Banks Internet Banking Systems where relevant authorisation takes place and payments are sent.
- Actual cash drawn is monitored against 'available profile'. Over cashing should be limited and controlled on a managed basis.
- Regular meetings must be held with all agencies where cash issues are discussed and resolved. Only designated finance treasury personnel should meet the relevant financial controllers.
- Statutory Cash floats are to be minimised with a daily average recommendation of €5m. All surplus cash should earn interest at a competitive rate within the terms of the HSE Single Banking contract.
- Voluntary Bank Balances are to be monitored monthly by HSE Corporate and reduced in so far as practicable.

⁴ For additional details and explanation refer to the Vote & Treasury, Finance Directorate

13.20.2. Cash Management Procedures – HSE Voluntary Agencies only:

- A full year's monthly cash profile for the HSE must be submitted to the DOF each January.

The HSE is held to its own internal monthly profile with the DOF and in turn the HSE holds the HSE agency to their monthly profile.

- In the absence of such a profile, agencies are kept to a monthly 1/12th of prior year annual cashings.
- Monthly limits may be exceeded, but only in exceptional cases. All agencies are required to be cash neutral by year-end. If not then cash overrun becomes first charge on following year.
- Actual cash delivery procedures as described in 13.20.1 above

13.20.3. HSE Corporate, Capital Cash Management Procedures

- A full year's monthly cash profile for the HSE must be submitted to the DOF each January.
- The HSE is held to its own internal monthly profile with the DOF and in turn the HSE holds the HSE business units to their monthly profile.
- In general, the same cash delivery procedure as above applies for making Capital EFT payments to agencies and business units.
- The cash ordering is unique in that agencies submit a Form "A" before payment can be made. HSE Corporate process these payments on foot of a valid Form "A"

A "Form A" is a certified completion document for work done, signed off by the appropriate personnel at HSE Operational level⁵.

To validate a Form A the following checks must be completed

- The claim must be for an approved project,
 - The claim must not exceed the full total of the capital project,
 - The claim must be with in the yearly profile for the project,
 - The form must be valid arithmetically,
 - The form must be properly authorised by two designated signatories, and dated accordingly.
- Additional monies are paid through capital for Clar, and Rapid on behalf of Department of Community, Rural and Gaeltacht Affairs and recouped and Pobal funding which are outside the HSE Vote.
 - Additional monies are paid through Revenue for Nursing monies on behalf of the Department of Health and Children (DoH&C), which is outside the HSE Vote and are recouped from the DoH&C.

⁵ For additional information and assistance with this process contact HSE Finance Capital Directorate.

13.20.4. HSE Corporate Procedure for Statutory Revenue Cash Drawdown HSE Business Units

- A full year's monthly cash profile for the HSE must be submitted to the DOF each January.
- The HSE is held to its own internal monthly profile with the DOF and in turn the HSE holds the HSE business units to their monthly profile.
- In general final cash levels in a year forms the basis of next year's cashings until final allocations for the New Year are issued to each Regional Area. During this interim period agencies should apply the rule:

Maximum cash that a former HSE predecessor bodies i.e. Area Board should draw down = 1/12th of final cash for the previous year.

- When Regional budgets are allocated, each Regional area must provide a monthly cash profile for the year, which agrees with available cash.
- This monthly cash profile must be signed off by the Assistant National Director of Finance / Equivalent Grade. This is deemed necessary as cash is paid centrally to several cash points within a regional area.
- Each area must adhere to its own cash limits. The following applies for each year: Cash Limit = I & E Budget = Gross Vote Budget less Agencies own projected collectable receipts

- Steps to be taken when Cash required is accelerated beyond available Monthly Profile:

- The agency must identify and explain the main factors causing the increased demand for cash. Cash can not just simply be accelerated on demand. In the event that cash is being accelerated beyond the profile, then the cash point must submit a revised cash profile showing how it intends to recoup the over-cashing in the remainder of the year.

These details must be signed off by the Assistant National Director of Finance / Equivalent Grade. Any cash accelerated to individual cash points can only be done so on the basis that regional cash limits will be adhered to within the calendar year.

- Please forward these details to:
General Manager, Treasury, HSE-Corporate, Mill Lane, Palmerstown, Dublin 20
- HSE – Corporate will do as much as possible to meet the cash required, within HSE -Corporate permitted limits.
- This type of cash acceleration requires signoff by Assistant National Director of Finance Vote and Treasury or National Director of Finance

- Steps to be taken when Cash required is greater than the Annual Cash Available:

- The agency unit must identify and explain the expected cash shortfall.
- The annual cash projection needs to be identified and explained.

- Where a cash deficit is projected, each Regional area will need to develop remedial courses of action to remain within the maximum annual entitlement. Transparent cash point management may result in using temporary inter cash point transfers so that regionally areas remain within their agreed cash limits.
- Details of the shortfall and remedial action to be taken should be signed off by the Assistant National Director of Finance / Equivalent Grade and forwarded to:

Assistant National Director of Finance Vote and Treasury, HSE West – MW, Stewarts House, Plassey Technology Park, Limerick
- A copy should also be sent to:
General Manager, Treasury HSE-Corporate, Mill Lane, Palmerstown, Dublin 20
- Release of cash beyond the available annual profile will require sign off by the National Director of Finance.
- Funding of cash deficits must be managed in a clear and transparent manner. This can only be done through clearly identifying the problems, developing remedial actions, securing and allocating extra resources as required. HSE Vote & Treasury Finance Directorate will co-operate with HSE business units to ensure that cash requests can be met.
- Actual cash delivery procedures as described in 13.20.1 above.

13.21. Forms and Documentation

- 13.21.1.** All HSE officers are responsible for the prompt reporting of receipted and lodged amounts to relevant receipting sections to facilitate prompt banking. In addition officers are responsible for the reporting to the local finance division in order that the financial systems are updated in a timely manner.
- 13.21.2.** Offices must ensure that all sections of appropriate records are properly completed prior to approval.
- 13.21.3.** Incomplete documents lead to delays in processing and recording of information which can result in inaccurate management data.
- 13.21.4.** Forms which have not been sanctioned by the appropriate Line Managers authority will not be processed.

13.22. Reconciliation of Bank Accounts

- 13.22.1.** All bank accounts shall be reconciled on a monthly basis.
- 13.22.2.** The reconciliation is to be completed by an appointed officer independent of the banking operations.
- 13.22.3.** The officer must investigate and resolve any discrepancies and certify and date the reconciliation account.

- 13.22.4. Bank statements must be sent to the appropriate Finance Manager who will forward them to the appointed officer for reconciliation.
- 13.22.5. The designated General Manager in the Vote & Treasury Finance Directorate must certify on an annual basis, to the Director of Finance, that all bank accounts have been reconciled up-to-date.
- 13.22.6. Details of the reconciled year-end balance on each bank account must be submitted each year to the Director of Finance for inclusion in the HSE Board's Annual Financial Statements and HSE Vote Return.
- 13.22.7. Evidence of reconciliation must be retained for audit purposes.

13.23. Security

- 13.23.1. Line Managers have responsibility to remain informed of the insurance cover pertaining to the handling of cash in their location. Care should be taken to avoid holding amounts in excess of the above authorised limits. A detail of insurance cover is available from HSE Annual Financial Statements & Governance Finance Directorate.

To ensure adequate insurance cover annual notification is required from the LHO Manager/Equivalent Grade of the approximate maximum amount of cash to be held in each business unit at any time during the year and confirmation that written procedures are in place to ensure safeguarding of cash.

- 13.23.2. Where cash and cheques are received the following controls must be applied:
 - Authorised members of staff only shall be given access to safe and key/combination numbers and the keys/combination numbers must be retained on the officer(s) at all times when on duty.
 - Where safe keys and/or combination numbers are given temporarily to a member of staff not normally authorised to hold them, e.g. holiday cover, written permission must be given by the relevant line manager in the receipting location.
 - Any loss of a safe key or instances where an authorised key holder(s) or combination holder leaves the HSE, changes employment or temporary cover ends must be reported immediately to the designated Line Managers.
 - Each Finance Division should maintain a list of all safes including location, type and insurance limit. This should be reviewed annually by a designated officer.

Where safes are not operated the following must be applied:

- All income must be stored in a lockable cash box and lockable cupboard pending banking.
 - Access to the cupboard /drawer/cash box must be restricted to member (s)of staff with authorised access only and keys must be retained on the officer(s) at all times when on duty.
 - Where a member of staff is given temporary access to the lockable cupboard /drawer/cash box written permission must be obtained from the relevant Line Manager or designated person.
- 13.23.3. Cash must not be forwarded through internal/external mail due to the risk of loss or theft.

- 13.23.4.** Transporting deposits between HSE locations or to the bank must be accomplished in a secure manner in order to protect the financial assets and the individual in transport. The number of staff to accompany money in transit must be in accordance with the provisions set down within the HSE's insurance policies.
- 13.23.5.** To reduce cash handling, alternate methods of payment should be offered to the HSE customers.
- 13.23.6.** Security of Cheque Books /Cheque Stationary
- There shall only be one cheque book in use at any time.
 - Cheque books in use, together with used cheque stubs, and cheque stationary must be retained in a secure location, e.g., safely locked cabinet.
 - Stock counts of cheques should be carried out on a regular basis, at a minimum twice a year.
 - Where facsimile signatures are used to endorse a cheque these facsimiles and plates must be held in a secure location e.g. safely locked cabinet
- 13.23.7.** Electronic Charge Card payments
- The HSE has established contracts, incorporating the necessary security provisions, for many system and service components needed for the acceptance and processing of electronic credit card transactions. Where such contracts exist, all business units processing electronic credit card payments are required to utilise them. If a required service is not already covered by a HSE contract, the business unit must work through the National Director of Finances office to identify and contract for approved necessary services and ensure the security of those services.
 - Any HSE computer, Web site, software application, or other device connected to the campus network that is involved in any way in the processing of credit card payments must undergo a security review by and receive approval from the ICT Directorate before credit card processing
 - Credit card numbers shall not be transmitted via e-mail or stored in a persistent manner on any HSE computer, storage device, or other electronic medium.
 - Any associated paper or other records or reports containing credit card client information shall be stored in locked cabinets and access shall be limited to only those employees who need this information to accomplish their work.
- 13.23.8.** Security issues re E-Banking:
- Strict security features must be agreed with the bank and communicated to all officers engaged in the process.
 - The HSE has established contracts, incorporating the necessary security provisions, for many system and service components needed for the EFT transactions. Where such contracts exist, all business units processing EFT are required to utilise them.
 - The person(s) appointed as Administrator(s), by the National Director of Finance is/are responsible for
 - i. setting up Authorised Users and has full responsibility for the level of access provided
 - ii. ensuring the Users receive adequate training.
 - iii. ensuring that any HSE computer, Web site, software application, or other device connected to the network that is involved in any way in the

processing of credit card payments must undergo a security review by and receive approval from the ICT Directorate before credit card processing

13.23.9. Cash Registers must be suitable for the purpose intended and management must take care when considering what type of cash register to purchase. Advice should be sought from HSE Procurement when purchasing cash registers to ensure suitability.

- Access to cash registers must only be given to members of staff who have the written authorisation of the relevant LHO Manager/Equivalent Grade to use that cash register.
- Access to the day to day operation of the cash register must be restricted to those members of staff authorised and trained in the 'cashiering' function.
- Keys allowing access to daily/period reading are to be held on the person of the authorised key holder(s), and under no circumstances should be left in the cash register.
- In the event of a cash register breakdown, manual official HSE receipts must be used in respect of all income received.

13.24. Stationary and Financial Records

13.24.1. Stringent controls must be applied to all controlled stationery used for the collections, recording and banking of income. Examples of controlled stationery are receipt books, cheque books.

13.24.2. All controlled stationery must be held securely.

13.24.3. All issues of controlled stationery must be in strict numerical order.

13.24.4. A record must be maintained to record controlled stationery received into stock and issued from stock showing:

- date of receipt or issue.
- numbers of items received/issued.
- Details of officers who have received stationery.
- Signatures of issuing/receiving officers.

13.24.5. A record showing stock levels must be kept up to date.

13.24.6. Line Managers must ensure that an independent and evidenced check is carried out of the stock held and recorded in the stock record.

13.24.7. All income records such as used official receipt books, used cash register rolls, paying in slips etc. must be retained in a secure and identifiable manner for the prescribed period or until an audit has been carried out, whichever is the later.

13.25. Checklist and Sign Off

- 13.25.1.** Each business unit must prepare and enforce a sign off procedure for each area of responsibility within their remit.
- 13.25.2.** All employees who are involved in these processes must be fully inducted in the workings of the procedure.
- 13.25.3.** This list must include but not be limited to the following:
- a. Check that each receipting section keeps a reconciled receipt and deposit book indicating on the debit side details of each receipt issued (date, paying-in and amount) and on the credit side details of lodgement made (date, paying-in slip, number and amount) and is closed off regularly and certified by appropriate officers.
 - b. Check that each responsible officer submits to the local Receipts Department, a signed statement certifying that all moneys received for the period have been receipted and lodged.
 - c. Check that the totals of moneys "returned as lodged" on the debtors' returns at the period end reconcile with the amounts reported as income in the monthly financial system Control Report.
 - d. The cash in hand should be "spot checked" periodically.
 - e. Check cyclically that bank accounts and imprest accounts are reconciled and any discrepancies were resolved and notarised. All queries should be resolved prior to close off of the account.
 - f. Check cyclically that the register of bank accounts and imprest accounts are valid and up to date.
 - g. Check the file of individuals who have signature authority to ensure that it has been properly maintained.
 - h. Check should be performed and evidenced by a member of staff not involved in the emptying and cashing up of registers and vending/telephone machine takings:
 - Verification that the cumulative asset computer readings run sequentially. Any break discovered in the cumulative readings must be reported to the relevant line Manager for investigation, and the incident and action taken formally recorded.
 - Review records to ascertain whether there is an excessive level of unders or overs. Where these are detected, the relevant senior Manager must be informed immediately in order that the matter can be investigated to determine whether there is any likely misappropriation of HSE income.
 - Verify that income collected as detailed on the record of income collected has been banked.
- 13.25.4.** Each business unit must nominate an employee with responsibility for ensuring that the checklist is completed and signed by relevant officers in each process.
- 13.25.5.** The employee who is nominated to complete the checklists for each of the cost centres within the business unit must present completed checklists for sign off to their Line Manager at agreed interval.
- 13.25.6.** Assistant National Directors/Equivalent grades or designated officers are responsible for ensuring that the above control procedures are adhered to in order to minimise misappropriation or mis-posting of cash and debtors balances. To this end it is their responsibility to ensure that there are nominated employees in place to complete and sign off checklists for each area under their remit.

13.26. Training

- 13.26.1.** Any person responsible for cash collection, retention and banking administration should be appropriately trained and must maintain for ready reference complete and up to date manuals dealing with specific internal controls to minimise the occurrence of loss, or misappropriation and misstatements in the financial records. It is the responsibility of the LHO Manager/Equivalent Grades to ensure that appropriate training sessions are provided for essential personnel in these processes.
- 13.26.2.** Persons with assigned cash handling responsibilities should be given clear written procedures regarding their responsibilities with regard to the handling and control of cash collections and banking. At a minimum, persons handling cash should be required to read these cash handling procedures and sign a copy acknowledging that they have read and understand them at the end of the training sessions.

13.27. Reporting of Irregularities

- 13.27.1.** Any member of staff who considers that there may have been a theft or other case of misappropriation of the HSE's income must inform their line manager immediately. The manager to whom the matter has been reported must inform their Local Health (LHO) Manager or equivalent grade, Regional Assistant National Director of Finance, the HSE National Director of Audit and the National Director of Human Resources for the appropriate action.

13.28. Inter-Departmental Communication

- 13.28.1.** It is the responsibility of each LHO Manager/Equivalent Grade to ensure that there is effective co-ordination between LHO/Equivalent Business Unit, Finance Sections and receipting sections to ensure minimisation of misstated financial records and statements, and mitigate the risk of mislaid or stolen goods.
- 13.28.2.** Each business unit must prepare and implement a procedure outlining this communication process. This procedure must be available for review purposes to Internal Audit and the Office of the Comptroller and Auditor General upon request.

13.29. Segregation of Duties

- 13.29.1.** It is the responsibility of each Regional Assistant National Director of Finance / Equivalent Grade and the LHO Manager/Equivalent Grade to ensure appropriate segregation of duties to eliminate possibility of collaboration. This means the functions of (1) authorising disbursements, (2) handling cash and cash equivalents and (3) receipting or posting of the cash and cash equivalent and (4) accounts reconciliations are not performed by the same person.

13.30. Audit

- 13.30.1.** The external and internal auditors of the HSE have the right to unrestricted access to all premises, vouchers, documents, books of account, and computer data and to any other information which they consider relevant to their enquiries and which is necessary to fulfil their responsibilities. Both internal and external

auditors also have the right to verify assets and the right of direct access to any employee or person responsible for the administration or management of HSE funds with whom it is felt necessary to raise and discuss such matters.

- 13.30.2.** Checking of cash and bank accounts by the Auditors may take place at regular intervals and on unscheduled dates as part of unannounced inspections, in each financial year and in accordance with best practice auditors checking cash balances should do so in the presence of a responsible officer.
- 13.30.3.** Every officer who receives moneys on behalf of the HSE Board shall attend at such place and at such time as may be appointed by the Auditor and shall submit his/her books, accounts and paying-in slips for examination and checking.
- 13.30.4.** Where any irregularities are disclosed at the checking of the accounts of an officer, the Internal/External Auditor shall report such irregularities to the relevant manager and notify the relevant Regional Assistant National Director of Finance / Equivalent Grade, who shall adopt the appropriate actions.