



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

**HEALTH SERVICE
EXECUTIVE
NATIONAL FINANCIAL
REGULATION
VOLUNTARY DONATIONS,
GIFTS, BEQUESTS,
MEMBERSHIP OF BOARDS
AND COMMITTEES**

NFR-17

NFR-17 **Voluntary Donations, Gifts, Bequests, Membership of Boards and Committees**

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17.1. Introduction

17.1.1. This regulation forms part of the National Financial Regulations of the Health Service Executive (HSE). The National Financial Regulations are part of the overall system of Corporate Governance and Internal Control within the organisation.

17.2. Purpose

17.2.1. The purpose of this document is to set out the governance arrangements which apply where unsolicited bequests, donations or gifts are received by the HSE or where funds are raised by committees/boards, in order to improve or complement services provided by the HSE, and in which the HSE has a direct or indirect input. Examples of such input include staff participation on committees/boards, or where HSE resources are used to promote, maintain or manage such funds or use of the HSE's name or a HSE facility name.

17.2.2. This regulation is not intended to cover instances where HSE employees are involved in pre-licensed external fundraising activities within HSE facilities e.g. for GOAL. In such instances employees must inform their Line Managers of their proposed fundraising intention prior to the event.

17.3. Voluntary Donations, Gifts and Bequests to Staff

17.3.1. In accordance with the Department of Health's A Code of Conduct for Health and Social Service Providers ("the Code"), employees should avoid receiving benefits or hospitality of any kind from a third party which might reasonably be seen to compromise their personal judgement or integrity and report such instances to their line manager, retaining only those of nominal value.

17.3.2. Every care must be taken to ensure that:

- i. any acceptance of hospitality does not influence, or is seen to influence, the discharging of official functions and
- ii. that there are clear and appropriate standards in place which have been notified to all employees in relation to payment for work on behalf of outside bodies. Any hospitality received should be of nominal value. All hospitality received must be disclosed to the employee's superior.

17.4. Organised Voluntary Fundraising

17.4.1. In the case of organised voluntary fundraising activities, the objectives of the fund should be set out in writing, agreed with the Hospital Network Manager/ CHO Head of Service or equivalent grade and approved by the CHO Head of Finance or Hospital Accountant. A licence must be obtained in respect of fund raising events by applying to the local Garda Station on an application form. The completed form must be signed by the Hospital Network Manager/ CHO Head of Service or equivalent grade and sent to the Garda Superintendent's Office for formal approval. The fundraising event may not proceed unless the required licence has been obtained from An Garda Síochána.

17.4.2. Notice of all voluntary fundraising activities must be given by the Hospital Network Manager/CHO Head of Service or equivalent grade to the Office of the Communications Director at least two weeks prior to the event taking place.

17.4.3. The participation of staff in the running of such fundraising committees/boards and/or the use of HSE resources (either directly or indirectly) must be approved by the appropriate Hospital Network Manager/ CHO Head of Service or equivalent grade.

17.4.4. Written guidelines consistent with the Fund's objectives must be drawn up to indicate methods, in general terms, to be used to collect monies and govern the making of disbursements from the fund. The guidance must set out the relevant fund officers' responsibilities in relation to general financial accountability around such funds (i.e. proper books of accounts to include at a minimum; management of receipts books, setting up bank accounts, bank reconciliations, annual audited accounts etc). Such guidelines must be approved by the appropriate Hospital Network Manager/CHO Head of Service or equivalent grade.

17.5. Unsolicited Donations, Gifts and Bequests

17.5.1. In cases other than voluntary fundraising activities, e.g. where an unsolicited gifts or monies are donated to the HSE, the following confirmations must be obtained by the HSE staff member accepting the gift / donation:

- (i) Whether the gift / donation is intended for a particular purpose specified by the donor;
- (ii) If there are any conditions attaching to the gift / donation;
- (iii) Whether the gift / donation is intended for the HSE, or for another charitable organisation, separate to the HSE¹ (e.g. 'Friends of X Hospital', 'X Hospital Patients' Comfort Fund', etc);

It is crucial to establish particulars in relation to (iii) above, as different procedures will apply depending upon whether the gift / donation is to the HSE or to a separate charitable organisation, see 17.5.4 and 17.5.5 below.

17.5.2. Gifts in excess of €100,000 must be approved by the Board of the HSE.

17.5.3. All donors must be issued with a signed official receipt for the gift, donation or bequest in addition to a Letter of Acceptance (Refer Appendices for sample letter)

17.5.4. Where the gift, donation or bequest is to the HSE, the following procedure applies:

- (i) The funds must be immediately lodged to the HSE bank account;
- (ii) If the donation is for a purpose specified by the donor, the income must be coded to 'deferred income' in the accounts of the HSE.
- (iii) If the purpose of the donation is not specified, the income must be coded to 'sundry income' in the accounts of the HSE.

17.5.5. Where the gift, donation or bequest is to a separate charitable body other than the HSE, the following procedure applies:

- (i) The funds must be immediately remitted to the separate charitable body;
- (ii) An official receipt from the separate charitable body must be obtained by the HSE for the funds remitted.
- (iii) The funds must not under any circumstances be lodged to a HSE bank account.

¹ It is recommended that the HSE officer assist a donor with arrangements to furnish the gift/donation directly to the separate charitable body.

(iv) Governance arrangements for the administration and operation of such funds are a matter for the separate charitable body in accordance with Section 17.7 below.

17.5.6. Refer Appendices for sample documents to be used in the above processes.²

17.5.7. In instances where the gift is in the form of an asset and/or where a donation is used to purchase assets these assets shall be recorded in the HSE Fixed Asset Register, where appropriate.

17.5.8. If a gift or donation of shares is being received by the HSE, the acquisition of shares by the organisation requires the prior written approval of the Minister for Health (in accordance with The Code of Practice for the Governance of State Bodies which requires prior written approval to be received from the state bodies relevant Minister in respect of the acquisition of shares).

17.6. Disbursements from Funds Held for a Specified Purpose

17.6.1. Where expenditure is to be incurred from funds, prior written approval³ must be obtained from the Regional Assistant National Director of Finance or their approved delegate. The Assistant National Director of Finance must be satisfied that the expenditure meets the conditions attaching to the donation before approval is granted.

17.6.2. On granting approval for the purchase, the Assistant National Director of Finance or their approved delegate will arrange to have the approved funding transferred by journal into revenue income in the accounting period. This income will be assigned to the cost centre against which the approved expenditure will be coded.

17.6.3. The purchase order may then be placed with the supplier by the requisitioner.

17.6.4. An account of all transfers from deferred income must be maintained and reconciled on a monthly basis to ensure that transfers from this account are properly authorised and applied for the purpose specified. The Regional Assistant National Director of Finance shall designate a responsible officer for this process.

17.7. Governance and External Organisations

17.7.1. HSE employees, in addition to fulfilling their official roles, also participate/contribute to the work of external organisations. However, employees must still meet obligations to the HSE when engaged in certain outside activities and the HSE must ensure that it is aware of potential and actual risks and conflicts of interest.

17.7.2. The Department of Health's A Code of Conduct for Health and Social Service Providers (the Code) sets out the obligations of employees. This includes the need for employees to avoid conflict of interest and to be impartial in the

² These forms may be amended to acquire compatibility with the relevant Systems, while ensuring that the details on the standard forms constitute the minimum data to be captured for each process.

³ The following details must be included at a minimum: items description, quantity and value of the spend, along with confirmation that the expenditure is consistent with the express purpose for which the funds were intended.

performance of their duties. Further details and guidance can be obtained from the Code.

17.7.3. The Code also requires employees to respect the privacy and confidentiality of individuals, providers and the health service by not improperly disclosing, during or following termination of his/her employment, any information gained in the course of their work and by understanding and adhering to relevant legislation⁴.

17.7.4. Employees may not engage in outside business or activity which would in any way conflict with the interests of their departments/offices. Employees shall not accept an appointments, or particular consultancy project, where the employees concerned believe that the nature and terms of such appointment could lead to a conflict of interest or the perception of such, without first obtaining the approval of the Human Resources Department of the HSE.

17.7.5. The above obligations come into sharp focus when employees engage in outside activities and, particularly, when employees become members of other organisations. The following principles should apply in relation to any employee's accepting an appointment on an external organisation's board.

- All nomination requests are reviewed by the Secretary to the Board of the HSE who will decide if there is valid requirement to have HSE representative on the board. He will also ensure that all related terms of references are reviewed and do not conflict with HSE policy.
- HSE employees should not sit on external boards unless a case can be made (in writing) that the appointment to the external board is in the interest of the HSE, the wider health sector or the public good;
- In general, no conflict of interest or risk to the HSE should exist. In exceptional circumstances, the HSE might wish to make a nomination to an external board where some conflict/risk may be anticipated. However in these instances, the benefits of proceeding with the nomination should far outweigh any exposure to possible risks;
- Any proposal by an employee to accept an appointment should be supported by his/her supervisor and endorsed by the relevant National Director prior to submission to the Secretary to the Board of the HSE.
- These will then be forwarded to the CEO for approval;
- The approval to an appointment to an outside board should specify a review date;
- Any material change in the operation or business of the outside organisation which might create an increased risk to the HSE should be notified by the employee to his/her supervisor who will make a recommendation to his/her National Director as to whether the existing approval is confirmed or withdrawn.

17.7.6. Ministerial Appointments of the HSE Nominees

A number of positions on the boards of health sector organisations have been reserved for HSE nominees. These appointments are made under legislative provisions by the Minister. Such appointments are already the subject of discussion with the Department of Health and this will be concluded. The HSE has stated it would be inappropriate for it to make nominations because:

- Inconsistency with the conflict of interest aspect of the HSE's Code of Governance;

⁴ Including the Data Protection Acts 2001 and 2003, the Freedom of Information Acts 1997, 2003 and 2014, the Health Acts 1947 to 2007, the Mental Health Act 2001 and the Health Identifiers Act 2014

- Changed approach to corporate governance, where appointments are not being made on a representative basis, but rather competence for the position;
- Not aligned with the provisions in the Health Act, 2004, which covers the appointments to the HSE Board (section 11.2 refers);
- The requirement to have a representative role is reduced by virtue of the service level agreements drawn up with provider agencies.’

17.7.7. HSE Subsidiaries

A project is currently underway in the Finance Directorate to phase out subsidiaries. Employees have accepted appointments on these subsidiaries and their appointments will terminate as these subsidiaries are wound-down or floated as separate entities.

17.7.8. Past HSE (or health board) Appointments to Outside Bodies

It is clear that HSE employees are members of many outside bodies, with formal and informal structures, such as voluntary organisations (many in receipt of HSE funds), cross sectoral organisations (e.g. county development boards), partnerships and functional/professional organisations. These memberships should now be reviewed in the light of above principles and a register of approved memberships will be held centrally by the Secretary to the Board of the HSE.

17.7.9. Employee Memberships of Outside Bodies – Personal Appointments

An employee accepting an appointment to an outside body, where such appointment may be, or could be interpreted as being, in conflict with his/her official HSE role or HSE policy, should ensure that the appointment is being accepted in a personal capacity. It would be good practice that employee’s would specify to the outside body, in writing, the personal nature of their acceptance of appointments.

17.7.10. An employee with a relationship or an interest in a business entity should declare such relationships/interests to their Line Manager - whether or not the business entity provides a service or goods to the HSE. Such interests should be entered in a central register. Where a business interest/relationship is deemed to be inappropriate by the supervisor, the employee should be so advised and the employee should confirm within a defined period that this interest/relationship has been discontinued. A register of interests declared under the Ethics in Office legislation is already maintained by the HSE.

17.7.11. One person one salary principle.

It is a requirements that public servants ⁵ who sit on state boards in an ex officio capacity or on behalf of their parent department/organisation or who may be nominated/appointed to such board positions independently of their public service employment should not be paid remuneration in the form of board fees when serving in such a representative capacity.

Public servants serving on board related positions and in receipt of a fee should have ceased from 1 November 2011.

The payment of board fees to public employees who sit on their own organisations board or the boards of other public sector organisations (e.g.

⁵ Department of Finance E109/247/74 2006 (revised 2011)

commercial state companies, non commercial state agencies and so on) should be reviewed in the context of any contractual obligations that may pertain and be discontinued.

Where contractual obligations may prevent the proposed discontinuance of such board fee payments the necessary arrangements should be immediately put in place by the state body in order to end such payment practices at the earliest possible date.

17.7.12. Governance and operation of separate charitable bodies is a matter for the body itself. The HSE may not exercise any jurisdiction over the governance or operation of a separate charitable body / voluntary fundraising committee/boards. The exercise of any jurisdiction by the HSE over such an entity could constitute a 'controlling influence' as defined by the Companies Acts 1963-2002, thus deeming the entity a subsidiary undertaking of the HSE.

17.7.13. An annual written disclosure stating the name of the organisation, the position held by the employee, whether remuneration was being received and confirming their compliance with the directives of this regulation is required to be submitted with the annual Controls Assurance Statement. If no return is made it is assumed to be a NIL return. Refer Appendix 1 for copy of the form to be completed in fulfilment of this disclosure requirement.

17.8. Effective Date

17.8.1. This financial regulation applies to all HSE employees with immediate effect and supersedes all previous regulations in issue relating to voluntary donations, gifts and bequests.

17.8.2. Assistance will be provided by the Finance Directorate, if required, in completion of the documentation required above.

17.8.3. Additional information regarding this regulation should be addressed to the Assistant Chief Financial Officer Finance Specialists.

17.8.4. 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.

17.8.5. Requests for deviations from specified directives should be made in writing to the above Assistant Chief Financial Officer Finance Specialists, and may be implemented only after written authorisation is received from the National Finance Director.

17.9. Appendices
Appendix 1:



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

Statement of Positions held in External Organisations XXXX

For the purposes NFR-17 Voluntary Donations, Gifts, Bequests, Membership of Boards and Committees

Please complete in **BLOCK CAPITALS**

Name:	
Title:	
Title of Position held: (e.g. board member, director, appointed ⁶ office etc.)	
Organisation:	
Purpose of Organisation:	
Date of Appointment:	
Period⁷ Covered by this Statement:	
Address for Correspondence:	
Remuneration YES/NO⁸	

I hereby state that, I am aware of the obligations placed on me *NFR-17 Voluntary Donations, Gifts, Bequests, Membership of Boards and Committees* ⁹ (see below). I confirm my compliance with the national financial regulation and that the details I give in respect of the period covered by this statement, to be true.

Signed: _____

Date: _____

⁶ To be selected or designated to fill an office or a position on the said organisation.

⁷ Standard registration year (1 January to 31 December) or any part thereof.

⁸Public servants serving on board related positions and in receipt of a fee should have ceased from 1 November 2011. Where contractual obligations may prevent the proposed discontinuance of such board fee payments the necessary arrangements should be immediately put in place by the state body in order to end such payment practices at the earliest possible date.

⁹ 17.7.11 An annual written disclosure stating the name of the organisation, the position held by the employee, whether remuneration was being received and confirming their compliance with the directives of this regulation is required to be submitted with the annual Controls Assurance Statement. If no return is made it is assumed to be a NIL return.

Appendix 2: The Unsolicited donation, Gift and Bequest Acceptance Form

Section A: Donation, Gift Bequest Acceptance Form

HSE Location:	Date:
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HSE Point of Contact (Name):

Telephone:

Fax:

Please Print:

Name of Donor:

Donor's Address:

Street:

City:

County:

Telephone:

Fax:

Category of Gift:

Check as applicable:

<input type="checkbox"/> Monetary	<input type="checkbox"/> Non monetary
<input type="checkbox"/> Conditional	<input type="checkbox"/> Unconditional
<input type="checkbox"/> Personal Property	<input type="checkbox"/> Real Property

Amount/value of gift: _____

Description and purpose of gift including any donor imposed restrictions or conditions:

Purpose of gift including any donor imposed restrictions or conditions:

Section B: Validity Test Survey

This survey will help to determine whether the HSE is in compliance with the statutory and delegated authorities to accept donations, gifts and bequests from the private sector, conditional and unconditional, monetary and non monetary, and whether there may be any potential for a conflict of interest.

1. Will acceptance of the gift, to a reasonable person, compromise the integrity of any official?

Yes _____	No _____
-----------	----------

2. Is there an actual or apparent conflict of interest?

Yes _____	No _____
-----------	----------

3. Is there any matter pending before the HSE that would affect the interest of the donor, e.g., approval of a grant or award of a contract? If so, what? Indicate the nature of the matter.

Yes _____	No _____
-----------	----------

4. Does the HSE control activity in which the donors have an interest or the potential for an interest, such as grant programs, or clinical trials? If so, indicate which activities.

Yes _____	No _____
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5. Will the amount/value, or the nature of the gift alone raise a significant concern? Note, gifts in excess of €100,000 must be approved by the HSE Board and written approval from the Minister for Health is required prior to the acquisition of shares by the HSE.

Yes _____	No _____
-----------	----------

6. Is the gift being offered for endorsement purposes?

Yes _____	No _____
-----------	----------

7. . Are there donor imposed restrictions or conditions that cannot be fulfilled?

Yes _____	No _____
-----------	----------

8. . Is the gift being offered to the HSE to support the activities of a specific team/unit?

Yes _____	No _____
-----------	----------

9. Does the gift meet generally acceptable public standards?

Yes _____	No _____
-----------	----------

10. Is the gift reasonable to administer?

Yes _____	No _____
-----------	----------

11. Can the gift be fully used as requested by the donor?

Yes _____	No _____
-----------	----------

12. Will the principal beneficiary of the gift be the HSE or a separate charitable body?

Yes _____	No _____
-----------	----------

13. What is the practical impact of the gift within the HSE

If your answer was "Yes" to any of Question Nos. 1 - 8; or "No" to Question Nos. 9 – 11, careful consideration should be given to non acceptance of the gift.

Signatures:

<hr/>	<hr/>	<hr/>
HSE Recommending Official	Date	Officers Title
<hr/>	<hr/>	<hr/>
HSE Authorising Official ¹⁰	Date	Officers Title

¹⁰ The authorising officer shall be no lower than grade 8 unless otherwise designated by the relevant Assistant National Director of Service.

Appendix 3: Sample letters of acceptance for conditional donation, gifts and bequests (use HSE letterhead)

Address of Donor

Date of letter

Dear _____ (Name of Donor):

On behalf of the Health Service Executive, and by the authority given to me under National Final Regulation 17 Voluntary Donations, Gifts and Bequests. I am pleased to accept _____ (insert details of the gift).

In accordance with your wishes, the funds will be used by (Name of HSE Location) solely to support (Name of specific project and/or researcher).

While all efforts will be made in order to utilise the _____ (insert details of the gift) as intended there may be exceptional circumstances where this is not possible. In the event that any excess funds remain in the account after completion of the project, or if completion of the project becomes impossible, these excess funds will be made available to support other activities of the (Name of HSE Location). By signing and returning a copy of this letter where indicated below, you acknowledge acceptance of this condition.*

*(CAVEAT: This sentence, and the acknowledgment should be omitted if the amount of the conditional gift is less than €1,000).

Support from you makes it possible for the Health Service Executive to providing quality services the means by which we achieve our fundamental purpose which is to enable people live healthier and more fulfilled lives.

We deeply appreciate your help.

Sincerely yours,

(Signature) Recipient HSE Official

Appendix 4: Sample letters of acceptance for conditional donation, gifts and bequests (use HSE letterhead)

Address of Donor

Date of letter

Dear _____ (Name of Donor):

On behalf of the Health Service Executive, and by the authority given to me under Nationals Final Regulation 17 Voluntary Donations, Gifts and Bequests. I am pleased to accept _____ (insert details of the gift).

In accordance with your wishes, the funds will be used by (Name of HSE Location) solely to support (Name of specific project and/or researcher).

In accordance with the mission of HSE the gift will be used to carry out the mission of [name of HSE Location] to support [purpose, e.g. cancer research].

Support from you makes it possible for the Health Service Executive to providing quality services the means by which we achieve our fundamental purpose which is to enable people live healthier and more fulfilled lives.

Sincerely yours,

(Signature) (Recipient HSE Official)

Appendix 5: Sample letters of acceptance where the gift, donation or bequest is to a separate charitable body other than the HSE (use HSE letterhead)

Address of Donor

Date of Letter

Dear _____ (Name of Donor):

On behalf of the Health Service Executive, and by the authority given to me under National Financial Regulation 17 Voluntary Donations, Gifts and Bequests.

I am pleased to accept _____(insert details of the gift).

In accordance with your wishes, the funds will be transferred to _____ (name of charitable body)

Support from you makes it possible for the Health Service Executive to providing quality services the means by which we achieve our fundamental purpose which is to enable people live healthier and more fulfilled lives.

Sincerely yours,

(Signature) (Recipient HSE Official)