



B-5

BANKING, CASH AND CARD PAYMENTS



NATIONAL FINANCIAL REGULATIONS

Version 1.2.1
Effective 28 November 2023

This policy covers:

- guidance on approval, compliance, and usage of credit, procurement, and fuel cards
- cash and bank controls
- petty cash management
- guidance on franking machines

Ideally, you should read this document online, as we link to other guidelines you also need to know. Additional accessibility functions are also available such as the interactive Table of Contents where you can click on any section of the table and be brought directly to that content. While browsing the document, you can click the button at the bottom of the page at any time to return to the Table of Contents.

To help you take note of these links and other features of this policy, we use the icons below.

B5 ICON SET



Highlighting Important Information



Download Form



Contact Details or Connection Point



Legal Reference

Who needs to read this policy?

The National Financial Regulations (NFRs) apply to staff in all divisions, Community Health Organisations (CHOs) and Hospital Groups (HGs) where services are provided on behalf of the HSE. This includes permanent, temporary and agency staff. Equivalent controls should also be implemented by Section 38 and Section 39 providers where services are being provided on behalf of the HSE or where HSE grant aid funding is being received.

How we keep the policy up to date – and how you can help

There is a change control process in place for the NFR documents to ensure they are kept up to date with current practice and guidelines. All change control requests and feedback should be submitted using the [change control form](#).

If you have to create a local procedure document

If you are responsible for developing a local procedure document, you might find the following resources useful:

- the [key control checklist](#) on [page 62](#) as it lists required key controls which you must have in place
- a [sample local procedures template](#)

Frequently Asked Questions (FAQs)

You can find answers to some of the most common queries related to the NFRs on our [FAQs page](#) on the HSE website.

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At a glance

Document at a glance	
<ul style="list-style-type: none"> Controls are set out for procurement cards, credit cards, fuel cards and cash items within the HSE. It outlines the required procedures for an efficient payment process. 	
Key users	Key concepts
<ul style="list-style-type: none"> Staff involved in the administration and management of procurement, credit or fuel cards. Staff involved in cash, petty cash or bank processes. 	<ul style="list-style-type: none"> Guidance on approval, compliance, and usage of various cards. Cash and bank controls. Petty cash management. Guidance on franking machines.
Key objectives of this document	Key relevant links
<ul style="list-style-type: none"> To set out controls for procurement cards, credit cards and fuel cards. To set out controls around the use of petty cash and franking machines. To protect the HSE's finances. To provide staff with guidance on procedures relating to banking, cash and card payments. To ensure all staff are aware of the key controls and regulations in place for managing money on behalf of the HSE. 	<ul style="list-style-type: none"> HSE Policy on Fraud and Corruption Record Retention HSE Policies and Procedures for Human Resources
Key contacts	
<ul style="list-style-type: none"> General banking Queries – Contact Treasury – treasuryrevenue@hse.ie Procurement card Queries – Contact procurementcards@hse.ie Control Queries – Contact Governance and Compliance - govn.compliance@hse.ie Tax Queries – Contact HSE Tax Department - taxqueries@hse.ie Compliance Queries – Contact Compliance – compliance@hse.ie 	

1. Introduction

This document sets out guidance in relation to credit, procurement and fuel cards, cash, and bank controls, petty cash, and franking machines.

It is particularly relevant to staff involved in the administration or use of procurement, credit or fuel cards and those involved in cash, petty cash or bank processes.

It is important that you are aware of the key controls and procedures relevant to you and the support materials and contacts that are available to help you in your work.

We have included a [glossary of terms](#) on page 57 and a [table of acronyms and abbreviations](#) on page 61. You may find it helpful to refer to these as you read.

2. Purchasing goods and services

Controls and procedures for various methods of purchasing goods and services are described below.

2.1 Internet purchases

Internet card purchases are restricted to certain type of purchases subject to the below approval process.

Get approval for internet purchases

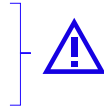
You must get the written approval from the relevant Budget Holder before you can make a once-off online purchase.

Online purchases that go against HSE procurement guidelines as set out in [NFR B-1 - Procurement](#) are not allowed.

When using [procurement cards](#) for internet purchases only items and services which have been appropriately approved and are in line with service provision are permitted, for example online grocery shopping, online motor vehicle tax and online TV licence and so forth.

Some subscriptions services or online apps may only be accessible by online or card payment, for example speech and language apps and once appropriately approved are permitted.

If you have received permission to make an online purchase, be aware that for international purchases, there may be an additional tax, called reverse charge Value Added Tax (VAT). Purchases outside the Republic of Ireland must be pre-approved and tax implications must be considered. For tax queries, please email: taxqueries@hse.ie.



You must note in your Purchasing Transaction Log that the purchase has come from outside Ireland and note the VAT implications.

For more information on the Purchasing Transaction Log, please see [Section 8.6.1](#).
 For more information on taxes relevant to purchasing and procurement, please see [NFR B-1 - Procurement](#).

2.2 Follow checklist when placing an order over the phone

What you must do when placing an order over the phone - checklist	
Inform the supplier that the purchase is being made on a procurement card or credit card.	<input type="checkbox"/>
Give the full names as they appear on the card, card number and expiry date.	<input type="checkbox"/>
Give accurate delivery information, including contact name, unit, location, and phone number.	<input type="checkbox"/>
Request that “procurement card or credit card purchase” is marked on the outside of the package and a priced packing slip or a detailed sales receipt be enclosed.	<input type="checkbox"/>

2.3 Follow checklist when placing an order in person

What you must do when placing an order in person - checklist	
Give the supplier the card for processing.	<input type="checkbox"/>
Obtain the card transaction slip from the supplier at the time of the purchase.	<input type="checkbox"/>
If necessary, give accurate delivery information, including contact name, unit, location and phone number.	<input type="checkbox"/>

2.4 Follow checklist when placing an order using a fax

What you must do when placing an order via fax - checklist	
The Standard Fax Order Form must be used.	<input type="checkbox"/>
All sections must be completed in full.	<input type="checkbox"/>

3. Purchase returns

It is the cardholder’s responsibility to ensure receipt of goods and to follow up with suppliers to resolve any delivery problems, if what was delivered is different from what was ordered or claims for damaged goods.

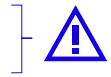
What the cardholder must do if goods need to be returned - checklist	
You are responsible for coordinating returns directly with the supplier as well as securing the appropriate credit (refund).	<input type="checkbox"/>
At the time of return, you must request that the supplier issue and send a credit transaction slip to prove that credit was given.	<input type="checkbox"/>
You will be required to attach this transaction slip to their monthly statement as supporting documentation.	<input type="checkbox"/>

4. Where cards cannot be used

Cards cannot be used for the following circumstances:

- personal and private use
- Split purchases. Card transactions must not be split to divide a larger purchase which is over the cardholder’s single purchase limit. For example, this means ordering a proportion of a purchase on the card today and the remainder on the card tomorrow is not permitted.
- to get cash – with the following exceptions:
 - To top up petty cash. For more information on petty cash, please see [Section 9.3](#).
 - To deliver emergency cash in HSE service areas. Emergency cash may be needed when in foster care settings or for social workers. Service Managers or back up staff members require the prior approval of the Assistant National Director of Service or equivalent Grade or employee designate.
- Inappropriate purchases, such as:
 - transactions valued over the card limit
 - entertainment or hospitality (though at times there are some exceptions for community type Service Managers)
 - supplies from a source other than a supplier who is already contracted to provide the goods or services

- Paying bills that are due on credit accounts which should only be paid through the [accounts payable](#) process. Credit accounts allow for the ordering and receipt of goods and services before they are paid for.



NOTE: It is **important to note** that community type Service Managers may have a requirement, driven by clinical, therapeutic or other service needs, to make purchases of an entertainment or hospitality nature. Such services will require written approval from Head of Service, equivalent Grade or officer designate for departures from this procedure.

NOTE: Swift Cards are not allowed to be used at any time.

NOTE: Purchases outside the Republic of Ireland must be pre-approved and tax implications must be considered. For tax queries, please email: taxqueries@hse.ie.



Community Type Service Managers may have a requirement, for clinical, therapeutic, or other needs, to make **foreign** purchases. Such services will require written sanction from Assistant National Director of Service or equivalent Grade or officer designate for departures from this procedure. Purchases outside the Republic of Ireland are generally inappropriate but are allowed in exceptional circumstances and are subject to the written prior approval of the relevant Budget Holder, (no lower than General Manager Level or Equivalent Grade).

5. Guidelines for procurement card use

5.1 What are procurement cards

A procurement card is a type of charge card that allows you to procure goods and services. It allows employees:

- purchase what they need quickly and efficiently
- spend without having to go through the formal purchasing or accounts payable process
- withdraw cash to replenish local petty cash floats

Cards are normally used for low value purchases, as an alternative to petty cash and low value purchase orders.

In most cases, procurement cards are used in residential settings.

As stated in [Section 2.1](#), procurement cards should only be used for [internet purchases](#) in [limited circumstances](#) and where the budget holder has provided written approval prior to purchase.

Main features and benefits of a procurement card.

<p>Used for purchases for a unit or location.</p>	<p>Used to purchase items which are relevant to the office, unit or location generally and not primarily for one individual.</p>
<p>Normally are restricted to pre-determined categories of goods and services, and values of spend. They are usually used for lower value purchases.</p>	<p>Procurement cards can benefit the HSE by reducing inefficient invoice processing.</p>

Examples of common purchases made with procurement cards are:

- postage costs
- weekly or daily groceries
- therapy cost for residents

5.2 General guidance for procurement cards

General guidance for procurement cards
HSE procurement cards can be used by one person only. They are not to be shared.
Each card is issued in the name of one individual. That individual is responsible for the card and all the purchases made on the card.
Cards are not to be issued to offices or entities.
The HSE does not issue multiple cards to individuals.
Procurement cards cannot be transferred from one employee to another.
Permanent requests for a change in procurement card limits must be directed through Line Manager or Budget Holder. It must then be forwarded to the General Manager, Finance Specialists (Region) or employee designated for endorsement.

5.3 Procurement card application process

What you must do to be eligible for a procurement card - checklist	
Have a written recommendation from your Line Manager.	<input type="checkbox"/>
Have approval from your relevant Head of Service or equivalent Grade.	<input type="checkbox"/>
Have the approval of the CHO Head of Finance or the Chief Executive Officer Hospital Groups.	<input type="checkbox"/>
Completed training on HSeLanD on the use and management of procurement cards and received a certificate of completion.	<input type="checkbox"/>
Have an assigned reconciler who reviews expenditure. A second reconciler approves expenditure.	<input type="checkbox"/>

5.3.1 Application for new procurement card programme

If you are creating a new procurement card programme for an area which requires a procurement card for the first time, then you need to get approval from at least two of the HSE’s authorised employees for all banking matters. Please refer to [Section 9.8](#) for more information on authorised employees.

To set up a procurement card programme in a location, **a recommendation and decision must be documented**. These documents must be signed by the Head of Service, equivalent grade or designated employee.

What a decision must identify – checklist	
Location or Unit Manager.	<input type="checkbox"/>
Cardholder name.	<input type="checkbox"/>
Monthly credit limit.	<input type="checkbox"/>
Individual transaction limit.	<input type="checkbox"/>
Any authorisation for cash withdrawals.	<input type="checkbox"/>
Any authorisations for internet purchasing.	<input type="checkbox"/>

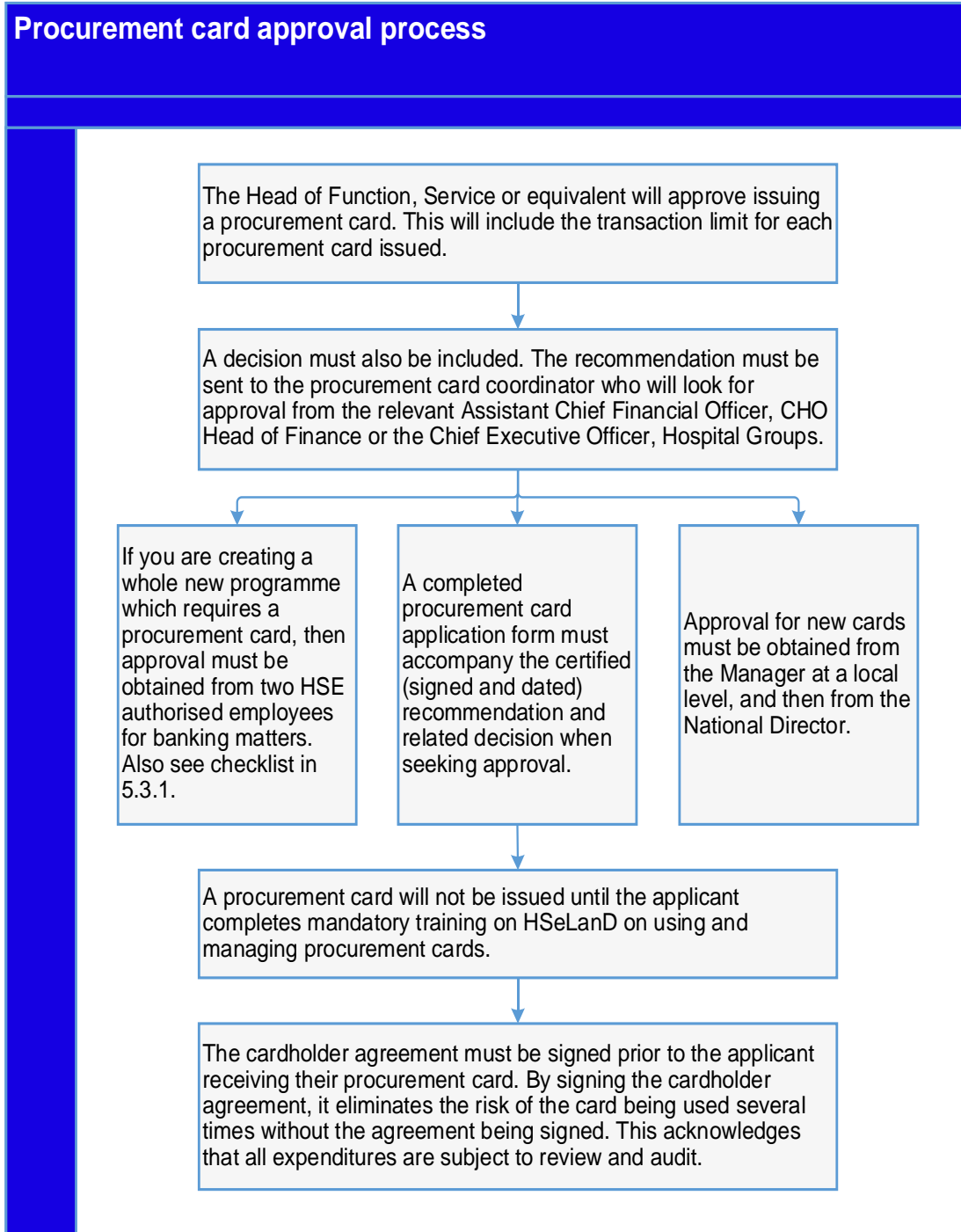
What a decision must identify – checklist	
Number of cards to be issued.	<input type="checkbox"/>
Confirmation that the required training module has been completed successfully.	<input type="checkbox"/>
Merchant Category Group (MCC) Code assigned.	<input type="checkbox"/>

5.3.2 Application for new procurement card on an existing programme

If [applying for a new procurement card](#) on an existing procurement card programme, then a separate [application form](#) and Cardholder Agreement must be signed for each procurement card issued. Any subsequent changes must follow the same approval process.

The procurement card coordinator will provide guidance and training for the setup of the individual cards and their operation. This will be in line with the directives detailed in this regulation.

5.3.3 Procurement card approval process



6. Guidelines for credit card use

Credit cards make payment processing more efficient since monthly card bills are paid by [direct debit](#). These bills still need to be reviewed, signed off and charged to the HSE’s financial system.

Main features and benefits of a credit card.

- Used primarily by one individual - generally a member of the HSE Leadership Team.
- Used primarily to meet expenses incurred by or on behalf of that Leadership Team member to carry out of their duties.
- May be used on a secondary basis, to cover HSE related expenses not directly associated with the individual.
- Credit cards allow staff to avoid the need to meet HSE-related costs from their own pocket and then seek recoupment.

6.1 General guidance for credit cards

General guidance for credit cards
Like procurement cards in Section 5.2 , HSE credit cards are also issued for use by one person only.
Credit cards and any purchases made with them are the responsibility of the cardholder.
The card must not be transferred to another person for their use.
These cards will have no impact on the personal credit rating of the cardholder.
Although the card lists an individual's name, the card is issued to the HSE.
Unless otherwise stated, card limits are those set out in the terms and conditions when the card was issued.

6.2 Use of credit cards

There are restrictions on the types of purchases that can be made with a HSE credit card.

Please see [Section 4](#) for the list of situations where credit cards **can't** be used.

6.3 Credit card approval process

Only HSE Management Team Members or employees designated by the HSE Chief Executive Officer may hold a HSE credit card. The application must be approved by the HSE Chief Executive Officer and the HSE Chief Financial Officer.

Employees must complete a credit card application form to receive a credit card. This form is called a Current Bank Provider Standard Application Form and you can ask for one from local Finance Offices.

You must include the following details in a credit card approval – checklist	
Cardholder name.	<input type="checkbox"/>
The monthly credit limit.	<input type="checkbox"/>
The individual transaction limit.	<input type="checkbox"/>
Any authorisations for internet purchasing.	<input type="checkbox"/>
Any authorisation for cash withdrawals.	<input type="checkbox"/>

Once approval is agreed, the cardholder will sign the [Employee Cardholder Agreement](#).

7. Guidelines for fuel cards use

7.1 Fuel cards

Fuel cards are used by authorised HSE employees to purchase fuel and a very limited list of related items. Fuel cards are necessary for the:

- efficient and cost effective operation of the HSE vehicles assets
- to ensure the effective control and management of the issuance of fuel cards to ensure only authorised use is possible

The National Ambulance Service use fobs instead of cards. The controls apply to fuel cards and fobs equally.

7.2 Issuing of fuel card

- Fuel cards will be ordered by the Head of Service, equivalent relevant grade or designated employee, from the relevant fuel supplier.
- Each fuel card will have vehicle details (registration number) printed onto it.
- More than one fuel card may be required per HSE Vehicle where more than one staff member is involved in running and operating the vehicle.
- Fuel card details will be entered onto a register of fuel cards held in the offices of the Head of Service or equivalent relevant grade or designated employee.
- Fuel cards will be issued to each vehicle by the employee’s Line Manager.
- [The Fuel card decision form can be found here.](#)

7.3 Fuel card usage

Fuel card usage general guidelines
A fuel card is issued to one vehicle and must not be used to buy fuel for any other vehicle.
The fuel card is only for purchasing fuel and washing facilities for the designated vehicle.
The type of fuel and allowance per fill is set by the fuel provider together with HSE.
To purchase fuel, the staff member must submit the vehicle registration number and the exact odometer reading as displayed on the vehicle at each transaction.
Where practicable, vehicles should be returned to base with a full fuel tank.
A weekly cap on fuel spend may be set at the discretion of Managers, if necessary.
Regular reviews should be carried out to ensure the continued operational appropriateness of the initial limits set.
Using a fuel card for non HSE vehicles is not permitted under any circumstances and is considered theft.

7.4 Responsibilities of staff with fuel cards

- You should always keep fuel cards secure.
- If you cannot locate the fuel card, it must be reported to the Line Manager as missing immediately.
- Staff are also responsible for providing receipts to accompany each fuel card purchase.

For more information on documentation, please see [Section 8.6](#).

8. Procurement card, fuel card and credit card compliance

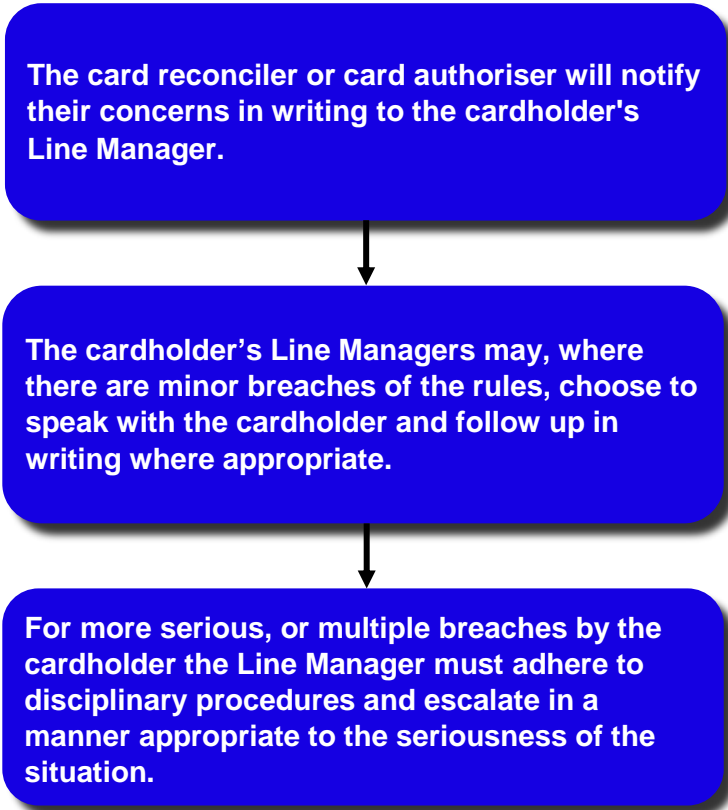
8.1 Cancellation of card

How to cancel a card when the need arises
The cardholder’s Line Manager must take back the card.
Allow up to 3 weeks for all card purchases to be processed by suppliers.
The card co-ordinator must submit documentation to the issuing bank provider to cancel the card.
The card must then be destroyed.

8.2 Inappropriate use of cards

Card activities must be monitored to make sure that unauthorised goods and services are not purchased.

If there is evidence that a card is used inappropriately or fraudulently, the procedures described below must be followed.



Consequences for inappropriate or fraudulent use

Cardholders or others involved in inappropriate or fraudulent use of cards may face consequences such as those listed below.



- Suspended use of the card, either temporary or permanent.
- The cardholder or HSE’s employee(s) may have to repay the cost of unauthorised or fraudulent purchases. This repayment would preferably be made willingly from the person(s) involved, in what is called a repayment agreement. However, the HSE can take legal action to collect the money if necessary.
- Disciplinary action in line with [HSE Human Resources procedures](#).

For more detail on fraud and corruption please refer to [HSE Policy on Fraud and Corruption](#). For more on whistleblowing please refer to [NFR A – Internal Controls Framework and Principles](#).

8.3 Card security

General guidelines for card security
The cardholder is responsible for the safety and security of the card and card number.

General guidelines for card security
The card must be carried on the person at all times.
The card account number and related documentation should be secured in a locked space when not in use.
Any changes in business address or contact telephone number should be communicated to the relevant Line Managers.
If the cardholder transfers from a department or there is a termination of employment, cards must be returned to the relevant Line Manager for immediate cancellation.
The cardholder must not allow unauthorised individuals to use their account number.
The card must be signed by the cardholder.
The PIN should not be written down or exchanged with other employees.

8.3.1 Lost or stolen cards

You must report lost or stolen cards immediately to the:

- Bank provider
- Line Manager
- Card coordinator
- Office of the HSE Chief Executive Officer (CEO), if it's a credit card

8.4 Card registers

Credit card register

A register must be held in the Office of the CEO for all credit cards.

Procurement card register

A register must be held in the local Finance Department for the relevant region of all procurement cards. A copy of this register should be forwarded at regular intervals to relevant Head of Service or equivalent grade for all procurement cards under their charge. This register must be reviewed annually.

Fuel Card register

A register must be held in the offices of the Head of Service or equivalent of all fuel cards for that service.

Details for procurement and credit card register

What information the register must contain – checklist	
Number of cards held in the area.	<input type="checkbox"/>
Name of each cardholder.	<input type="checkbox"/>
Limit on what can be spent on each card.	<input type="checkbox"/>
Date of issue of card and expiry date.	<input type="checkbox"/>

8.5 Responsibilities

To ensure proper compliance in the operation and use of credit cards and procurement cards, the following roles shall be assigned to relevant employees.

Cardholder

The cardholder is the person the card is issued to and who is authorised to use the card on behalf of the HSE. The cardholder is responsible for the proper use of the card and retaining supporting documentation. Relevant training on HSeLanD must be attended before a card is issued to a cardholder.

Card Reconciler

A card reconciler is assigned to every cardholder. They are in charge of the reconciliation of statements with Purchase Logs by all cardholders under their supervision.

Authorising Manager

This position is normally held by the higher administrative authority, usually the Budget Holder, who:

- approves the monthly cardholder statement
- monitors the use of the card
- monitors the level of spend on each card, each month
- checks that the card is only used for appropriate purchases

Card Coordinator

The person within the HSE who is responsible for ensuring all card related administrative needs are met as required and communicating with the bank provider who issues the card.

Bank Provider or Card Issuer

Operates the Card Programme on behalf of the HSE, issuing statements, management information and payment of suppliers.

In relation to the delivery of fuel cards, the card issuer will send the fuel card and associated PIN number separately to the office of the Head of Service.

Line Manager

Responsible for monitoring the use of the card and ensuring that paperwork is completed properly.

It is the responsibility of the relevant Line Managers to ensure the dissemination of this procedure to all staff in their area of responsibility.

Head of Service

Responsible for procurement card administration and spend within their Service Area.

The Head of Service, equivalent grade or designated officer will be responsible for the issue, security and monitoring of all fuel cards issued to HSE vehicles within their area.

HSE Chief Executive Officer

The HSE Chief Executive Officer or Officer designate is responsible for credit card administration and spend.

8.6 Card documentation

8.6.1 Card purchase documentation

Purchasing Transaction Log

Each cardholder must maintain a Purchasing Transaction Log. This log enables and assists the card reconciler to balance the monthly bank and card statement. It also forms the basis of the input document which details how money was spent in the Financial Accounting System.

The necessary details should be entered into the log at the time of placing an order or as soon as possible after making the purchase.



You must complete the Purchasing Transaction Log on a **monthly** basis and send it to the relevant Line Manager for review and approval.

The Purchase Log is essential for:

- reconciliation of the cardholder statement
- tracking delivery (including partial shipments)
- recording the return of goods
- noting differences in the quoted and charged amount for a purchase

You must include the following information in the Purchase Transaction Log – checklist	
Transaction date.	<input type="checkbox"/>
Description of goods.	<input type="checkbox"/>
Name of supplier.	<input type="checkbox"/>
The value of the transaction (including VAT).	<input type="checkbox"/>
The relevant cost centre and cost element code.	<input type="checkbox"/>
Confirm that the purchase and all credits reconcile to the monthly bank statement.	<input type="checkbox"/>
A detailed delivery docket or invoice must be attached to the Purchase Log.	<input type="checkbox"/>
A copy of the card receipt must be attached.	<input type="checkbox"/>

8.6.2 Supporting documentation for card transaction

Every transaction made using the card must be supported by valid and complete supporting documentation.

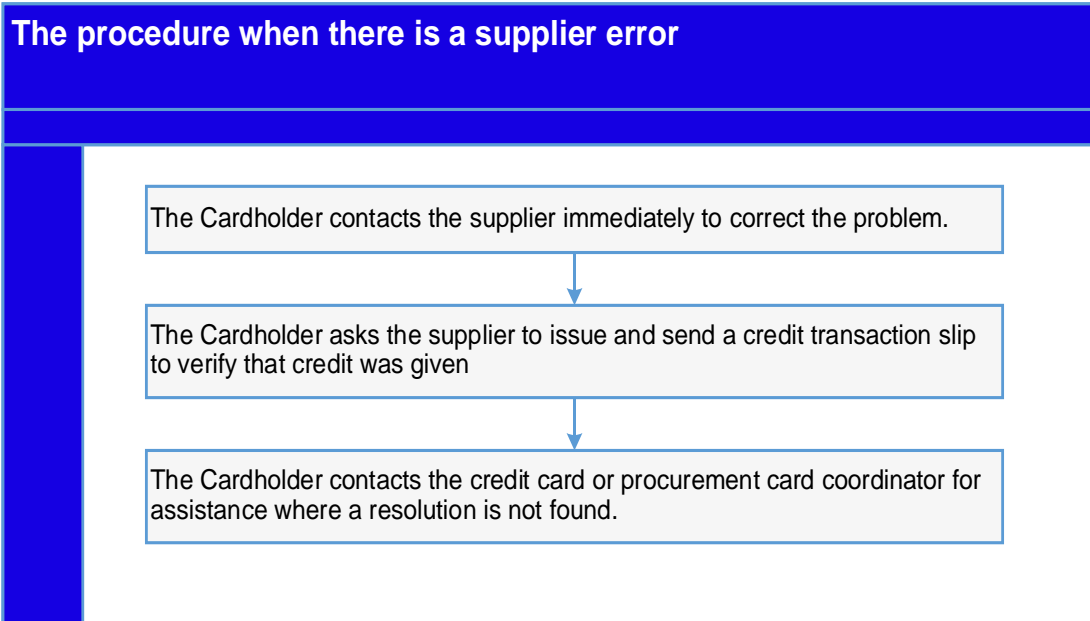
The following is a list of acceptable supporting documentation.

- Receipt and transaction slip from the supplier.
- Priced packing slip.
- Order forms, or a copy of the form, for dues, subscriptions, registrations, and similar terms.
- Invoice showing “card payment”.

If original supporting documentation is lost, you must contact the supplier to provide a copy of the original documentation.

8.6.3 Disputed charges

If the cardholder identifies an inconsistency or error on the statement, the cardholder must determine if it was a supplier error or a bank provider error. The procedures to follow for both types of error are set out below.



The procedure when there is a bank provider error (procurement cards)

The procurement cardholder must immediately contact the procurement card coordinator with the details.



The coordinator then contacts the bank provider with the dispute.



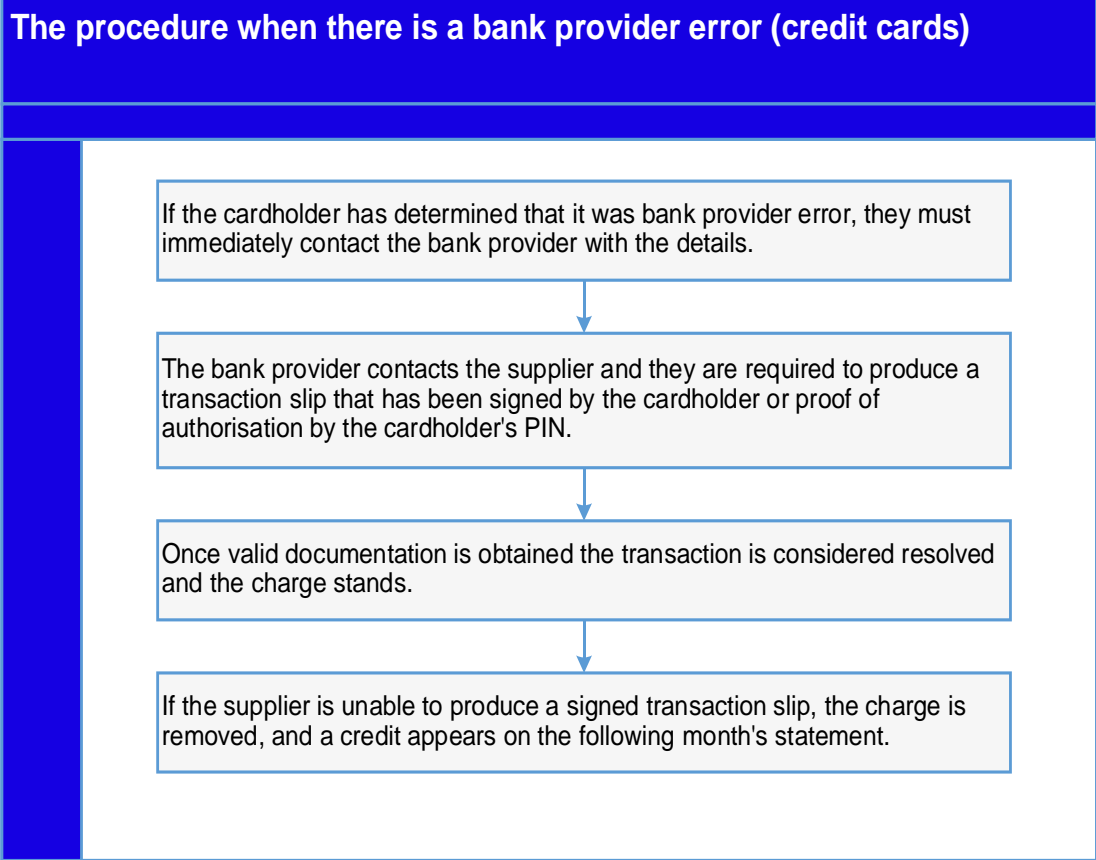
The bank provider contacts the supplier and they are then required to produce a transaction slip that has been signed by the cardholder or proof of authorisation by the cardholder's PIN.



Once valid documentation is obtained and sent to the procurement card coordinator, the transaction is considered resolved and the charge stands.



If the supplier is unable to produce a signed transaction slip, the charge is removed, and a credit appears on the following month's statement.



8.6.4 Audit documentation

An audit is the investigation of financial statements and accompanying documentation and processes and is performed by people (known as auditors), both from within the HSE (internal auditors) and outside the HSE (external auditors).

Further details regarding the Audit policy are available in [NFR A – Internal Controls Framework and Principles](#).

Record retention

It is important to keep procurement card, credit card and fuel card records securely and in order. It is a requirement to keep records for 6 years for information purposes. In addition, it is important to note that all documentation may be inspected for audit purposes.

For more information, please refer to [Record Retention](#).

9. Cash and bank controls

The purpose of this section is to:

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

9.1 General procedures

A large amount of income is received in HSE departments in the form of cash, credit or debit cards, cheques, and Electronic Funds Transfer (EFTs). This income is deposited into HSE bank accounts.

HSE income must be received and banked correctly. This involves identifying the income and assigning it to the right business unit.

Cash and bank general rules
No borrowing may take place and HSE assets may not be offered as collateral for any borrowing, without the approval of the Department of Finance and the HSE Board.
All HSE practices must ensure the safeguard of cash receipts and deposits against theft or loss.
All income must be collected in a timely manner, using the correct procedures and the appropriate documentation.
All income received must be receipted immediately upon being received and must be recorded by issuing an official HSE receipt.
Each Finance team should maintain a list of all safes including location, type and insurance limit. This should be reviewed annually by a designated officer.

9.1.1 Cash collection

The HSE’s policy is to minimise the number of departments collecting cash items. Each collection point may be unique because:

- it may have different requirements for cash item collection
- it may use different numbers of employees
- it may deposit at different locations

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

Cash Collection Survey

A review must be performed periodically by the General Manager, Finance Specialists (Region), equivalent grade or employee designates to identify all cash collection points.

This survey must assess if the controls at each cash collection point are adequate. If the controls are found to be insufficient, then corrective action must be taken.

9.1.2 Planning and Performance – National Financial Division

The Planning and Performance team within the National Financial Division are responsible for the investment of funds. All investments shall be made in the name of the HSE and must comply with the Department of Finance directives.

Planning & Performance are responsible for developing, implementing, and maintaining a cash management system that meets the following objectives.

- Predict operating cash requirements, that is, the amount of cash needed to function effectively and highlight any potential problems.
- Forecast the daily cash working capital requirements to maximise the [rate of return](#) on the investment of surplus cash balances.
- Identify individual accounts and funds that contribute to negative [cash flow](#) situations and recommend corrective action.
- Establish and maintain appropriate corporate banking relationships to provide for the receipt and disbursement of all funds.
- [HSE Corporate Cash Drawdown Operational procedures.](#)
- [Cash Management Procedures – HSE Voluntary Agencies.](#)
- [HSE Corporate, Capital Cash Management Procedures.](#)
- [HSE Corporate Procedure for Statutory Revenue Cash Drawdown HSE Business Units.](#)

9.1.3 Banking policies

HSE has the following banking policies.

Policy	Explanation
Statement of all bank account arrangements	The HSE Chief Financial Officer must produce this report on an annual basis to be presented to the HSE Chief Executive Officer and the Board for their approval.

Policy	Explanation
Authorisation for new bank accounts	All new bank accounts must be authorised by two of the three main signatories as delegated by the HSE Board.
Authorised signers	<p>Each bank account will have at least three authorised signers as the three main signatories.</p> <p>These signers must be authorised by two more senior signatories, at a level above the level of signatory being duly authorised, as delegated by the HSE Board.</p>
Reconciliations	Bank and imprest reconciliations must be prepared on a regular basis. These must be approved by the relevant Line Managers and submitted for approval by the appropriate member of staff.
Cheques	Out-dated cheques should be reviewed to ensure that they are addressed on a consistent, accurate and timely basis.
Bank overdraft	A bank overdraft facility is not permitted.
Register of accounts	Registers of all approved HSE bank accounts and imprest accounts must be maintained and updated regularly. Registers must be reviewed by the HSE Chief Financial Officer or employee designate at agreed intervals.
Income	All income must be deposited without delay to the HSE bank account and properly recorded.
Money collected	All monies collected and deposited must be regularly reconciled to the bank and financial records.
HSE funds	HSE and employee's personal funds are to be kept separate. HSE funds should only be deposited into appropriate HSE Bank accounts. HSE money can never be used for providing temporary loans to staff. HSE money shall not be used for the encashment of private or payroll cheques.

Policy	Explanation
<p>Separately administered bank accounts</p>	<p>Separately administered bank accounts are to be used only for their intended purpose and are not to be used as a depository for cash receipts or as a cheque cashing fund</p> <p>The custodian of these HSE fund accounts will be designated by the CFO.</p> <p>The custodian of these non HSE fund accounts will be designated by the General Manager, Finance Specialists (Region).</p> <p>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.</p> <p>HSE funds – for example Fair Deal Bank accounts</p> <p>Non HSE funds – for example Patient Private Property accounts</p>
<p>E-banking</p>	<p>E-banking where appropriate and properly approved is the preferred internet-based banking service used by the HSE. It allows for more control and flexibility in business financial transactions with the bank. For more information, please refer to Section 9.4.</p>
<p>Donations</p>	<p>Where offers of donations in cash or cash equivalent are made to the HSE, employees must have regard to the receipting and banking procedures in this regulation. For more on guidelines around donations, bequests, and gifts, please refer to NFR B-2 – Income, Charges and Debtors.</p>

9.2 Receiving or depositing items

New cash collection location approval

All new cash collection locations must be approved by the General Manager, Finance Specialists (Region) or equivalent grade on the recommendation of the Head of Service or equivalent grade.

Submissions must be directed to the relevant Head of Service or equivalent grade by local Line Managers.

You must include the following information in a proposal for new cash locations – checklist	
Location name.	<input type="checkbox"/>
Details of the accountable Line Manager.	<input type="checkbox"/>
Details of the receipting team employees.	<input type="checkbox"/>
Expected level of monies being collected in the location and how this level was calculated (backup evidence should be included).	<input type="checkbox"/>
Frequency of receipts and lodgements.	<input type="checkbox"/>
Type of receipts expected such as charge cards, cash, and cheques.	<input type="checkbox"/>
Arrangements for lodging cash and cash equivalents.	<input type="checkbox"/>
Security arrangements for the storage of cash.	<input type="checkbox"/>
Insurance arrangements for the custody of cash.	<input type="checkbox"/>

Approval for the use of debit or credit card for payment

In getting approval to accept credit or debit cards in payment for goods or services Business Units must submit the following.

- A [cost benefit analysis](#).
- A request for permission to accept cards as payment at the point of sale.

The following facts must be considered when deciding whether to approve a request.

- Is the number of transactions large enough 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:

- a dedicated telephone line that will allow automatic credit and debit card processing?
- the internet for online payment processing options?
- a secure means of storing the signature verification provided by the buyer or payer at the point of sale or payment? (If the Business Unit intends to accept [Cardholder Present transactions](#))
- excellent record-keeping practices?
- proof of the transaction if there is a dispute or a chargeback and they are required to provide backup? (If the Business Unit will accept [Cardholder Not Present transactions](#))

The submission request must be certified by the Line Manager and endorsed by the Head of Service or equivalent grade prior to being sent for approval to the General Manager Finance Specialists (Region) or equivalent grade.

Line Manager Responsibilities

You must ensure that responsibility for cash items is clearly defined and documented.

You must ensure that appropriate Segregation of Duties (SOD) exists, such as cash item handling, record keeping, and reconciliations should be assigned to different individual employees. For more information on SOD, please refer to [NFR A – Internal Controls Framework and Principles](#). Each receipting locations must obtain a HSE Official pre-numbered Receipts Book or equivalent.

9.2.1 New cash collection locations controls

The following controls must be considered for new cash collection locations:

Consideration must be given to the location, physical security, and ability to restrict access to unauthorised staff, including HSE staff and outside security staff (either on site security or third-party cash collection security firm).

Security for collection of monies

Security may be affected when changing location and the following must be considered:

- collection of monies by third party security firm and their access to the new location
- delivery of car park and canteen receipts for counting and lodgement preparation and their access to the new location

Secure glass

This is required when dealing with the receipt of cash. There should also be provision for metal shutters or other security measures to be in place for out of hours.

Floor plan

Review of the cash office and the placement of safes and desks to make sure that duties being carried out are not in plain sight from any outer window.

Keypad or staff ID swipe access

Access should be restricted only to appropriate cash office staff and no other access points should be available for unauthorised staff to enter. The cash office should be physically secure, and the door always locked.

Insurance

Ensure appropriate levels of insurance are in place for cash transportation, counting and holding particularly in the event of a delayed cash collection resulting in overnight storage and the risk of exceeding the maximum insured levels.

Key holding procedures

- Access to keys to the cash office, safe, cash boxes or tills must be restricted.
- The issue of keys must be recorded and all keys securely held.
- A register should be maintained listing staff who have access to such keys.
- The issue out and return of keys must be recorded.

Security arrangements of new location

There must be controls in place to provide for the secure counting of cash and preparation of lodgements in the new location. This will include the appropriate SOD in those processes.

Appropriate CCTV coverage to include public windows and access points must be considered.

Segregation of Duties (SOD)

No one person should have complete control over the cash handling process. To support this, different staff perform cash handling duties.

Staffing levels

There should be a minimum of two staff members in the cash office. This is to protect staff members from inappropriate charges of mishandling of funds and allow management to safeguard the cash items.

Post

At least two staff members open the post to the cash office. Any payments that are received through the post should be appropriately recorded and processed.

9.2.2 Receiving and depositing cash – with no available cash register

You should only issue manual receipts where a cash register is not operated or where it is temporarily out of action. Income collected must be counted and agreed by two members of staff.

Receipts book

Details of income collected must be entered on the receipts book (or similar) and signed by the two members of staff involved in the cashing up process.

You must include the following information in the receipts book – checklist	
A unique receipt number.	<input type="checkbox"/>
The date on which money was received.	<input type="checkbox"/>
The payers name.	<input type="checkbox"/>
The amount of payment.	<input type="checkbox"/>
Whether payment was made by cash, cheque, money order, postal order or another form of payment.	<input type="checkbox"/>
The purpose for which money was received.	<input type="checkbox"/>
The relevant receipt code for the payment (manual receipts only).	<input type="checkbox"/>
The account number, invoice number and date (computerised receipts only).	<input type="checkbox"/>

Receipts

Receipts can be a manual (handwritten) or electronically generated document. The procedures for the use of both forms are outlined below.

Manual receipt

Manual receipt procedures
<p>Receipt books shall be in triplicate. This means there should be three identical copies of the receipt.</p> <ul style="list-style-type: none"> ▪ The top copy is the official receipt which you must issue to the person making the payment. ▪ You must send the first carbon copy to the section, which supplied the account. ▪ You must retain the second carbon copy in the receipt book.
<p>List of receipts issued including cancelled receipts must be sent frequently to the local finance division in each area for input to the financial system.</p> <p>You must include the following details:</p> <ul style="list-style-type: none"> ▪ date of receipt ▪ cost centre and cost element codes ▪ receipt number ▪ amount
<p>The identifying numbers on each official receipt and carbon copy must be consecutive. For example, Receipt Number 501 must be followed by Receipt Number 502 and so on.</p> <p>The identifying numbers must appear in print.</p>
<p>Stocks of receipt books must be maintained by designated employee(s) in each area by the General Manager, Finance Specialists (Region), CHO Head of Finance, Chief Executive Officer Hospital Groups or officer designate.</p>
<p>Unused manual receipt books shall be held under the control of a responsible official and kept under lock and key.</p>
<p>A register must be kept of the serial numbers of all unused manual receipt books. Regular checks must be carried out by a responsible official. This check will compare the actual number of unused receipt books in stock, known as physical stock, against the number that should be present according to the register, known as book stock.</p> <p>Any differences between physical stock and book stock shall be brought to the immediate attention of the General Manager, Finance Specialists (Region), equivalent grade or designated employee.</p>

Manual receipt procedures

All manual receipts including cancelled receipts must be filed and held for audit.

Computerised receipts

e-receipts procedures

Patient Billing Systems must issue a receipt to the payee.

The copy of the receipt must be retained.

The Patient Billing System will retain the receipt data, which must not be changed.

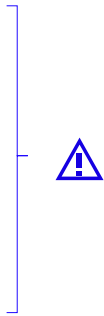
Detailed procedures concerning the operation of the receipting option within the Patients Billing System are described in the instruction manuals of each system. Further details are available from relevant Finance divisions.

Cancelling receipts

You cannot make a change to a receipt. If an error is made, then you must cancel the receipt.

If a receipt is cancelled, you must keep both the top and all copies in the receipt book as proof of cancellation. Permission to do this requires the sign off of Line Managers.

Spoiled or cancelled receipt originals and copies should be stamped with the word “cancelled”. You must write a brief explanation on the face of the document with the reason for cancellation.



Copy of receipt

If a duplicate receipt is requested, a copy of the original document, with the word “copy” written on it, can be provided to the payee. Permission to do this requires the sign off of Line Managers.

9.2.3 Receiving and depositing cash – cash registers

Computerised receipt procedures

Receiving payment

- You must process all income received immediately through the cash register.

Computerised receipt procedures

- Cheques received and credit or debit card transactions must be supported by a valid card.

Receipting

- You must provide all cash register receipts to the customer at the time the income is received, except where it is necessary to void or cancel an entry. In these circumstances you must keep the till receipts in the till drawer for cashing up purposes.

Daily reconciliation

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

Cash register security

- You must close the cash register drawer before each transaction is processed. Under no circumstances should the cash register drawer be left open to process more than one transaction.
- Only staff authorised to use the cash register can carry out a request for change, for example swapping a €20 note for two €10 notes.
- Some cash registers have the facility to gain access to the cash drawer with the use of a key should the register breakdown. The relevant Line Manager must ensure access to this key is secure, to prevent others from being able to access it.
- Where a number of cashiers have access to the cash register, each cashier should be identified by username on receipts where the cash register allows for this facility.

Refunds

- Do not make refunds from income held in the cash registers except where refundable deposits have been received.

Errors

If you make an error, such as pressing the wrong key, you need to:

- bring the over or under ringing to the attention of another member of staff who must initial the cash register roll
- where a transaction needs to be voided (cancelled), contact the member of staff with access to the void key to void the transaction. Do this immediately before the correct entry is processed

Computerised receipt procedures

- Where you can't void the incorrect transaction immediately, a cashier must sign the entry on the cash register roll. Keep the customer's receipt in the drawer to allow the authorised member of staff to void the entry later.

“Cashing up” process

- Two people need to take part in the 'cashing up' process.
- Employees should remove the cash float(s) from the register before cashing up and reconciling income received.
- The float should be kept separately from income, such as a float bag. It should be retained in the safe or other secure cabinet. The float should never 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.
- Compare the total of income counted to the daily or period reading and calculate and record any variances.

The cashier and a witness should sign the relevant records for analysing the cash collected.

Daily reconciliation

- There should be a daily reconciliation between monies receipted in Patient Billing systems and monies recorded in the cash register.
- The employee 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 or period reading.
- Any discrepancies must be reported to senior Line Manager immediately.

Reporting unexpected variances

- You must question any significant surplus or deficit between expected income (daily or period reading) and actual takings (cash, cheques counted and credit or debit card transactions) and record the findings on the relevant documents.
- All material differences should be reported to relevant Manager as soon as possible.

Computerised receipt procedures

Responsibilities of relevant Line Manager

- At the end of the day (or designated business period) you must take the cumulative reading from the cash register and record. The void key must not be used to change the daily or period or the cumulative readings.
- You must approve the related documents.
- You are responsible for the security of the takings pending banking.
- You must ensure that the empty cash register drawer is left open at the close of business to visibly demonstrate that no monies are present. This will also help prevent damage to registers in the event of a break in outside working hours.

9.2.4 Receiving and depositing cash from public telephones or coin machines

This relates to machines or telephones that the HSE controls. Machines or telephones operated by a third party, such as vending machines are not subject to these procedures unless HSE staff have access to the machines under the agreement with the third party.

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.

Procedure for emptying telephones or coin machines

When it is required that machines or 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 include the details outlined below

You must record the following details – checklist

Date of collection.

Cumulative meter readings, if available.

Expected income according to the meter readings.	<input type="checkbox"/>
Actual cash taken.	<input type="checkbox"/>
You must record any variances from expected cash. Any significant or persistent differences must be reported immediately to the relevant Line Manager.	<input type="checkbox"/>
Signatures of the two members of staff collecting the money.	<input type="checkbox"/>

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

9.2.5 Receiving and depositing of cheques

All cheques should be payable to Health Service Executive with “a/c payee only” written on the cheque.

The location where the cheque was received should be written on the back of the cheque.

9.2.6 Electronic deposits

Direct deposits allow authorised departments to deposit funds directly into the HSE Bank Account. Creation of direct deposit arrangements should be agreed and approved in advance with the Assistant Chief Financial Officer, Planning and Performance, National Finance Division.

Direct deposits should be regularly monitored and reconciled to bank documentation and other relevant records.

9.2.7 Banking payments received

General procedures for banking of payments received
<p>Lodging</p> <ul style="list-style-type: none"> ▪ 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. This must be followed unless prior arrangements have been sanctioned by the relevant senior manager in the location or business Unit. ▪ All approved banking arrangements should be documented by each location and reviewed periodically.

General procedures for banking of payments received

- Where small amounts of income are collected it may not be practical or appropriate to lodge on the day of receipt. In these circumstances banking may be delayed at the discretion of the relevant Line Manager.
- Strong safety measures should be arranged to protect these funds and to make sure suitable insurance cover is in place.

Proper banking

- All income received must be banked. Under **NO** circumstances are you allowed to take money that is due to be banked.
- All variances from expected amounts must be recorded, and any significant or persistent variances reported immediately to the relevant Line Manager.
- You are not allowed to make up shortages identified during the cashing up process from other sources.
- All variances that are above the expected amount (surplus) identified in the cashing up process must be banked and under **NO** circumstances must they be removed from takings to be banked.

Paying in slips

- Care must be taken to ensure that [paying in slips](#) are completed clearly in order that income can be identified by cashiers.

Deposit

- The deposit should be checked by an independent employee and both employees should sign and date the relevant deposit documents.

Running Totals

- A running total of collected income shall be entered at the bottom of each page of the receipt book or equivalent.
- When the income is banked the receipt book or equivalent must be ruled off and totalled.
- A bank deposit reference number must be written for each lodged amount.

Non-receipting locations

- Monies received by non-receipting locations should be sent immediately to a receipting location for lodgement.
- The responsibility is on the non-receipting employee to get confirmation that the transaction has happened.

Supporting documentation

General procedures for banking of payments received

- You must ensure supporting documentation is completed clearly. This helps income to be identified by local Finance sections and allocated to appropriate cost centre codes.
- All journal entries must be reviewed, approved, and recorded by the Line Manager.

9.3 Petty cash expenditure

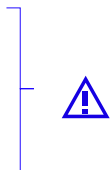
Petty cash are small amounts of cash (or access to cash) authorised to be held in specific locations. It is used to make payments for small expenses when other methods of payment, such as a cheque, are not available or practical due to the amount.

Never use petty cash for staff Travel and Subsistence expenses, staff gifts or staff entertainment expenses and so on as outlined in the table [below](#).

The availability of Petty cash allows local management to obtain low value items without the need for the normal purchase to pay procedures.

Petty cash accounts must not be used as a means of avoiding normal purchasing procedures where the amount requires a process such as purchase orders (POs).

Purchases or payments must not be split to avoid the **€50 threshold** for the maximum petty cash payment.



Petty cash transactions may relate to:

Reimbursement of cash to an individual staff member who has paid for goods or services on behalf of the HSE from their own personal funds. This should **not** include any cost that relates to staff Travel and Subsistence (T&S).

Providing cash in advance to a staff member to allow them to purchase an item(s) required by the service.

The reimbursement option is the preferred way of operating petty cash.



A key control is to ensure that there is proof of purchase for reimbursement of petty cash. All purchases must be evidenced.

Receipts must be retained for float reimbursement.

9.3.1 Purchases you should not buy under petty cash system

<p>The following purchases are strictly prohibited under the petty cash system:</p>
<p>Items that should be purchased through the HSE PO and invoice system, which includes:</p> <ul style="list-style-type: none"> ▪ equipment ▪ machinery ▪ office supplies ▪ stationery ▪ cleaning services ▪ for more, please refer to NFR B-1 – Procurement
<p>Reimbursement of all staff Travel and Subsistence (T&S) expenses should be claimed through a HSE T&S claim, which includes:</p> <ul style="list-style-type: none"> ▪ parking fees ▪ eFlow costs ▪ train tickets ▪ for more, please refer to NFR B-4 – Travel and Subsistence
<p>Postage costs where franking machines are available at a local central location. These should be used for all postage required.</p> <p>For more, please refer to Section 10.</p>
<p>Staff entertainment expenses, which include:</p> <ul style="list-style-type: none"> ▪ staff gifts and presents ▪ party decorations and costs ▪ other staff entertainment ▪ these expenses should be paid for by the relevant staff organising such an event (using their own money)
<ul style="list-style-type: none"> ▪ Claim back all other staff costs through a claim for reimbursement of Other Staff Costs – as laid out in NFR B-4 – Travel and Subsistence

9.3.2 Petty cash transaction limits

Individual petty cash transactions **must not exceed €50**.

If you need to increase this limit permanently, the relevant Assistant National Director of Service or equivalent salary grade must approve a written decision on

this. This increase will come into effect after notification to relevant Assistant Chief Financial Officer.

To complete the following actions a written decision approved by the Assistant National Director or equivalent salary grade and countersigned by the relevant Assistant Chief Financial Officer is required.

1. Open a petty cash account.
2. Increase the limit on a petty cash account.
3. Increase the cash budget on a petty cash account. The cash budget is the total amount of cash in a petty cash account that can be used in a given time period.
4. Approve the [write-off](#) of any cash loss to the petty cash account. In the case of the write-off, the decision must include a copy of the findings of the investigation into the loss and any relevant recommendations.
5. Record the closure of a petty cash account.

For points 1-3 above you must include the following details – checklist

Name of petty cash account.	<input type="checkbox"/>
Description of the Service Location that will be using the petty cash.	<input type="checkbox"/>
Brief reason to set up or increase of petty cash account or cash budget.	<input type="checkbox"/>
The imprest amount, such as the maximum limit or float.	<input type="checkbox"/>
Cash budget amount.	<input type="checkbox"/>
Details of the staff member(s) specifically responsible for managing the petty cash account.	<input type="checkbox"/>
Details of arrangements to ensure safe custody of the cash.	<input type="checkbox"/>

Reconciliations to petty cash limit and cash budget must be sent to the General Manager monthly. They must be sent to the relevant Assistant Chief Financial Officer annually.

Petty cash accounts should automatically close at a predetermined date. This is known as a “sunset clause”.

Petty cash accounts should be reviewed and closed if they have not been used in 12 months.

9.4 E-Banking

Electronic Fund Transfer ([EFT](#)) is to be used in the HSE for the following:

- direct payments to employee accounts
- direct payment to creditor accounts
- collection of receipts from debtor accounts (including rent), where possible

The HSE Chief Financial Officer appoints designated staff who are responsible for the day-to-day administration of the system. Arrangements should be made with the bank to keep on file a copy of these delegates.

Banks will be instructed to make electronic transfers to approved accounts upon receipt of written or electronic authorisation. A list of approved accounts and signatures will be provided to each bank.

EFTs are preferred to cheques and should replace cheques where possible.

9.5 Cheques

All cheques and withdrawal slips must be signed by at least two of the authorised employees. All cheques must only be signed with original supporting documentation, such as invoices.

Cheque payments or withdrawals should ideally be replaced with [EFTs](#) (See [Section 9.4](#)).

Payable to cash

Cheques made “payable to cash” are not allowed and the signatories should not sign cheques payable to themselves.

Under no circumstances shall blank cheques or withdrawal slips be pre signed by any authorised employee.

Cheque book register

A register of cheque books shall be maintained at the location which operates the account. The details outlined in the checklist below must be recorded in the register:

You must include these details in the register of cheque books – checklist	
Cheque numbers.	<input type="checkbox"/>

Date received.	<input type="checkbox"/>
Signature of recipient of cheque book.	<input type="checkbox"/>

Cancelled cheques

Any HSE cheques which are to be cancelled automatically means that they cannot be deposited, transferred, or exchanged for cash. A replacement cheque can be issued with approval of the appropriate Line Manager.

Unpresented cheques

Every year, Finance should send any un-presented cheques (a cheque that has been written but has not been presented or paid by the bank) that are from previous financial years to the General Ledger Suspense Account. Cheques which are unpresented for more than twelve months, should be recognised as revenue and cleared from the Suspense Accounts.

Replacement cheques

Any replacement cheque will only be issued after it is checked that:

- the original cheque is outstanding
- has been cancelled by the relevant bank
- it has not already been replaced

9.6 Bank reconciliations

Reconciliation of bank accounts general procedures
All bank accounts must be reconciled monthly. This is to be completed by an appointed employee who is independent of the banking operations.
The employee must investigate and resolve any differences and certify (sign) and date the reconciliation account.
Bank statements must be sent to the appropriate Finance Manager who will forward them to the appointed employee for reconciliation.
The designated General Manager, Finance Specialists (Region), must certify on an annual basis, to the HSE Chief Financial Officer, that all bank accounts have been reconciled up to date.

<p>General Manager, Finance Specialists (Region) send details of the reconciled year-end balance on each bank account annually to the HSE Chief Financial Officer so they can be included in the HSE’s Annual Financial Statements (AFS).</p>
<p>General Manager, Finance Specialists (Region) must keep evidence of reconciliation for audit purposes.</p>

9.7 Opening and closing bank accounts

All new bank accounts require HSE board approval prior to consultation with the financial institution.

9.7.1 Opening bank accounts

Required steps before opening bank account

1. A [mandate](#) must be completed by the Assistant Chief Financial Officer Planning and Performance, National Finance Division, Treasury.
2. Approval to open the account must be sought from the HSE Board in accordance with the [HSE Code of Governance 2021](#) which states; “The Board shall approve the HSE’s bank arrangements, including the opening of all new bank accounts.”
3. New bank account [signatories](#) must be approved by the HSE Board.

Request for formal approval

You must include the following details in a request for formal approval to open a bank account – checklist	
The purpose for which the account is required.	<input type="checkbox"/>
The name and address of the bank.	<input type="checkbox"/>
The account type.	<input type="checkbox"/>
Expected cash flow on a weekly or monthly basis and related cash flow calculations.	<input type="checkbox"/>
A list of cheque signatories or authorised employee.	<input type="checkbox"/>

Segregation of duties (SOD)

SOD must exist. For example, the HSE Chief Financial Officer cannot both complete and approve a bank mandate to open an account. For more information on SOD, please refer to [NFR A – Internal Controls Framework and Principles](#).

Process if bank account approved

Once approved, ACFO Planning and Performance, National Finance Division, Treasury will submit the proposal to the selected financial institution that has the contract for HSE banking services.

The title of each bank account opened must incorporate the name of the HSE in its title. **Under no circumstances are accounts to be opened in the name of any HSE employee.**

All new bank accounts require HSE Board approval and 2 of the 3 main signatories agreed prior to consulting with the financial institution.

9.7.2 Register of bank accounts

A register shall be maintained of all bank accounts by Planning & Performance, National Financial Division.

You must include the following details in the register – checklist	
Name of account.	<input type="checkbox"/>
Location of account.	<input type="checkbox"/>
Type of account.	<input type="checkbox"/>
Account number.	<input type="checkbox"/>
Decision number (approval reference number).	<input type="checkbox"/>
List of authorised employee signatories.	<input type="checkbox"/>
Year-end balance.	<input type="checkbox"/>

9.7.3 Closing bank accounts

Procedure for the closure of bank accounts
If an account is being closed, a Final Reconciliation Account must be prepared and submitted to the HSE Chief Financial Officer.
The recorded cash on hand must be lodged to the relevant bank account, where applicable.
Notice must be given to the office of Planning and Performance, National Finance Division or the HSE Chief Executive Officer designee to update the register.
All documentation relating to closure of accounts shall be retained for audit purposes. For more information, please see HSE's Record Retention Policy .

9.8 Authorisation

9.8.1 Authorised signatories and cheques

Approval of signatory authority

Requests for approval of signatory authority shall be sent to the delegated employee of the HSE Board for certification. For more detail on the approval of authorised signers refer to [section 9.1.3](#). The request shall include the following details:

- the account title and number
- the public depository, where applicable
- the person(s) who are to have signature authority

Signatory authority shall be set out by the HSE Board or delegated employees. Authority shall be for an undefined length of time unless the HSE Board sets out a specific period.

Maintenance of records

The Assistant Chief Financial Officer, Planning & Performance, National Financial Division, Treasury or the HSE Chief Executive Officer designate must keep a file of people who currently have signature authority on state accounts.

If a person is deleted from the list and not replaced, the HSE Chief Executive Officer is not required to seek approval of the HSE Board. The HSE Chief Executive Officer will be required to notify the financial institution of the change. This information must

also be sent to the designated employee with responsibility for updating the signatory register.

The HSE Chief Financial Officer shall conduct a periodic review of the file of individuals who have signature authority to make sure that it has been properly maintained.

Facsimile (Fax) signatures

To facilitate the signing of cheques when manual signatures are impractical, facsimile signatures are allowed. A facsimile signature is a copy of a person’s original signature and is legally binding. The facsimile signatures will be the HSE Chief Executive Officer and the HSE Chief Financial Officer or employee designate(s).

Electronic Signatures (e-signature)

To facilitate the approval of EFT, electronic signatures are allowable. The following controls must be followed.

e-signatures controls – checklist	
Set up of electronic signatories requires approval as above in Section 9.7.1 (opening bank accounts) .	<input type="checkbox"/>
The use of electronic signatories must be strictly controlled and monitored by an employee designated by the HSE Chief Financial Officer.	<input type="checkbox"/>
Only essential personnel as designated under the approval process above should be signatories on these electronic banking functions.	<input type="checkbox"/>

10. Franking machines

A franking machine is a machine that makes printed impressions of stamps on letters or packages. It acts as an alternative to stamps.

10.1 Opening a franking machine imprest

To open a new franking machine imprest, a signed written decision approved by the relevant Manager (General Manager or equivalent salary grade) is required. An imprest is a type of cash account used to pay for small or routine expenses.

You must include the following details in a written decision to open a franking machine – checklist	
What is the purpose(s) for which the machine is required?	<input type="checkbox"/>
Where is the service location?	<input type="checkbox"/>
What is the maximum postage credit that can be held on the franking machine at any one time?	<input type="checkbox"/>
What is the maximum monthly spend on franking machine postage credit?	<input type="checkbox"/>
What staff members are responsible for the daily operation of the franking machine?	<input type="checkbox"/>
What are the details of the staff member for the management and approval of the renewal of the franking machine credit (a Grade 5 or higher)?	<input type="checkbox"/>
What are the details of security arrangements for the storage of the franking machine?	<input type="checkbox"/>

This decision will then need to be sent to relevant CHO, Head of Finance or Chief Finance Officer, Hospital Groups for approval.

Once approved, the area should contact their accounts payable department to arrange the first recoupment of the new franking machine imprest.

10.2 Changes to an existing franking machine imprest

A signed written decision approved by the relevant Manager (General Manger or equivalent salary grade) should be completed when the following are required:

- increase the limit on a franking machine imprest
- increase the monthly postage costs budget on a franking machine
- closure of a franking machine imprest

This decision should set out imprest change requirements and reason for change. It should be sent to relevant CHO Head of Finance or Chief Finance Officer, Hospital Groups for approval.

For an approved limit increase, the area should then contact their relevant accounts payable department to arrange payment of the increase in the limit.

10.3 Closing franking machine imprest

If a franking machine is no longer required:

- a final reading of the credit remaining on the machine must be taken and a request made for reimbursement from the franking machine supplier
- arrangements must be made with the franking machine supplier to collect the franking machine
- when a credit note is received from the franking machine supplier for this unused credit, it should be recorded by accounts payable

10.4 Roles and responsibilities for franking machines

Budget Holders

- Preapproval of franking machine usage.
- You must make sure the franking machine is being used where necessary and appropriate.
- You must make sure franking is not being used for personal use.

Manager of a department or location which has a franking machine on site

- You must assign responsibility for management of machine.
- You must securely store the machine (PIN protected if necessary).
- You must record daily use of the machine (including users, date, time, value, and description of items franked) and reconcile to the machine at the end of the day.
- You must approve machine refill. This is to be done by Grade 5 or higher HSE staff. It cannot be done by the same person who is responsible for the daily security, operation, and reconciliation of the machine.

11. Roles and responsibilities

It is the responsibility of all staff to ensure that they are fully compliant with the financial regulations set out within these documents and all other regulations and legislation referenced within this document.

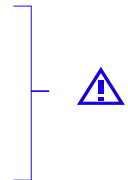
Roles and Responsibilities	
All Staff	<ul style="list-style-type: none"> ▪ Safeguard money under your control. ▪ Timely receipting, reporting and so on.

Roles and Responsibilities	
	<ul style="list-style-type: none"> ▪ Complete records and forms in full. ▪ Participate in appropriate training.
Line Managers	<ul style="list-style-type: none"> ▪ Approve and submit reconciliations. ▪ Ensure appropriate security measures. ▪ Ensure adequate Insurance cover. ▪ Ensure all staff receive appropriate training. ▪ Maintenance of records.
Designated or Appointed Employees	<ul style="list-style-type: none"> ▪ Maintain register of accounts. ▪ Perform Reconciliations. ▪ Investigate discrepancies.
Budget Holders	<ul style="list-style-type: none"> ▪ Monitor usage and investigating and reporting discrepancies.
General Manager, Finance Specialists (Region)	<ul style="list-style-type: none"> ▪ Surveys to identify cash collection points.
CHO Head of Finance and Chief Finance Officer, Hospital Groups	<ul style="list-style-type: none"> ▪ Ensure SOD are in place.
HSE Chief Financial Officer	<ul style="list-style-type: none"> ▪ Produce annual report on bank account arrangements. ▪ Review registers of accounts. ▪ Review of individuals who have signature authority.
HSE Chief Executive Officer, HSE Chief Financial Officer, Assistant Chief Financial Officer, Planning & Performance	<ul style="list-style-type: none"> ▪ Initiates and executes all transactions with banking institutions. ▪ Delegate of responsibilities.

Roles and Responsibilities	
Planning & Performance National Financial Division	<ul style="list-style-type: none"> ▪ Oversee cash management system. ▪ Manage investment of funds.

11.1 Segregation of duties (SOD)

It is the responsibility of each Head of Finance and the Chief Finance Officer, Hospital Groups. This is needed to eliminate the possibility of defrauding and error.



This means that the same employee is not:

- authorising and processing payments (paying out money in line with signatures required)
- handling cash and cash equivalents
- receipting or posting of cash and cash equivalent (such as prize bonds and shares)
- accounts reconciliations

See [NFR A – Internal Controls Framework and Principles](#) for more details.

11.2 Training

If you are responsible for cash collection, retention or banking administration, you should receive relevant training.

You must keep up to date manuals dealing with specific internal controls to minimise the occurrence of loss, or misappropriation and misstatements in the financial records. The Head of Service or equivalent grades must ensure that appropriate training sessions are provided.

If you have cash handling responsibilities, you should be given clear written procedures regarding your responsibilities.

As a minimum, employees 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.

For further information on general staff responsibilities and local procedures, see [NFR A – Internal Controls Framework and Principles](#).

12. Irregularities, whistleblowing and fraud

HSE staff must not engage in or be in any way associated with fraudulent or unlawful behaviour.

Any member of staff who considers that there may have been an irregularity that could lead to a misappropriation of funds or fraud should refer to the Whistleblowing and Fraud section of [NFR A – Internal Controls Framework and Principles](#) to report serious matters under the [Protected Disclosures Act 2014](#). This act aims to protect staff who raise concerns about possible wrongdoing in the workplace such as financial fraud.



Please also refer to the [HSE Fraud Policy](#).

13. Glossary of terms

Term	Meaning
Accounts payable	This refers to amounts due to suppliers of goods or services received that have not yet been paid.
Asset	An asset is a resource with economic value that an individual, corporation, or country owns or controls with the expectation that it will provide a future economic benefit.
Audit	An audit is the investigation of financial statements and accompanying documentation and processes and is performed by people (known as auditors), both from within the HSE (internal auditors) and outside the HSE (external auditors).
Bank mandate	A written instruction to a bank asking the bank to open an account, make regular payments from account, or do some other service for the customer.
Bank overdraft	This refers to the situation in which a bank account balance drops to zero or below (negative balance). The bank in effect is loaning money to the bank account.
Cardholder present transactions	<p>Cardholder present transactions include:</p> <ul style="list-style-type: none"> ▪ chip and PIN ▪ chip and signature ▪ contactless ▪ swipe and signature ▪ mobile wallet contactless payment
Cardholder not present transactions	<p>Cardholder not present transactions include:</p> <ul style="list-style-type: none"> ▪ telephone order by virtual terminal ▪ card-on-file ▪ online ▪ manual card entry on card terminal

Term	Meaning
	<ul style="list-style-type: none"> ▪ recurring or subscription billing ▪ payment links ▪ mobile wallet payment on internet
Cash Flow	This refers to the amount of money coming in and going out of an organisation or bank account.
Collateral	This refers to an asset that a lender accepts as security for a loan. This asset acts as a form of protection for the lender. That is, if the borrower doesn't repay their loan payments, the lender can seize the collateral and sell it to recover some or all of its losses.
Cost benefit analysis	A cost-benefit analysis is a process used to measure the benefits of a decision or taking action minus the costs associated with taking that action.
Credit (in relation to refunds)	The positive balance or amount remaining in a person's account.
Direct Debit DD	A Direct Debit authorises someone to collect payments from your account when they are due.
Electronic Funds Transfer EFT	Digital movement of money between bank accounts without the need for paper documents.
Franking machine	A franking machine makes printed impressions of stamps on letters (envelopes) or packages and acts as an alternative to stamps.
Fuel cards	Fuel cards are used by authorised HSE employees to buy fuel and a very limited list of related items which are necessary for the efficient use of HSE vehicles.
Imprest	<p>Imprest is a type of cash account used to pay for small or routine expenses.</p> <p>A fixed account balance is established in the imprest account and refunded as needed when money is</p>

Term	Meaning
	withdrawn. Examples include petty cash accounts and franking machine imprest accounts.
Paying in slip	The piece of paper you give to the cashier with details such as amount of deposit, date and so on.
Petty cash	Petty Cash refers to small amounts of cash (or access to cash) authorised to be held by specific locations, used to make payments for incidental expenses where no other method of payment, such as a cheque, is available or not practical due to the amount.
Procurement	Procurement is the process of purchasing goods and services.
Procurement card	The HSE use procurement cards to streamline and simplify Purchasing and Accounts Payable functions for low value procurement (items such as petty cash, cheque requests, and low value purchase orders). In most cases, procurement cards are used in residential settings.
Purchasing Transaction Log	Each cardholder must maintain a Purchasing Transaction Log. This log is then used to balance the monthly bank or card statement and forms the basis of the input document which details the allocation of spend in the Financial Accounting System.
Rate of return	The net gain or loss of an investment, expressed as a percentage of the original investment, over a specific period of time.
Reconciliation	The process of comparing internal financial records against monthly statements from external sources—such as a bank, credit card company, or other financial institution—to make sure they match up.
Signatory	An authorised signatory is a person who has been given the power to sign items such as a document,

Term	Meaning
	contract, cheque, agreement, or legally binding document on behalf of the organisation.
Working capital	Working capital is calculated by taking current assets and deducting current liabilities.
Write-off	A write-off refers to the removal of an asset, such as cash or money it owned from a client, from the balance sheet as it is not expected to be recovered.

14. Acronyms and abbreviations

Term	Meaning
AFS	Annual Financial Statements.
CEO	Chief Executive Officer.
CFO	Chief Financial Officer.
CHO	Community Healthcare Organisation.
EFT	Electronic Funds Transfer.
HG	Hospital Group.
MCC	Merchant Category Code.
NFR	National Financial Regulations.
PO	Purchase Orders.
SOD	Segregation of Duties
VAT	Value Added Tax.

15. Key controls

Please click the icon below for B5 Key Control Checklist.

