

Introduction  
to  
FINANCIAL  
REGULATIONS



Approved by the Board	02/09/2021
Review Date	16/11/2023

## **Introduction**

- Financial Regulations form an integral part of the overall system of Financial Corporate Governance and are intended as the framework underpinning the System of Internal Financial Control.
- Attention has been made to ensure that the Financial Regulations, are consistent with statutory requirements and government guidelines and professional standards where appropriate.
- The importance of managers and staff recognising their personal responsibilities in relation to the understanding of and compliance with the Financial Regulations is stressed.
- The Financial Regulations and compliance with them, will require continuous monitoring at all levels to ensure that the level of assurance provided, regarding the effectiveness of our system of internal financial controls, is maximised.
- The initial task in implementing these Financial Regulations is to identify any areas where there may be compliance gaps and put in place planned actions to address these gaps.

## **Purpose**

- The Financial Regulations are intended to outline the framework within which the internal financial control system of the DCIL will operate.
- These regulations are not intended as a detailed procedural guide for financial processes or activity.
- These regulations have been prepared with the intention of ensuring that the financial controls in operation within the DCIL are consistent with:  
Irish and EU statutory requirements  
National Financial Regulations (NFR), under which the internal financial control system of the HSE operates and the  
Internal Financial Controls Guidelines for Charities by the Charities Regulator

## **Compliance with Financial Regulations**

- No set of Financial Regulations will be effective unless they are specific, understood and monitored for compliance.
- It is the responsibility of all managers and staff to ensure that the day-to-day operations and procedures of the organisation comply with the Financial Regulations.
- All managers and staff have a direct responsibility to be pro-active in ensuring that they are aware of, understand and comply with these Financial Regulations.

## **Objectives**

- The Financial Regulations and the system of internal financial controls that they underpin are intended to:
  - Support the achievement of the objectives of the DCIL.
  - Facilitate open and transparent accountability for the financial resources of the DCIL
  - Support the efficient and effective use of resources.
  - Ensure the safeguarding of Assets.
  - Reduce the likelihood of fraud, theft or error in relation to financial matters and increase the likelihood of its detection.

## **Context**

- These Financial Regulations and compliance with them must be viewed in the context of the role of the DCIL, which is to support and encourage Independent Living for people with disabilities living in Donegal.
- Proper financial controls will assist the DCIL in meeting this primary objective.

## **General Responsibilities of Management and Staff**

- Ensure regulations are complied with by all staff that may be involved in the financial processes.
- Responsibility to minimise staff resource utilised in the financial processes consistent with achieving value for money and complying with the Financial Regulations.
- Responsibility to mitigate any compliance or capacity deficits regarding any of the managers and staff that are involved in the process.
- Each member of staff has similar responsibilities to the manager in respect of themselves about compliance and regulations.  
Being personally proactive about his/her own awareness, understanding, knowledge, training and development in order to ensure this compliance.

## **List of Current DCIL Financial Policies**

11.0 Introduction to Financial Regulations

11.1 Fixed Assets and Capital Accounting

11.2 Mobile Phone Policy

11.3 Payroll Policy

11.4 Reserves Policy

11.5 Cash and Bank Policy

11.6 Purchase to Pay Process

## **Audit Trail <sup>1</sup>**

- Throughout these Financial Regulations there are direct and indirect references that establish the minimum controls that should operate, including supporting documentation, evidence of supply etc.  
There is an overall requirement irrespective of the level of automation or complexity of the process that sufficient Audit Trail is maintained.

## **Approval to Amendments to the Financial Regulations**

- Proposed amendments to the Financial Regulations must be recommended by the Finance staff and approved by the CEO of DCIL.
- Amendments must be recorded on a formal written decision.

<sup>1</sup> Audit Trail - A visible trail of evidence enabling a person to trace information in the financial statements or other information reported back to the original source document. For example, Purchase of Laboratory Supplies reported in the Annual Financial Statements (AFS) can be tracked back to the respective individual transactions, including supporting authorised Purchase Requisition or Order, Goods Received Note (& Proof of Delivery), invoice and payment details.