

Page No	Description of Document	Deletions	Relevant Section of FOI Acts	Reason for Redaction	Decision Maker's Decision
1	Cover Page	0			Grant
2	Circulation Control	0			Grant
3	Contents	0			Grant
4-6	Executive Summary	6	Part 1(n) of Schedule 1	Outside the Scope of the FOI Act	Part Grant
12-31	Audit Findings & Recommendations	20	Part 1(n) of Schedule 1	Outside the Scope of the FOI Act	Part Grant
32	Acknowledgement	0			Grant



Audit of Public Banking Procedures

November 2018

Circulation Control

Sent for Management Response to: Executive Director of Finance and Services
Date: 15/11/2018

Management Response Received from: Executive Director of Finance and Services
Date: 29/01/2019

Final Report Peer Reviewed: Niall Kelly, GIAS
Date: 01/2/2019

Final Report sent to: Office of the Garda Commissioner
Office of the CAO
Executive Director Finance and Services
Date: 04/2/2019

Final Report sent to: Garda Audit and Risk Committee
Date: /2019

Final Report sent to: C&AG and Policing Authority
Date: /2019

Contents

1. Executive Summary	4
1.1 Introduction	4
1.2 Audit Opinion	4
1.3 Main Findings and Recommendations	5
1.4 Overall Conclusion	6
2. Audit Report	7
2.1 Background	7
2.2 Audit Scope and Approach	7
3. Audit Findings & Recommendations	12
3.1 Bank Account Sanctions	12
3.2 Account Holder	15
3.3 Account Signatories	18
3.4 Account Statements and related documentation	21
3.5 Segregation of Duties	23
3.6 Policy and Procedures	25
3.7 Other matters arising	29
Acknowledgement	32

1. Executive Summary

1.1 Introduction

This audit set out to examine the robustness of the procedures in place in relation to monitoring, oversight and operation of bank accounts held in An Garda Síochána. The audit's aim is to provide assurance that: all banking procedures are compliant with the Garda Code and Policy, conform to Department of Finance and DPER instructions/regulations and that arrangements for the operation of all bank accounts are valid and appropriate.

Many bank accounts operated by Divisional and District Officers date back to the early years of An Garda Síochána. Some are in operation since the 1920's. Following the audit report on the Garda College in 2017, a review was undertaken by the Director of Finance and Services. It was decided that, where sanctions were not readily available, an application would be made to DPER¹ for sanction. [REDACTED] sets out the current provisions under which Public Bank Accounts held by An Garda Síochána should be operated.

Following on from the audit of the Garda College reported on in 2017, issues arose regarding the number and designation of Bank Accounts held by An Garda Síochána. Procedures have now been updated by the Executive Director of Finance and Services and work is progressing in relation to reviewing the number of accounts held. Nonetheless, it is incumbent on the Garda Internal Audit Service to assess internal controls for compliance with policy and to ensure that arrangements for operating bank accounts are safe and effective.

Risks associated with bank account management relate to areas such as:

- Control of opening / closing and making changes to accounts.
- Maintaining the accounts.
- The possibility of new accounts being opened unknown to the Executive Director of Finance and Services.
- Irregularities as a result of poor bank account management.

1.2 Audit Opinion

Garda Internal Audit Service can provide **Limited Assurance** that there are controls in place for the management of Banking Procedures and that these controls are effective and are operating as intended.

In relation to specific audit objectives Garda Internal Audit Service can provide:

1. **Limited Assurance** that banking procedures in An Garda Síochána are valid, appropriate and comply with Government policy in terms of sanctions, procedures and controls.

¹ Department of Public Expenditure & Reform

2. **Limited Assurance** that control of banking procedures, the propriety of the transactions, the systems in place for the prevention, detection and correction of errors and irregularities are valid, appropriate and are operating effectively.
3. **Reasonable Assurance** that the recording and reporting of the financial position of the accounts audited is sufficiently robust.

1.3 Main Findings and Recommendations

The audit areas which are the subject of **Priority One** recommendations are:

1. Responsibility and Oversight

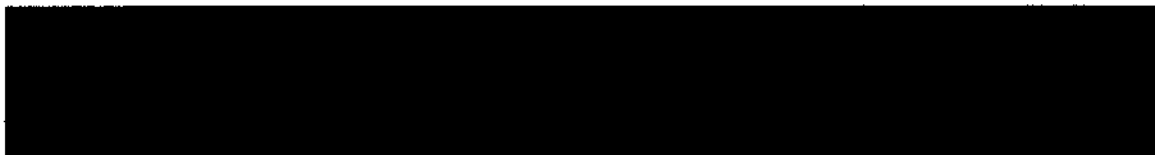
In order to comply with DPER circular 16/2014 and [REDACTED] all An Garda Síochána bank accounts must have official sanction from DPER. Following the Bank Review carried out in 2017, the Finance Directorate are now aware of which accounts are compliant and those that are not. It is recommended that a follow up review is undertaken with further more detailed examinations carried out across the organisation and those accounts not in compliance are assessed by the Office of the Director of Finance and Services and sanction applied for or, where deemed inactive, the accounts closed. This review should include accounts in any bank, building society, credit union or any other financial institutions.

Finance Directorate has to take responsibility and appropriate actions to ensure that controls are adequate and are in place and that all Garda and DPER requirements are met.

2. Sanctions – all accounts

The Finance Directorate must ensure that all Garda members and staff are aware of the requirement to obtain authorisation to operate a bank account in / on behalf of An Garda Síochána. Where that account has been in operation prior to 2014, there is a requirement to seek retrospective sanction. Also, if the name or purpose for which the account was originally opened is changed, sanction must be sought from the Department of Public Expenditure and Reform (DPER).






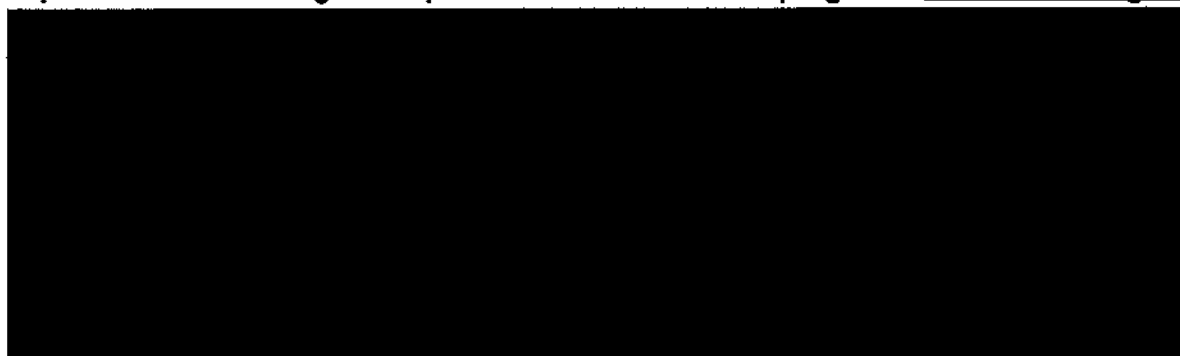
6. Tender

Finance Directorate should be advised that when choosing a commercial bank to operate a public bank account, Department of Finance Public Procurement Guidelines should be followed i.e. sanction obtained and a competitive tender should be held, when necessary.

Bank accounts must operate through the official Government banking service supplier, selected following Public Procurement.

1.4 Overall Conclusion

While GIAS can report that the control and management of bank accounts has improved overall, there remain some weaknesses and areas where rationalisation and improvement in oversight and procedures is still work in progress. 



During the audit, no financial irregularities were identified regarding any of the funds in the accounts examined.

Management responses from the Finance Directorate in relation to the issues found and included in this report have placed considerable responsibility on local management to manage these accounts. The Executive Director Finance and Services must take overall responsibility for all Garda Bank Accounts. In cases where local management are not complying with the Garda and DPER regulations, the Executive Director Finance and Services should take the initiative and close all such accounts.

² Department of Public Expenditure and Reform, 2012

2. Audit Report

2.1 Background

The Garda Internal Audit Service has made a commitment to conduct a suite of audits in the Finance Directorate in 2018. The focus of this aspect of the Audit of the Finance Directorate, is Bank Accounts within An Garda Síochána that are held with commercial banks/institutions. These are generally funded with Voted money, however, this audit has uncovered accounts with differing purposes, funded from various sources.

The Department of Public Expenditure and Reform (DPER) has legal authority to determine which bank accounts are deemed public bank accounts and the banks in which these accounts are operated. The Accounting Officer for a Vote is responsible for the oversight of his / her organisation's Public Bank Accounts.

This audit set out to provide assurance that all banking procedures are compliant with Garda and DPER policy and that arrangements for operating bank accounts are valid and appropriate.

In 2017 in order to establish the number of Bank Accounts in operation and to ensure the data held was accurate and up to date, the Finance and Services Directorate undertook a Bank Review. This involved a request to each senior Garda ranks and Garda staff managers to provide a return containing all known accounts (bank, credit union or building society) in existence in Districts and Stations and areas under their remit. As per this report³ 'at 21/11/17 there were 125 Bank Accounts operating within An Garda Síochána through which public monies are processed'.

2.2 Audit Scope and Approach

This audit was carried out by the Garda Internal Audit Service with appropriate research and by collating information collected via email, through meetings with relevant managers, finance officers and individuals responsible for the operation of bank accounts and examination of related documentation. A sample of 17 accounts was selected for review to provide a cross-section of the organisation. On site visits were made to five locations. The position regarding the use of these accounts is as follows:

1. Kevin Street Garda Station

This account is utilised for activities run by the Juvenile Liaison Officer (JLO) in conjunction with local primary and secondary schools. Events are held three or four times a year and this is when the majority of the transactions are made.

There is no

³ Bank Review 2017 – Finance Directorate

oversight in relation to collection and expenditure of monies received or of lodgements and withdrawals from the account.

The majority of money deposited is from fees charged for the events organised. These monies are used for the provision of food, transport and prizes associated with the particular event. There is normally only a nominal amount in the account. However, a bursary of €1000 was received from [REDACTED] this year (2018), a gesture made to several community projects. This is shown in the account's current balance. The only exception to outgoings, was a contribution [REDACTED] to a local school boy seeking sponsorship to compete at the World Boxing Championships.

2. Garda Vetting Office, Thurles

This account is utilised for the collection of fees associated with requests under Data Protection legislation. A fee of €6.35 was charged per request. Following roll out of new General Data Protection Regulation (GDPR) in May 2018, this fee no longer applies. There are no cash transactions associated with this account as all payments are made either electronically, by cheque, draft or postal order.

DunLaoghaire Garda Station

3. Imprest Account

This account was audited during the Divisional Audit in September 2017, and during the site visit the Finance Office was consulted in relation to the account. There are no issues and the account is very well maintained and all procedures are being adhered to. There was no original sanction on file (account dates from 1966) and no retrospective sanction was sought.

The 2017 Divisional Audit Report found that "all Imprest and books / documentation related to finances, cheque book, bank statements and invoice payments were available for audit purposes. The Imprest account was sampled and all expenditure totals and balances were found to be in order."

4. Community Project 2004

This account was set up to provide JLO Counselling Service through Dun Laoghaire Garda Station. During the site visit, it was established that there has been no activity on this account for a number of years. The account has a cash balance and is accruing fees.

5. Community Project 2007

This account was set up to provide JLO Counselling Service through Dun Laoghaire Garda Station. During the site visit, it was established that there has been no activity on this account for a number of years. The account has a cash balance and is accruing fees.

6. Arrest Referral Scheme 1999

This account is no longer in use and is in credit and accruing fees. The account was highlighted to the Audit Team during the Divisional Audit in September

2017 and a report was requested. To date Garda Internal Audit Service has not received this report.

7. Roxboro Road, Limerick

This account is utilised for activities run by the JLO within the Limerick Regeneration Framework Implementation Plan, for 8 to 13-year-old children which previously came under the Youth Diversion Programme (YDP) and for social events for the elderly in estates under the remit of Roxboro Road Garda Station.

The account was opened with [REDACTED] in 2015. There is a Service Level Agreement (SLA) with Limerick City and County Council (LCCC). Grant assistance of €30,000 was approved by LCCC in relation to this project and an initial amount of €27,000 was made available when the SLA was signed, with the remainder provided upon evidence of expenditure within the remit of the scheme. Previous bank accounts associated with these activities were closed. The account which channelled monies in relation to the YDP was closed by the Department of Justice and Equality.

There are a number of conditions contained in the SLA attached to the operation and funding of the project. These include:

- Staged payments
- Post payment monitoring procedures by LCCC
- Requirement to maintain, on an ongoing basis, detailed financial information on expenditure
- Provide statistics on the operation and physical outputs and outcomes (achievements and results) to the office of Regeneration LCCC

There are also specific procurement procedures for the use of monies:

- National procedures – over €25K
- Three quotes - €5K to €25K
- Value for money on quotes under €5K

This is an example of good practice in activity management and oversight.

Finance Directorate Garda Headquarters

8. Interest Bearing Account

This account is utilised for cash (as defined) seized under Section 38 of the Criminal Justice Act 1994, as amended under Section 20 of the Proceeds of Crime Act 2005 and allows for its retention pending further investigation. [REDACTED]

[REDACTED] On a monthly basis money is either paid to Appropriations in Aid or returned to the individual.

9. Forfeited and Unclaimed Money (FUM)

[REDACTED] Every month the money is paid over to Appropriations in Aid. When appropriate, money is returned to an individual. GIAS has found in many Districts audited that the usual practice with regard to seized or unclaimed money is that this money is processed through Police Property applications to the Courts and lodged to the Imprest Account. Also the recent audit

of Suspense Accounts noted 2 Suspense Accounts related to FUM and recommended closure.

The other Districts / Offices/areas included in the audit sample of bank accounts and the position with regard to these accounts was found to be as follows:

10. Garda Band – Sale of CD's

Account closed

11. Commissioners Garda Síochána No: 2 Current Account

Account closed, remaining funds lodged to the Garda HQ Imprest Account.

12. Garda Community Relations National Juvenile Office Harcourt Square

Account closed

13. Superintendent An Garda Síochána Fitzgibbon Street Secondary School Project

Account closed, lodged to Imprest account

14. Superintendent An Garda Síochána GFCPO – Thurles

Account Closed

15. Superintendent An Garda Síochána Parking Fines Office Account Capel Street

Account closed

16. An Garda Síochána Youth Diversion Project Gurrabraher

Account Closed

17. Bray Community Project

This account was originally established and funded by the Bray Local Drug Task Force (BLDTF) for referrals of youths to the BLDTF and for the provision of training in addiction studies. The account became redundant when there was no longer a need for the aforementioned referrals and/or training and funds were redirected to an awards scheme for youths from Wicklow. This initiative was launched in September 2017 and the first awards ceremony took place in February 2018. Awards were presented to nominees in various categories on the evening at the ceremony. [REDACTED]

[REDACTED] A business case to retain the account and change the name were forwarded to the Executive Director Finance and Services in October 2017 and the account was included in the application for blanket retrospective sanction as part of the Banking Review, 2017. Although this account remains open it was not included in the audit fieldwork, the requested paperwork was received at Garda Internal Audit Service.

A sample of documentation was requested from each location which was examined to determine the adequacy of procedures and propriety in the operation of the accounts audited. Each account was examined under the following criteria:

Garda Internal Audit Service

- **Sanction – original or retrospective**
- **The current name of the account and/or the account holder**
- **All signatories of the account(s)**
- **Statements and related documentation for 2016 and 2017**
- **Person responsible for reconciliation of the account**
- **Compliance with all policy and procedure**
- **Matters arising or highlighted during the course of the audit**

3. Audit Findings & Recommendations

3.1 Bank Account Sanctions

Expected Control

Sanction to open and operate a public bank account, original or retrospective, is on file and in order.

Findings

Of the nine accounts examined during on-site visits and the documentation provided to Garda Internal Audit Service, there was no record of sanction granted, as highlighted below, by either the Department of Justice and Equality or DPER as required by Section 29(1) of the Garda Síochána Act 2005. Seven further accounts were closed prior to the audit. One additional, open account was examined through records.

1. Kevin Street Community Project 1998

There is no original sanction on file for this account. GIAS was informed that retrospective application has been made by the Finance Directorate in relation to this account as part of blanket sanction applied for from DPER in 2013. No document supporting this position was produced to GIAS internally. GIAS sought and obtained copies of documents from DPER in relation to the application for sanctions in 2013 and confirmed that this account was not part of it. It is noted that this account is a Credit Union Account.

2. Thurles - Central Vetting Unit

There is no original sanction or retrospective sanction. Documentation was sourced from the Bank of Ireland in an effort to ascertain information in relation to sanction. These documents show that the account was set up using personal details of a now retired Superintendent and the sanction from the Finance Directorate was actually signed by a Superintendent from the Garda College.

DunLaoghaire

3. Imprest Account

There is no original sanction or retrospective sanction available on file. However, it is acknowledged that this account dates to the 1960's. It should have been included in the retrospective sanctions requested in 2017 following the internal review. The position with this active District Imprest will have to be regularised.

4. Arrest Referral Scheme

This account is no longer in use but it is in credit and consequently accruing fees. This account was highlighted to the Audit Team during the Divisional

Audit in September 2017 Audit and a report was requested. To date Garda Internal Audit Service has not received this report. Sanction for the account is not on file and retrospective sanction has not been sought.

5. Community Project 2004

There is no original sanction or retrospective sanction on file for this account.

6. Community Project 2007

There is no original sanction or retrospective sanction on file for this account.

7. Roxboro Road – Community Project

No evidence on file that sanction or retrospective sanction has been sought in relation to this account. It is acknowledged that there were formal procedures and conditions attached to the operation of the account. However, these were between the local Council and the Roxboro Road Garda District.

Finance Directorate

8. Interest Bearing Account

GIAS was informed that this account was part of blanket sanction sought from DPER in 2013 but no documentation in relation to same was produced by the Finance Directorate. GIAS sought and obtained copies of documents from DPER confirming this account was part of the blanket sanction applied for from DPER in 2013.

9. Forfeit and Unclaimed Monies Account (FUM)

Sanction was on file and this account was also part of the blanket sanction sought from DPER in 2013.

10. Bray Community Project – application as part of the blanket sanction

A business case to retain the account and change the name were forwarded to the Executive Director Finance and Services in October 2017 and the account was included in the application for blanket retrospective sanction as part of the Banking Review 2017.

In relation to the audit sample where the accounts were closed, the only sanction on file was for the account which was held by:

11. Garda Community Relations National Juvenile Office Harcourt Square

Recommendations – Priority 1

In order to comply with DPER circular 16/2014 and [REDACTED] all An Garda Síochána bank accounts must have official sanction from DPER. Following the Bank Review carried out in 2017, the Finance Directorate are now aware of which accounts are compliant and those that are not. It is recommended that a follow up review is undertaken with further, more detailed examinations carried out across the organisation. Those accounts not in compliance, are assessed by the Office of the Director of Finance and Services and sanction applied for or, where deemed inactive, the accounts closed.

The Finance Directorate must ensure that all Garda members and staff are aware of the requirement to obtain authorisation to operate a bank account in / on behalf of An Garda Síochána. Where that account has been in operation prior to 2014, there is a requirement to seek retrospective sanction. Also, if the name or purpose for which the account was originally opened is changed, sanction must be sought from the Department of Public Expenditure and Reform (DPER).

Management Response

It is accepted that all Garda members and staff should be aware of the requirement to obtain authorisation to operate a bank account in / on behalf of An Garda Síochána. The process of closing inactive or unnecessary bank accounts is ongoing. Retrospective sanction has been applied for regarding any bank accounts where DPER sanction was not in place. [REDACTED] was issued to address paragraph 2 above. While the onus is on Garda members and staff to ensure they comply with all HQ Directives, reminders will be issued and the requirement to comply with the DPER Circular 16/2014 and HQ Directive 69/2017 will be reinforced at all training and development courses given by the Finance Directorate.

GIAS Note:

The Executive Director Finance and Services should take full, overall responsibility for all Garda Síochána Bank Accounts. This issue should be examined in the course of the Finance Directorate inspections in accordance with [REDACTED] Where reminders and training are not sufficient, other strategies must be introduced.

3.2 Account Holder

Expected Control

The current name of the account and/or the account holder is in compliance with DPER Circular 16/2014 and [REDACTED]

Findings

Of the 125 active bank accounts in AGS (as per Bank Review 2017), the majority are Imprest Accounts required for the management of a District and are compliant and under the control of the District Officer.

Of the nine accounts examined during on-site visits and the documentation provided to Garda Internal Audit Service, the current name of the account and/or the account holder is not always in compliance with DPER Circular 16/2014 and [REDACTED] which states that *'the name should be: An Garda Síochána, "description", Public Bank Account.*

1. Kevin Street Community Project

Name on the account: *JLO Club, C/O 'Named Officer', An Garda Síochána, Kevin Street*

2. Thurles - Central Vetting Unit

Name on the account: *Superintendent Garda Central Vetting Unit Thurles Public Account*

DunLaoghaire

3. Imprest Account

Name on the account: *Superintendent An Garda Síochána F District, No 1 Current Account*

4. Arrest Referral Scheme

Name on the account: No documentation was provided to the audit team in relation to this account.

5. Community Project 2004

Name on the account: *Garda JLO Counselling Service, Current Account*

6. Community Project 2007

Name on the account: *Garda ASB (JLO) Current Account*

7. Roxboro Road – Community Project

Name on the account: *Garda Lifestyle Project, C/O 'Named Officer', An Garda Síochána, Roxboro Road*

Finance Directorate

8. Interest Bearing Account

Name on the account: *Staff Officer Headquarters, An Garda Síochána, Savings Account*

9. Fortified and Unclaimed Monies Account (FUM)

Name on the account: *Superintendent An Garda Síochána, Forfeited and Unclaimed Monies to the State, Public Bank Current Account*. It is noted that there is a spelling error in the title of this account and it is recommended that this matter is rectified.

In relation to the audit sample where the accounts were closed, all seven accounts were in compliance with the requirement to contain the name 'An Garda Síochána' in the title of the account.

The open Bray Community Project account was also in compliance.

- 10. Commissioners Garda Síochána No: 2 Current Account Garda Band – Sale of CD's**
- 11. Commissioners Garda Síochána No: 2 Current Account**
- 12. Garda Community Relations National Juvenile Office Harcourt Square**
- 13. Superintendent An Garda Síochána Fitzgibbon Street Secondary School Project**
- 14. Superintendent An Garda Síochána GFCPO – Thurles**
- 15. Superintendent An Garda Síochána Parking Fines Office Account Capel Street**
- 16. An Garda Síochána Youth Diversion Project Gurrabraher**
- 17. Bray Community Project: Garda Síochána Referrals Superintendent Garda Station Bray**

Recommendations

Priority 1

All Garda members and staff should be advised of the requirement to comply with DPER Circular 16/2014 and [REDACTED]

- Accounts to bear the name *Public Bank Account, An Garda Síochána* and
- No individual employee should be named on the account.

Priority 2

Steps should be taken by the office of the Director of Finance and Services to ensure that all bank accounts held in An Garda Síochána are in compliance with DPER Circular 16/2014 and [REDACTED]. This should be done in conjunction with the rationalisation of District Imprest Accounts under the Divisional Policing model.

Bank charges are undesirable on Public Bank Accounts. The office of the Director of Finance and Services should examine accounts where charges are being incurred and provide advice to account managers to ensure compliance with Circular 16/14 section 11, which states that 'accounts should be interest-bearing where possible and charges incurred (...) should be minimal'.

Accounts that are inactive for more than one year should be assessed. If the purpose for which the account was opened no longer exists, the account should be closed.

Priority 2

Name on the account: *Superintendent An Garda Síochána, Forfeited and Unclaimed Monies to the State, Public Bank Current Account* contains a spelling error and it is recommended that this matter is rectified.

Management Response

It is agreed that all Garda members and staff should be advised of the requirement to comply with DPER Circular 16/2014 and [REDACTED] and for accounts to bear the name Public Bank Account An Garda Síochána and that no individual employee should be named on the account, reminders will be issued to this effect.

The priority 2 recommendation is also agreed - the process of closing inactive or unnecessary bank accounts is ongoing. Retrospective sanction has been applied for regarding any bank accounts where DPER sanction was not in place. HQ Directive 069/2017 was issued to address paragraph 2 above. While the onus is on Garda members and staff to ensure they comply with all HQ Directives, reminders will be issued and the requirement to comply with the DPER Circular 16/2014 and [REDACTED] will reinforced at all training and developments courses given by the Finance Directorate.

There will be a reduction in the number of bank accounts with the roll out of the Divisional Policing Model. Bank charges incurred are generally unavoidable and are part of the day to day charges to service the account. In cases where they are deemed inappropriate or avoidable they will be followed up with the account manager. The review on bank accounts is ongoing and this will include inactive accounts.

3.3 Account Signatories

Expected Control

There is an effective systems of control and maintenance of bank accounts. Signatories for all accounts are at the appropriate level and should be up to date and accurate. Obsolete signatories are removed. Best practice would be for double signatories on accounts, particularly in the accounts for community projects, etc. where external donations/funding is involved.

Findings

Of the nine accounts examined on-site visits and documentation provided to GIAS, the following was noted:

1. **Kevin Street Community Project**
There is only one signatory for the account.
2. **Thurles - Central Vetting Unit**
There is only one signatory for the account.

DunLaoghaire

3. **Imprest Account**
As per Divisional Audit Report 2017, one signatory for the account.
4. **Arrest Referral Scheme**
No documentation was provided for inspection to the audit team in relation to this account.
5. **Community Project 2004**
Good controls were in place during the period when the account was active. However, there are no signatories nominated from the current cohort of staff within the unit. The District Officer needs to take control of the account.
6. **Community Project 2007**
Good controls were in place during the period when the account was active. However, there are no signatories nominated from the current cohort of staff within the unit. The District Officer needs to take control of the account.
7. **Roxboro Road – Community Project**
There are three named signatories on the account, which is overseen by a committee: Superintendent, Secretary to the project and the JLO.

Finance Directorate

8. **Interest Bearing Account**
There are four named signatories with any two to sign.
9. **Fortified and Unclaimed Monies Account (FUM)**
There are four named signatories with any two to sign.

With regard to the remaining sample of closed accounts and the open Bray Community Project account, the audit revealed that:

- 10. Commissioners Garda Síochána No: 2 Current Account Garda Band – Sale of CD's**
Only a closing statement was provided for this account.
- 11. Commissioners Garda Síochána No: 2 Current Account**
Only a closing statement was provided for this account.
- 12. Garda Community Relations National Juvenile Office Harcourt Square**
There were four signatories for this account when it was in operation. This represents a good control.
- 13. Superintendent An Garda Síochána Fitzgibbon Street Secondary School Project**
This information was not supplied as this was a dormant account.
- 14. Superintendent An Garda Síochána GFCPO – Thurles**
No activity on this account in the specified audit period.
- 15. Superintendent An Garda Síochána Parking Fines Office Account Capel Street**
No activity on this account in the specified audit period.
- 16. An Garda Síochána Youth Diversion Project Gurrabraher**
No activity on this account in the specified audit period.
- 17. Bray Community Project**
There is only one signatory on this account

Recommendations – Priority 1

In order to comply with DPER circular 16/2014 and [REDACTED] all official An Garda Síochána bank accounts should have nominated signatories at an appropriate rank or grade.

Best practice would ensure double signatories and the Executive Director of Finance and Services should consider implementing this practice across all bank accounts.

All accounts in operation in the Districts should be managed from the District Office.

The Executive Director of Finance and Services should consider implementing policy vis-à-vis:

- (i) The question of restricting the authority of the signatories; for example - when/how/what amount they can use the account for / withdraw and whether they can have access to e-banking and other technology efficiencies;
- (ii) The possibility of a Framework Agreement with suppliers of banking services used by an Garda Síochána whereby they would provide (on an annual basis), a summary of all bank account holder details to the Executive Director. This can then be cross-referenced with annual returns/statements from each account manager (District Officer/Office manager) regarding the number and reference of all / any official accounts in their area of responsibility.

Management Response

The recommendation to require double signatories will be considered as part of the Divisional Policing Model, apart from the presence of a Chief Superintendent and other collocated Superintendent(s), the administrative hub will be headed by an Assistant Principal Officer. This will afford the opportunity to explore the requirement for double signatories.

The other two recommendations at (i) and (ii) above will also be considered as part of a review of the administrative arrangements for the Divisional Policing Model.

3.4 Account Statements and related documentation

Expected Control

Effective systems and procedures to ensure that all the documents, regarding accounts held in or connected to An Garda Síochána, are retained. The controls are in place to ensure an adequate audit trail. Statements and related documentation for 2016 and 2017 are reconciled, in order and available for audit.

Findings

Of the nine accounts examined on-site visits and the documentation provided to GIAS, the following was noted:

- 1. Kevin Street Community Project**
Statements were provided for 2016 and 2017, as requested; there were no issues arising.
- 2. Thurles - Central Vetting Unit**
Statements were provided for 2016 and 2017, as requested.

DunLaoghaire

- 3. Imprest Account**
Statements were provided for 2016 and 2017, as requested. No issues, as per Divisional Audit Report 2017.
- 4. Arrest Referral Scheme**
No statements provided and no documentation available for inspection during site visit.
- 5. Community Project 2004**
Statements provided for 2016 and 2017, as requested.
- 6. Community Project 2007**
Statements provided for 2016 and 2017, as requested.
- 7. Roxboro Road – Community Project**
Statements for 2016 and 2017 were provided for inspection during the site visit.

Finance Directorate

- 8. Interest Bearing Account**
Statements for 2016 and 2017 were provided for inspection during the site visit, no issues.
- 9. Fortified and Unclaimed Monies Account (FUM)**
Statements for 2016 and 2017 were provided for inspection during the site visit, no issues.
- 10. Commissioners Garda Síochána No: 2 Current Account Garda Band – Sale of CD's**
Only a closing statement provided for this account.

- 11. Commissioners Garda Síochána No: 2 Current Account**
Only a closing statement provided for this account.
- 12. Garda Community Relations National Juvenile Office Harcourt Square**
Documentation supplied to Garda Internal Audit Service shows good evidence of reconciliation in relation to this account.
- 13. Superintendent An Garda Síochána Fitzgibbon Street Secondary School Project**
No activity on this account in the specified audit period.
- 14. Superintendent An Garda Síochána GFCPO – Thurles**
No activity on this account in the specified audit period.
- 15. Superintendent An Garda Síochána Parking Fines Office Account Capel Street**
No activity on this account in the specified audit period.
- 16. An Garda Síochána Youth Diversion Project Gurrabraher**
No activity on this account in the specified audit period.
- 17. Bray Community Project**
The Superintendent is responsible for reconciliation of this account. From information received, transactions in relation to this account are receipted.

Recommendation – Priority 1

In order to comply with DPER circular 16/2014 and [REDACTED] all official An Garda Síochána bank account statements should be reconciled on a monthly basis using A/C GEN4 Garda District Cash Account form. This should be forwarded to the Finance Directorate, Garda Headquarters.

The Executive Director Finance and Services may wish to again remind District Officers/office managers of their responsibilities in this regard.

Management Response

Agreed – All district bank accounts are reconciled on a monthly basis. It has been noted that there may occasionally be a delay in submission to Finance. However, no further funds are issued until the reconciliation has been submitted. A reminder will be issued of their responsibilities when the Imprest's are issued for 2019.

GIAS Note:

The Executive Director of Finance and Services should take full and overall responsibility for these accounts.

3.5 Segregation of Duties

Expected Control

Best practice would be for a segregation of duties between the person managing the funds on a daily/routine basis and the person responsible for reconciliation of the account. Segregation of duties also ensures a level of confidence in the management of finances.

Findings

Of the nine accounts examined on-site visits and documentation provided to GIAS, the following was noted:

1. Kevin Street Community Project

The JLO is solely responsible for reconciliation of this account. There is no oversight or segregation of duties in relation to all transactions.

2. Thurles - Central Vetting Unit

There is good oversight and the account is reconciled on a monthly basis with the Finance Directorate. The Executive Officer has a very good system for tracking transactions on the account and is very thorough. With the introduction of the new GDPR legislation this account will no longer be required as there will be no charge in relation to requests. This account should be closed at the earliest opportunity.

Dun Laoghaire

3. Imprest Account

District Officer is responsible for this account. No issues, as per Divisional Audit Report 2017.

4. Arrest Referral Scheme

It is not clear who is/was responsible for this scheme as no documentation was provided for inspection to the audit team in relation to this account.

5. Community Project 2004

No current member appears to have any responsibility regarding this account. No transactions were evident in the specified audit period.

6. Community Project 2007

No current member appears to have any responsibility regarding this account. No transactions were evident in the specified audit period.

7. Roxboro Road – Community Project

Responsibility is well documented. No issues noted as there are a number of conditions attached to the operation and funding of the project, all of which are contained in the SLA.

Finance Directorate

8. Interest Bearing Account

There are a number of signatories to the account and any two can authorise a payment. A spreadsheet also records all activity. This is good practice. No issues arising.

9. Fortified and Unclaimed Monies Account (FUM)

The account is for lodgements and is overseen from the Finance Directorate with lodgements being made [REDACTED]. These personnel have instructions and authorisation to lodge monies but not to carry out any other transactions. No issues arising.

10. Commissioners Garda Síochána No: 2 Current Account Garda Band – Sale of CD's

Only a closing statement was provided for this account.

11. Commissioners Garda Síochána No: 2 Current Account

Only a closing statement was provided for this account.

12. Garda Community Relations National Juvenile Office Harcourt Square

Documentation supplied to GIAS show evidence of segregation of duties and oversight with the account sent for audit externally.

13. Superintendent An Garda Síochána Fitzgibbon Street Secondary School Project

No activity on this account in the specified audit period.

14. Superintendent An Garda Síochána GFCPO – Thurles

No activity on this account in the specified audit period.

15. Superintendent An Garda Síochána Parking Fines Office Account Capel Street

No activity on this account in the specified audit period.

16. An Garda Síochána Youth Diversion Project Gurrabraher

No activity on this account in the specified audit period.

17. Bray Community Project

No evidence supplied in relation to the segregation of duties

General Observation:

GIAS audits at Divisional and District level generally find good oversight and low risk with regard to the management and oversight of District Imprest Accounts. However, this audit has revealed that these smaller Community Project bank accounts may, at times, be overlooked at a District level, with less robust controls being adhere to. Clear instructions are required to ensure the segregation, which is already general practice in financial management in District Offices, is applied to all financial transactions carried out in or on behalf of An Garda Síochána.

Recommendation

Priority 1

In order to comply with DPER circular 16/2014 and [REDACTED] all official An Garda Síochána bank accounts should have robust procedures in place for segregation of duties and oversight in relation to reconciliation of bank accounts.

The Executive Director Finance and Services may wish to remind District Officers / Office managers of their responsibilities to ensure strict oversight of all accounts operating in their area of responsibility.

Priority 2

Following the roll out of the new GDPR legislation, Thurles - Central Vetting Unit account will no longer be required as there will be no charge in relation to requests. This account should be closed at the earliest opportunity.

Management Response

[REDACTED] addresses the priority 1 recommendation. While the onus is on Garda members and staff to ensure they comply with all HQ Directives, reminders will be issued and the requirement to comply with the DPER Circular 16/2014 and [REDACTED] will reinforced at all training and developments courses given by the Finance Directorate.

Sanction will be sought to close the Thurles Central Vetting Unit account and local management informed accordingly.

GIAS Note:

Notwithstanding the responsibilities of the Garda Members and Garda Staff at local level, the Executive Director Finance and Services must take full and overall responsibility for all Garda Síochána accounts.

3.6 Policy and Procedures

Expected Control

Persons authorised to operate bank accounts are aware of their responsibilities, of the governing Circulars and Directives, etc. Compliance with all policy and procedure is evident and effective.

Findings

Of the nine accounts examined on-site visits and documentation provided to GIAS, the following was noted:

- 1. Kevin Street Community Project**
GIAS was informed that the person operating the account is aware of their responsibility but this is not always adhered to in relation to activity associated with the account.
- 2. Thurles - Central Vetting Unit**
No issues – good procedures in place.

DunLaoghaire

- 3. Imprest Account**
No issues, as per Divisional Audit Report 2017.
- 4. Arrest Referral Scheme**
No documentation was provided for inspection to the audit team in relation to this account.
- 5. Community Project 2004**
No transactions in this account in the specified audit period.
- 6. Community Project 2007**
No transactions in this account in the specified audit period.
- 7. Roxboro Road – Community Project**
No issues in relation to documentation provided and procedures in place for the period requested.

Finance Directorate

- 8. Interest Bearing Account**
No issues.
- 9. Fortified and Unclaimed Monies Account (FUM)**
No issues.
- 10. Commissioners Garda Síochána No: 2 Current Account Garda Band – Sale of CD's**
Only a closing statement supplied for this account.
- 11. Commissioners Garda Síochána No: 2 Current Account**
Only a closing statement supplied for this account.

- 12. Garda Community Relations National Juvenile Office Harcourt Square**
Documentation supplied to Garda Internal Audit Service show evidence of good knowledge of procedure and policy in relation to the operation of this account.
- 13. Superintendent An Garda Síochána Fitzgibbon Street Secondary School Project**
No activity on this account in the specified audit period.
- 14. Superintendent An Garda Síochána GFCPO – Thurles**
No activity on this account in the specified audit period.
- 15. Superintendent An Garda Síochána Parking Fines Office Account Capel Street**
No activity on this account in the specified audit period.
- 16. An Garda Síochána Youth Diversion Project Gurrabraher**
No activity on this account in the specified audit period.
- 17. Bray Community Project**
No site visit but there is evidence in the paperwork received of adherence to some policy and procedures.

Recommendation – Priority 1

In order to comply with DPER circular 16/2014 and [REDACTED] all official An Garda Síochána bank accounts should have sanction from DPER. This original sanction should be retained at the Finance Directorate and copied to the relevant District/Office, where it should be retained and associated with the account. Proper file management requires that items such as original sanctions/approvals should be preserved and carried forward to any subsequent volumes of the related hard copy files. Electronic copies should be scanned and made available for audit and other reference purposes, both at the Finance Directorate and at Districts/Offices.

All applications in respect of opening/closing accounts must be made in the appropriate format to the Executive Director of Finance and Services in the first instance. Forms are available to account managers on the Garda Portal.

Management Response

It is agreed that all official An Garda Síochána bank accounts should have sanction from DPER and that this original sanction should be retained at the Finance Directorate and copied to the relevant District/Office, where it should be retained and associated with the account.

It is agreed that original sanctions/approvals should be preserved and carried forward to any subsequent volumes of the related hard copy files and that electronic copies should be scanned and made available for audit and other reference purposes, both at the Finance Directorate and at Districts/Offices.

Garda Internal Audit Service

It is agreed that all applications in respect of opening/closing accounts must be made in the appropriate format to the Executive Director of Finance and Services in the first instance using the forms that are available on the Garda Portal.

3.7 Other matters arising

Expected Control

Miscellaneous matters arising or highlighted during the course of the audit research and testing.

Findings

Of the nine accounts examined and discussed during the on-site visits and the documentation provided to GIAS, some additional matters were noted:

1. Kevin Street Community Project

Receipts are not issued in relation to monies received or paid out. GIAS recommended on the day of the visit that this should be rectified as soon as possible, and a process put in place to record and receipt all transactions.

In the course of the meeting, GIAS noted the sense of pride and commitment to the local community displayed by the members in the JLO and they should be commended for it.

2. Thurles - Central Vetting Unit

Documentation was sourced from the Bank of Ireland in an effort to ascertain information in relation to sanction. These documents show that the account was set up using personal details of a now retired Superintendent and the sanction from the Finance Directorate was actually signed by a Superintendent from the Garda College. This raises a question as to whether any other official accounts still carry the name of an individual, either serving or retired. This is a matter which the Finance Directorate should verify on a regular basis.

DunLaoghaire

3. Arrest Referral Scheme

The 1999 account was highlighted to the Audit Team during the Divisional Audit in September 2017 audit and a report was requested. To date Garda Internal Audit Service has not received this report. No documentation was provided for inspection to the audit team in relation to this account.

4. Community Project 2004

DPER circular 16/14 recommends periodical review of the necessity and operation of bank accounts. It will be recommended that sanction be sought to have these funds re-designated and the accounts closed. Consultation will have to take place with Dun Laoghaire Rathdown County Council, as these accounts were initially part funded by the Council for various community schemes associated with the provision of the JLO Counselling Service.

5. Community Project 2007

DPER circular 16/14 recommends periodical review of the necessity and operation of bank accounts. It will be recommended that sanction be sought to have these funds re-designated and the accounts closed. Consultation will have to take place with Dun Laoghaire Rathdown County Council, as these accounts were initially part funded by the Council for various community schemes associated with the provision of the JLO Counselling Service.

Finance Directorate

6. Fortified and Unclaimed Monies Account (FUM)

No issues arose regarding the management of the account. However, it is suggested that the need for this account should be reviewed. [REDACTED]



7. Commissioner Garda Síochána - Garda Band: Current Account

This is declared as the CD Sales account. The need for it should be reviewed and the account closed. Any income generated by the Garda Band should be recorded in an Income and Expenditure report to the Director of Finance and recorded in Appropriation in Aid.

8. Bray Community Project

No site visit by GIAS but there is evidence, in the paperwork received, of adherence to some policy and procedure. A business case was made to the Finance Directorate for this account to be re-designated and there is evidence that this has occurred. The name on the account still needs to be changed to reflect this.

Recommendation

Priority 1

In order to comply with DPER circular 16/2014 and [REDACTED], all personnel with responsibility for or oversight of official bank accounts should have systems in place to pre-empt or address issues that may arise, especially in relation to accounts that are no longer required for the purpose for which they were initially set up.

The Executive Director Finance and Services must give clear policy direction in this matter to ensure the processes in place are consistently implemented.

Any anomaly with regard to instructions for the safekeeping of cash / monies coming into Garda possession should be clarified and appropriate direction provided.

Priority 2

The need for Fortified and Unclaimed Monies Account should be reviewed. [REDACTED]



The name on the Bray Community Project account should be amended to reflect the current situation.

Management Response

It is agreed that in order to comply with DPER circular 16/2014 and [REDACTED] all personnel with responsibility for or oversight of official bank accounts should have systems in place to pre-empt or address issues that may arise, especially in relation to accounts that are no longer required for the purpose for which they were initially set up. The Finance Directorate will issue instructions to this effect.

The requirement the Fortified and Unclaimed Monies Account (FUM) will be reviewed.

Acknowledgement

Garda Internal Audit Service wish to thank personnel in the locations visited and in the Finance Directorate for their assistance in the provision of documents and records required to conduct this audit, and their hospitality while audit staff were on site.

Niall Kelly

Head Garda Internal Audit Service

Date: