



NSW Ministry of Health

Accounts & Audit Determination

for Public Health Entities in NSW

Important note to users of this document – *where changes to legislative, regulatory and government policy have occurred and are not consistent with this document, it is essential users clarify and notify the NSW Ministry of Health's Finance Division.*

Effective 9 March 2020

SHPN (MOH) 200163
ISBN 978-1-76081-384-0

Table of Contents

1. Legislative Requirements.....	2
1.1 Legal Status and Application of this Document.....	2
1.2 Key Legislation and Policy.....	4
2. Financial Governance Requirements.....	6
2.1 Committees.....	6
2.2 External Audit.....	7
2.3 Internal Control, Internal Audit and Risk Management.....	9
2.4 Insurance.....	9
2.5 Delegations, Approvals and Authority to Incur Expenditure.....	10
2.6 Establishing and maintaining a legal entity.....	10
3. Accounting Policy Requirements.....	11
3.1 Reporting to the Ministry of Health.....	11
3.2 Budgets.....	12
3.3 Procurement of Goods and Services and Non-Capital Items.....	14
3.4 Expenditure.....	14
3.5 Revenue.....	17
3.6 Assets.....	18
3.7 Liabilities.....	21
3.8 Equity.....	21
3.9 Compliance with Taxation Obligations.....	21
3.10 Restricted Financial Assets and Custodial Trust Funds.....	22
3.11 Non-financial data.....	26
4. Health-Specific Requirements.....	26
4.1 NSW Health Shared Services.....	26
4.2 Business Units and Commercial Operations.....	27
5. Dictionary.....	29

1. Legislative Requirements

1.1 Legal Status and Application of this Document

Application of this Determination

The Secretary, as delegate of the Minister under section 127(4) of the *Health Services Act 1997*, and as the accountable authority of the Health Administration Corporation ('HAC'), has determined that public health organisations¹ (as a condition of subsidy) and HAC entities must comply with:

- this Determination;
- the *Accounting Manual for Public Health Organisations*;
- Directions, Policy Directives, Information Bulletins, Guidelines, Manuals or other policies or procedures issued or approved by the Health Secretary or the Minister.

Compliance with this Determination is also required under the annual *Financial Requirements and Conditions of Subsidy (Government Grants)*, issued each financial year in conjunction with the Service Agreement and budget allocation advice.

These controls have been put in place (in part) to ensure the proper undertaking of accounting procedures, the adequacy of internal controls, the accuracy of financial and other records and the proper compilation and accuracy of statistical records.

Nothing in this Determination prevents the Secretary imposing further conditions of subsidy on public health organisations or issuing further directions to divisions or units of HAC.

This Determination applies to all staff working in or in connection with a NSW public health entity, members of statutory and advisory boards, contracted visiting practitioners, and other contractors and agents.

Where the Determination refers to a direction, determination, consent or approval given by a Minister or the Secretary, the reference includes a delegate of the Minister or Secretary.

Note that, with affiliated health organisations, this document applies in respect of their recognised establishments and recognised public services only.

Duties of Chief Executives and Members of Statutory Boards under this Determination

Chief Executives are responsible for ensuring compliance by their PHE with this Determination, NSW Health Policy Directives and the *Accounting Manual for Public Health Organisations*.

This requires PHEs to have effective policies, systems and processes to:

- support, facilitate and monitor compliance
- promote effective risk management

¹ Includes Affiliated Health Organisations unless otherwise indicated in this Determination, specific policy directives, manuals or guidelines.

Accounts & Audit Determination

- report and investigate material compliance issues, and
- appropriately respond to departures from this Determination, including disciplinary action.

Members of Statutory Boards have a responsibility to satisfy themselves that their Chief Executive has the necessary policies, systems and processes in place to support compliance with this Determination.

The Ministry of Health provides a supportive guidance and monitoring role, while the NSW Auditor-General (or other external auditor for AHOs) reviews compliance as part of their external audit process.

This Determination also requires Chief Executives and Statutory Boards of each PHE to:

- effectively govern the organisation to ensure:
 - proper use and management of public resources available to the organisation
 - achievement of the purpose and functions of the organisation
 - maintenance of the financial sustainability of the organisation
 - high standards of financial governance, accountability and performance, and
 - public monies under the control or held in trust of a PHE is only used for the purposes for which they are received, and in accordance with the conditions attached to them
- establish and maintain effective systems of risk and control
- provide accurate, timely and meaningful financial and performance reports to the Ministry
- keep the Secretary informed of significant issues, and
- work cooperatively with other PHEs.

Duties of PHE staff under this Determination

Staff of a PHE must:

- use public resources for a proper purpose and in accordance with their role and function
- comply with the NSW Health Code of Conduct
- act in good faith, and
- perform their functions with care and diligence.

Failure to Comply with this Determination

Failure to comply with this Determination is a serious matter. Where appropriate, the Health Secretary may take further action depending on the nature of the breach. Actions may include:

- directions to the Public Health Entity
- undertaking an investigation, audit or other inquiry
- disciplinary action, including where appropriate, termination of appointments
- reporting the matter to regulatory and investigative bodies, including the NSW Police, the Audit Office of NSW ('the Audit Office') or the Independent Commission Against Corruption.

Accounts & Audit Determination

1.2 Key Legislation and Policy

The key pieces of legislation and policies supporting or setting out obligations relevant to this Determination are as follows:

NSW Health Policy and Procedure Manuals Directives

- *Corporate Governance and Accountability Compendium*
- *Combined Delegations Manual*
- *Accounting Manual for Public Health Organisations*
- *Accounting Policy Manual – NSW Health*
- *NSW Health Procurement Policy*
- *Fees Procedures Manual for Public Health Organisations*
- *Leave / Salaries Composite Manual Public Service*

In accordance with this Determination, the policies and procedures in these directives apply to the Health Administration Corporation (HAC) and its divisions, in so far as they are applicable to their functions.

This Determination does not require AHOs to comply with these policy documents. However, it is recommended that AHOs should consider and adopt, where appropriate, to promote good corporate governance.

Relevant NSW Legislation

- *Health Services Act 1997*
- *Health Administration Act 1982*
- *Model By-Laws 2017*
- *Government Sector Finance Act 2018*
- *Government Sector Employment Act 2013*
- *Independent Commission Against Corruption Act 1988*
- *Ombudsman Act 1974*
- *Public Interest Disclosures Act 1994*
- *Government Information (Public Access) Act 2009*
- *Charitable Fundraising Act 1991*
- *Charitable Trusts Act 1993*
- *Dormant Funds Act 1942*

Accounts & Audit Determination

NSW Circulars and Policy Directives

- NSW Ministry of Health Policy Directives (as noted above in section 1.1)
- Premier's Ministerial Memoranda
- Department of Premier and Cabinet Policies and Circulars
- Treasurer's Directions, Treasury Policies and Circulars
- Public Service Commission Circulars and Memoranda
- Department of Finance, Services and Innovation - Whole of Government Circulars

Key Commonwealth Legislation

- *Health Insurance Act 1973*
- *National Health Act 1953*
- *Taxation legislation (including employee tax and other deductions, personal services income and contractor arrangements, superannuation payments, GST, withholding tax, FBT and salary packaging)*
- *Private Health Insurance Act 2007*
- *Competition and Consumer Act 2010*
- *Australian Charities and Not-For-Profit Commission Act 2012*
- *Charities Act 2013*

The website addresses for the above-noted legislation and policy are listed below:

Resource	Website
NSW Ministry of Health Policy Directives and Manuals	http://www.health.nsw.gov.au/policies/Pages/default.aspx
NSW legislation	http://www.legislation.nsw.gov.au
Treasury Circulars, Policies and Treasurer's Direction	http://www.treasury.nsw.gov.au/Publications_Page
Premier's Ministerial Memoranda and Department of Premier and Cabinet Circulars	http://www.dpc.nsw.gov.au/memos-and-circulars
Public Service Commission Circulars and Memoranda	http://www.psc.nsw.gov.au/Policies/PSC-Circulars---Memoranda
Commonwealth legislation	http://www.legislation.gov.au
Other resources	http://www.audit.nsw.gov.au http://www.icac.nsw.gov.au http://www.aasb.gov.au

2. Financial Governance Requirements

This Determination is a key component of the framework for good financial governance, accountability and performance and should be read in conjunction with other governance policies and directives applicable issued from time to time by NSW Government and the Health Secretary.

PHEs must ensure that the PHE's internal control, internal audit and risk management systems meet the applicable standards and the requirements of NSW Health Policy on Internal Audit and Risk Management.

2.1 Committees

PHEs must have an Audit and Risk Committee and a Finance Committee. Requirements for each are set out below.

Audit and Risk Committee (ARC)²

- a) The ARC must have at least three members and no more than five members (inclusive of the Chair) that meet at least quarterly.
- b) The ARC must be independent with appropriate expertise. 'Independence' criteria are set out in TPP 15-03 Internal Audit and Risk Management Policy for NSW Public Sector.
- c) The manager of the internal audit function and a representative of the external auditor must have the right to attend all ARC meetings.
- d) Each PHE must promptly provide a copy of the minutes and agenda papers of any ARC meeting, where requested by the Secretary.

Finance and Performance Committee

- e) The Finance and Performance Committee should meet monthly, or as appropriate, and report to the Chief Executive and Statutory Board³.
- f) The Finance and Performance Committee membership is to comprise members of the Statutory Board and appropriate PHE representatives as appropriate.
- g) The PHE's⁴ Chief Executive and Director of Finance must be in attendance at each Finance and Performance Committee meeting.
- h) The terms of reference and the membership of the Finance and Performance Committee must enable the Committee to effectively monitor the PHE's:
 - i. budget, as approved by the Ministry;
 - ii. year-to-date financial performance and projected result against budget;

² This section sets out the key requirements for ARCs and is not intended to be exhaustive. Please refer to NSW Health PD_051 Internal Audit and TPP 15-03 Internal Audit and Risk Management Policy for NSW Public Sector for all ARC requirements.

³ Refer section 7 of the Corporate Governance and Accountability Compendium.

⁴ Excludes HSSG. HSSG financial performance is monitored by the Ministry's Finance Branch.

Accounts & Audit Determination

- iii. effectiveness of management and alignment of activities to budget, and to the performance requirements set out in the Service Agreement⁵ or Statement of Service⁶ with the Ministry;
 - iv. liquidity and cash management;
 - v. revenue performance;
 - vi. cost efficiency benchmarked against appropriate indicators;
 - vii. progress of approved Capital Works and major projects and initiatives
 - viii. use of public monies, including restricted financial assets, under the control or held in trust of a PHE.
- i) PHEs must provide members of the Finance and Performance Committee at each meeting with an accurate, comprehensive report on the financial performance of the PHE for the previous month actuals, year-to-date actuals and with a full year projection. The report must align and reconcile with the approved budgets, narrative and other financial reports provided to the Ministry.
- j) PHEs must provide the Finance and Performance Committee:
- i. for approval or information purposes only (depending on delegation), any amendments, reductions and/or write-offs of accounts receivable rendered for services;
 - ii. copies of correspondence to the PHE from the Ministry, the external auditor and/or the Minister relating to significant financial matters or issues, the performance of the PHE and/or compliance with this Determination;
 - iii. written certification by the Director of Finance of the reconciliation of the PHE bank accounts; and
 - iv. periodical reviews of the PHE's utilisation of Restricted Financial Asset accounts to ensure that conditions of assets are documented and being met, as well as reviewing dormant and overdrawn accounts.

2.2 External Audit

Appointment of external auditor – PHEs other than AHOs

The external auditor is the NSW Auditor-General. PHEs must:

- a) have their financial statements, associated records and systems audited by an external auditor each financial year;
- b) ensure unfettered access to the accounting and other financial records and systems of the PHE by the external auditor;
- c) promptly provide all information and other material requested by the external auditor for the purposes of the audit;

⁵ Local Health Districts and Specialty Health Networks

⁶ Pillars and HAC Units.

Accounts & Audit Determination

- d) promptly respond to management letters and other correspondence from the external auditor;
- e) provide all management letters and reports from the external auditor (together with the response from the PHE) to members of the PHE's Audit and Risk Committee and any Statutory Board; and
- f) give reasonable notice to the external auditor of all meetings of the PHE's Audit or Audit and Risk Committee.

Appointment of external auditor –AHOs

The external auditor must be a company auditor registered under the *Corporations Act 2001 (Cwlth)*. AHOs must:

- a) promptly notify the Secretary of the appointment of an external auditor;
- b) not terminate that appointment without at least 60 days prior notice to the Secretary of the proposed termination;
- c) include as a term of engagement with the external auditor that the external auditor is required to cooperate with the NSW Auditor-General and with the Secretary in relation to the external audit of the Ministry of Health or any entity within the portfolio of the Minister for Health.

Audit reports

- a) PHEs must promptly notify the Secretary of:
 - i. a material adverse auditor's report from its external auditor;
 - ii. an intention by its external auditor to issue a qualified audit opinion on its PHE's financial statements.
- b) Each PHE must promptly address any errors requiring corrective action reported by the external auditor and advise the Ministry of any material impact of the errors on the financial reports and projections provided to the Ministry by the PHE.
- c) PHEs (excluding AHOs) must provide electronic copies of key external audit reports and letters to the Ministry within two days of receipt.

Engagement of external auditor to provide other services

PHEs must not engage their external auditor to provide non-assurance or advisory services during their appointment as external auditor or for a period of 12 months following the cessation of that appointment, unless the proposed engagement is approved by the Ministry's Chief Financial Officer (CFO).

2.3 Internal Control, Internal Audit and Risk Management

PHEs must:

- a) establish and maintain an effective system of internal control;
- b) establish and maintain an effective system of fraud control and prevention of corrupt conduct;
- c) establish and maintain an effective risk management system;
- d) establish and maintain an Audit and Risk Committee;
- e) establish and maintain an effective internal audit function, reporting directly to the Chief Executive⁷;
- f) ensure that the manager of the internal audit function has direct access to the Chair of any the Statutory Board;
- g) not recruit or appoint a manager of the internal audit function without the prior consent of the Secretary or a delegate.

2.4 Insurance

PHEs must⁸:

- a) unless otherwise approved by the Treasurer, participate in the NSW Treasury Managed Fund (TMF) scheme and must not enter into a contract of insurance, indemnity contract or other enforceable liability cover arrangement, other than under the TMF scheme;
- b) comply with directions of the Treasurer and the Ministry in relation to the operation of the TMF scheme including coverage, payments of claims, contributions to the scheme, risk management, claims management, records and reporting;
- c) maintain accurate records of adverse incidents and notifications relative to potential liability to support financial reporting and projections of future financial liability;
- d) prepare and provide a comprehensive quarterly report to the Chief Executive and any Statutory Board on the PHE's performance and projected financial liability (including where available benchmarked comparisons with other organisations) covering:
 - i. workers compensation;
 - ii. public liability;
 - iii. property damage; and
 - iv. other material claims or potential liability;

⁷ Excludes HSSG. HSSG's internal audit function is managed by the Ministry's Internal Audit Branch.

⁸ Excludes HSSG. HSSG is covered under the Ministry's insurance policy.

Accounts & Audit Determination

- e) use contracts approved by the Secretary for any agreement with a salaried medical specialist, visiting medical, dental and other health practitioner and/or their practice company relating to or providing indemnity or other cover for claims made against the practitioner and/or their practice company concerning their services to patients and clients of the PHE.

Exemptions for affiliated health organisations

Affiliated health organisations may make their own arrangements for insurance coverage of real property and fixed assets owned, controlled or used under lease or licence by a recognised establishment or recognised service.

2.5 Delegations, Approvals and Authority to Incur Expenditure

PHEs must:

- a) maintain an up-to-date, approved, delegations manual for the PHE;
- b) ensure the delegations manual is consistent with the Minister and Health Secretary Delegations;
- c) ensure that delegated financial authority aligns with approved expenditure and revenue budgets;
- d) ensure that authority to incur expenditure is only exercised by persons authorised to do so and in accordance with their delegated authority;
- e) ensure that amendment, reduction and/or write-off of accounts rendered for services is only done by persons authorised to do so and in accordance with their delegated authority;
- f) ensure that Government Grants and other Consolidated Fund payments are expended only in accordance with the purpose of, and all conditions attached to, the grant and/or payment;
- g) ensure that all expenditure of Restricted Financial Assets is authorised by a person with the requisite authority to do so in accordance with the conditions or contractual or other legally enforceable terms attached to the asset; and
- h) ensure that expenditure funded from revenue is only committed or approved where there is a reasonable expectation that the revenue will be received and where an entitlement to spend such revenue exists in accordance with the *Government Sector Finance Act 2018*

2.6 Establishing and maintaining a legal entity

The Ministry does not encourage the formation of a separate legal or financial entity and it will only be approved in exceptional circumstances where strong justification exists.

PHEs must:

- a) Obtain approval from the Ministry's CFO or delegate prior to the establishment of any legal or financial entity. This includes entering into joint ventures or other equity interest in another legal entity.

Accounts & Audit Determination

- b) Constitute a separate legal or financial entity, in such a way that it is a controlled entity of the PHE that proposes its formation.
- c) Ensure the separate legal or financial entity prepares financial statements in accordance with the *Government Sector Finance Act 2018*.
- d) Where appropriate, ensure the separate legal or financial entity is consolidated into the PHE's financial statements in accordance with Australian Accounting Standards.
- e) Ensure that separate legal and financial entities may only maintain separate funds outside General, Restricted and Custodial Trust fund types with approval of the Ministry's CFO.
- f) Notify the NSW Auditor-General and the Treasurer of the establishment of the controlled entity within one month after it is established.
- g) Appoint the NSW Auditor-General as the controlled entity's external auditor.

Special Consideration for External Charitable Fundraising Activities

- Whilst fundraising for the purposes of a PHE by an external entity not subject to its control is welcomed, it is important that an external entity can be clearly distinguished from the PHE and that such an entity is not permitted to adopt or use the PHE's name/s, address or logo as its own.
- PHE staff or resources should not be engaged for the purpose of undertaking fundraising activities for an external entity.

3. Accounting Policy Requirements

This section should be read in conjunction with the *Accounting Manual for Public Health Organisations* and accounting policies as published in the Ministry of Health Annual Financial Statements.

3.1 Reporting to the Ministry of Health

Financial Reporting

PHEs must ensure the following:

- a) The financial statements must be prepared and submitted to the manager of the internal audit function and external audit in accordance with the NSW Ministry of Health reporting timetable.
- b) The Audit and Risk Committee should meet to endorse the signing of the financial statements.
- c) The financial statements must be finalised and approved, in accordance with the NSW Ministry of Health reporting timetable and promptly submitted to the Ministry together with the external auditor's certificate and report on the financial statements (including all qualifications included in the external auditor's opinion and certificate).

Accounts & Audit Determination

- d) The Chief Executive must certify to the Ministry that the financial statements are true and accurate, fairly reflect the financial operation and position of the PHE and disclose any material departure from the requirements of this Determination.
- e) The Chief Executive must certify an expression of opinion as to the effectiveness of internal controls over financial Information, based on the design, implementation and operation of internal control systems over the agency's financial information.
- f) Use the Ministry's mandated State Chart of Accounts, general ledger and accounting reporting software.
- g) Provide the information required by the Ministry for preparation and submission of an annual report to the Minister on the Ministry and the NSW public health system.
- h) Submit an annual return for the PHE to the Ministry each financial year by the date specified by the Ministry and including the content, format and mode of submission specified by the Ministry.
- i) Provide accurate and reliable monthly financial, statistical and performance reports to the Ministry as required by the Ministry.
- j) Provide reports as required by the Ministry for the purposes of the Ministry meeting commitments under agreements between the Ministry and/or Health Administration Corporation and other NSW Government agencies or Commonwealth Government agencies.
- k) Provide any information required by the Ministry to analyse and report on the costs of services for the purposes of activity-based funding, cost modelling, benchmarking and reporting to State and Commonwealth bodies.
- l) Provide such other reports as directed by the Secretary, or required by the Ministry for other reporting purposes.

3.2 Budgets

PHEs must:

- a) use the Ministry's endorsed Budget Reporting systems and Statewide Budgeting Tool;
- b) maintain an accurate budget for expenditure, revenue and the balance sheet from all sources for the PHE for each financial year;
- c) ensure that the budget aligns with the financial allocation advice from the Ministry, the budget allocated to the PHE in the Ministry's SMRS financial and management information system and subsequent adjustments during the financial year as advised and/or approved by the Ministry⁹;

⁹ Budgets for AHOs are not determined by the Ministry. AHOs are responsible for determining the budgets of their recognised services and establishments. The subsidy received from the Ministry and/or Local Health District must be accurately reflected in these budgets.

Accounts & Audit Determination

- d) ensure that budgets allocated to both General Fund and Restricted Financial Assets Fund cost centres align with the PHE's entity budget and the consolidated cost centre budgets do not exceed the PHE budget approved by the Ministry¹¹;
- e) manage their services, activity and expenditure to align with their approved budget and with their Statement of Service or Service Agreement with the Secretary and any variations to these approved by the Secretary or appropriate delegate;
- f) following receipt of the Service Agreement or Statement of Service and endorsement of the Board (where appropriate), publish to staff (within the timeframe specified in the letter from the Secretary) details of the budget, including budgets for facilities and services;
- g) maintain an accurate forecast of expenditure, revenue and net result for the General Fund and for the Restricted Financial Assets Fund;
- h) manage cash flows to ensure creditors are paid on time;
- i) not enter into a commitment that would, or is likely to, result in the PHE being unable to pay a debt when due and payable;
- j) ensure that funds provided to the PHE that are specified by the Ministry or third party providing the funds for use to support specific programs, services or projects, are only used in accordance with that condition;
- k) not transfer or allocate funds provided to a PHE by the Ministry for a specific program or purpose to another program or purpose without the prior approval of the Ministry;
- l) ensure overhead and other indirect expenses charged to special programs, services or projects have a reasonable basis and connection with the programs, service or project. Overhead expenses must not exceed the maximum percentage approved by the Ministry per the Conditions of Subsidy;
- m) provide HealthShare NSW¹⁰ with the requisite information and approvals to enable payment of PHE accounts on trading terms approved by the Ministry;
- n) provide HealthShare NSW¹² has all required information to pay staff of the PHE their entitlements in accordance with the applicable industrial agreement, determination or contract;
- o) ensure that the PHE complies with its legal obligations in relation to remittance of staff income tax and other authorised payments to the Australian Taxation Office and other State and Commonwealth agencies;
- p) ensure that the PHE complies with its legal obligations and delegated accountability to remit payments to superannuation funds for staff.

¹⁰ For PHEs controlled by an AHO not using HealthShare NSW, the obligation is on the AHO to ensure that the payments are made.

3.3 Procurement of Goods and Services and Non-Capital Items

PHEs must ensure procurement of goods and services complies with the NSW Health Procurement Policy, the key policy governing procurement practices for all NSW Health organisations. The NSW Health Procurement Policy is to be applied in conjunction with procedures detailed in the NSW Health Goods and Services Procurement Policy Directive (PD2018_030). These documents detail the requirements of all staff undertaking procurement or disposal of goods and services on behalf of NSW Health.

3.4 Expenditure

Accounting Records

PHEs must:

- a) ensure accounting information is in accordance with the *Accounting Manual for Public Health Organisations*, Treasurer's Directions, the Ministry's Policy Directives and Australian Accounting Standards;
- b) only use accounting and financial management software and systems approved by the Ministry;
- c) keep a general ledger and appropriate subsidiary ledgers for the PHE General Fund, Restricted Financial Assets Fund and Custodial Fund;
- d) ensure effective internal controls and effective risk management of error, fraud and corruption prevention with the accounting records of the PHE;
- e) use the Ministry mandated chart of accounts and ensure it is updated and balanced at the end of each month;
- f) maintain a control account for each subsidiary ledger and ensure the ledger balance is reconciled with the control account at the end of each month;
- g) use and maintain appropriate journals to ensure that financial affairs of the PHE are accurately recorded and that financial reports, costing data and other financial information (including reporting by programs specified by the Ministry) required by the PHE and the Ministry can be promptly and reliably produced and provided;
- h) maintain accurate cash flow records and reconcile these records with bank account and other investment statements at the end of each month; and
- i) retain accounting and financial records for the periods specified for the periods specified in Disposal Authorities approved by the State Records Authority.

Accounts & Audit Determination

Registers

PHEs must maintain accurate registers for:

- a) property, plant and equipment;,,
- b) operating and finance leases, subleases and licences to occupy property, plant and equipment,
- c) Restricted Financial Assets and Custodial Trust Funds,
- d) inventory,
- e) contracts (including lease agreements), and
- f) any other items as directed by the Secretary, or required by the Ministry.

Remuneration of Staff and Visiting Practitioners¹¹

PHEs must:

- g) ensure that all remuneration, benefits and conditions for staff comply with the applicable award, industrial instrument or determination of the Secretary (or authorised delegate);
- h) ensure that where a determination has been made by the Secretary (or authorised delegate), no remuneration, benefit or condition is provided that exceeds the terms of the determination, nor applies beyond any commencement and expiry date of the determination;
- i) comply with determinations of the Secretary and the Ministry's Policy Directives in relation to:
 - i. granting rights of private practice to salaried staff specialists;
 - ii. allowances, salary supplementation and drawing rights relating to private practice rights;
 - iii. other rights (including training, education and study leave);
 - iv. any other benefits or payments sourced from private practice income;
 - v. raising of invoices and treatment of revenue received for private practice services;
 - vi. application of infrastructure charges and GST to private practice revenue and accounts; and
 - vii. the accounting, holding, use and application of private practice revenue;
- j) ensure all billing, payments, receipting and banking of payments for services rendered by salaried staff specialists to patients admitted or treated at facilities or services of the PHE must be done and controlled by the PHE, as agent of the salaried staff specialist;

¹¹ Non-declared AHOs must comply with this Determination, except to the extent that they are specifically prohibited from doing so by the Fair Work Act 2009 (Cwlth) or any other mandatory applicable Commonwealth industrial instrument.

Accounts & Audit Determination

- k) not offer, agree to compensate or pay any amount in settlement of a dispute, on termination of engagement of a staff member or other payment contrary to (a) without the prior written approval of the Secretary;
- l) only offer, agree to or pay compensation to staff for injury, accident or other event where the compensation is:
 - i. approved by the Fund Manager of the NSW Treasury Managed Fund; or
 - ii. required by an enforceable order of a court or tribunal; or
 - iii. with the prior written approval of the Secretary.
- m) monitor accrued annual leave balances for all staff, ensure that staff take reasonable amounts of annual leave each year and comply with NSW Health policy on managing excess annual leave;
- n) maintain an accurate staff profile that conforms with the instructions issued by the Ministry;
- o) not offer, agree to or pay amounts to suppliers of labour (including agencies and other labour hire or supply services) that are not in accordance with Ministry Policy Directives, unless approved in advance by the Secretary.

Overseas Travel Expenses

- a) PHEs must comply with relevant NSW Government and NSW Health Policy Directives and the Ministry's *Instrument of Authority Approval of Overseas Travel*;
- b) Other than approved training, education and study leave for salaried staff specialists, overseas travel to be funded (whether in part or whole) from the General Fund must **not** be approved by the Chief Executive, or expenditure incurred by a PHE, unless the prior approval of the Secretary has been given and sufficient budget limits exist;
- c) Chief Executives may authorise expenditure from the General Fund for overseas travel associated with approved training, education and study leave for salaried staff specialists, subject to the approval being in accordance with the Staff Specialists Determination made by the Secretary;
- d) Chief Executives may approve overseas travel to be funded from a Restricted Financial Asset account subject to¹²:
 - i. no payment, other than normal salary or other applicable remuneration, being sourced from the General Fund;
 - ii. the purpose of the overseas travel being in accordance with the conditions attached to the Restricted Financial Asset account;
 - iii. the proposed expenditure being value for money having regard to the conditions attached to the Restricted Financial Asset account.

¹² Excludes HSSG. HSSG overseas travel is approved by the Health Secretary.

Accounts & Audit Determination

- e) Applications for approval by the Chief Executive must state whether the overseas travel is being sponsored in part or in whole by a third party;
- f) If the overseas travel is being sponsored, the Chief Executive must:
 - i. not approve the travel if the sponsorship represents a conflict of interest for the PHE and/or the applicant;
 - ii. obtain a contribution from the third party towards the costs to be incurred by the PHE where appropriate and in the public interest to do so.

3.5 Revenue

PHEs must:

- a) Use a Ministry-approved revenue system;
- b) ensure that appropriate arrangements are made for all persons presenting at a PHE service requiring immediate clinical assessment, irrespective of capacity to pay;
- c) subject to Ministry policy, raise charges for all chargeable services provided by the PHE unless there is an overriding public interest not to do so;
- d) diligently pursue payment of those charges and not reduce or write-off such charges unless there is a genuine inability to pay or overriding public interest in doing so;
- e) appropriately manage the PHE to attain the revenue targets established under the annual budget allocation process whilst also operating within the allocated expense budget, in accordance with NSW Treasury's Gross Expense Control policy;
- f) receipt all revenue (other than revenue designated by the Ministry as a Restricted Financial Asset) into the PHE General Fund;
- g) not directly offset revenue against expenditure in the accounting records and financial reports and statements of the PHE, unless a directly related cost recovery, refund, rebate, correction of error, or as approved by the Ministry;
- h) not charge more than the fee or charge determined by the Minister under the *Health Services Act 1997*;
- i) ensure charges for services not determined by the Minister achieve appropriate cost recovery;
- j) take reasonable steps to facilitate direct electronic payment of charges to the PHE bank account (including by EFTPOS or credit card) wherever possible;
- k) take reasonable steps to obtain prepayment from patients who are Medicare ineligible or who are not adequately covered by insurance or other third party payer arrangements; and
- l) issue an official receipt for all cash payments (and where requested for electronic payments) and promptly bank all cash payments received.

Accounts & Audit Determination

Maintenance and Retention of Records on Patient Services

PHEs providing services to patients must ensure records are created and retained in accordance with relevant NSW Health Policy Directives (including the *Privacy Manual for Health Information* and PD2012_069 *Health Care Records – Documentation and Management*) and Disposal Authorities issued by the State Archives and Records Authority under the State Records Act 1998.

PHEs must also ensure compliance with the Health Records and Information Privacy Act 2002 and the *Privacy Manual for Health Information* when collecting, storing or disclosing any patient information. Patient information includes information from which a person's identify is apparent or can reasonably be ascertained

3.6 Assets

Banking and Control of Public Money

PHEs must:

- a) unless otherwise approved by the Ministry's CFO, operate only three bank accounts:
 - i. General Fund bank account
 - ii. Restricted Financial Assets
 - iii. Custodial Trust Fund bank account;
- b) not allow a bank account be overdrawn;
- c) maintain bank accounts and all other public monies and investments solely with institutions and organisations permitted under the *Government Sector Finance Act 2018* and the Treasurer's Directions;
- d) maintain separate accounting records and financial information for each of the three bank accounts;
- e) ensure that only persons authorised to do so under approved delegations are able to operate the PHE bank accounts, transfer funds or sign cheques;
- f) maintain appropriate controls over access to the PHE's electronic banking and financial transaction facilities (including electronic terminals for eftpos, credit or debit card transactions) and cheque books to:
 - i. ensure only persons authorised to do so under approved delegations have access, and
 - ii. effectively manage the risk of theft, fraud or corrupt conduct;
- g) issue a receipt for all monies received, other than monies electronically credited to the PHE bank account or received electronically under a process that provides confirmation of the payment and its purpose to the payer;

Accounts & Audit Determination

- h) facilitate and encourage payments to, and by, the PHE by electronic means;
- i) ensure that payments by, or on behalf of the PHE, are authorised by persons approved to do so under delegations and the risk of theft, fraud and corruption effectively managed;
- j) ensure arrangements for receipt of payments (including electronic payments by direct deposit, eftpos, BPAY or use of credit, debit or other stored value cards) and receipt of cash directly by, or on behalf of the PHE, are effectively controlled and the risk of theft, fraud and corruption effectively managed;
- k) make all payments (other than those made using petty cash and PCard) by either:
 - i. electronic funds transfer, or
 - ii. non-negotiable cheque;
- l) ensure that all invoices raised by, or on behalf of, a PHE (including private practice income billed as agent of a health practitioner) specify an approved mailing address controlled by the PHE for payments not made electronically;
- m) have effective procedures in place to ensure:
 - i. appropriate recording of payments received,
 - ii. effective internal control, fraud and corruption prevention,
 - iii. prompt banking of receipts on the same day received or the next Business Day, and
 - iv. independent reconciliation of payments, receipting and banking of payments by next Business Day;
- n) effectively control the use of petty cash and PCards;
- o) maintain appropriate records of all payments, receipts and banking transactions in line with the State Records Act in a form that enables internal and external audit; and
- p) ensure that a monthly reconciliation of each bank account to the general ledger is undertaken and certified as correct by the Director of Finance. A report must be provided to the Finance and Performance Committee.

Central Bank Accounts

HealthShare NSW, may:

- a) with the approval of the Ministry's CFO, establish bank accounts to be used for the central payment of accounts payable, including VMO payments, payroll and PAYG
- b) release funds from the central bank accounts as delegated by the Secretary

Investments

PHE's must:

- a) ensure compliance with investment powers,; and
- b) unless otherwise approved by the Ministry's CFO, PHE's cannot invest outside T-Corp Hour Glass Investment Facilities or NSW Treasury-approved Banking Cash Facilities.

Accounts & Audit Determination

Capital

PHEs must:

- a) maintain a Capital Works Fund Entity that records all income, expenses and capital payments associated with the PHE Capital budget approved by the Ministry;
- b) classify and record as a payment in the Capital Works Account, and in the accounts and financial reports of the PHE, any payment that falls within the definition of capital payment in this Determination;
- c) not contract, commit to or commence an activity that will require a capital payment outside of local delegation without the prior written approval of the CFO of NSW Health;
- d) not undertake an activity requiring a capital payment that is unable to be sourced and funded from the capital budget for the PHE approved by the Ministry;
- e) ensure that any activity requiring a capital payment sourced in part, or in whole, from a Restricted Financial Assets Fund or Custodial Trust Fund account accords with the purpose of that account;
- f) manage capital payments in accordance with the PHE capital budget cashflow approved by the Ministry;
- g) use the services of Health Infrastructure for capital projects where specified by the Secretary;
- h) ensure all capital payments are appropriately recorded in the General Fund and/or Restricted Financial Assets Fund or Custodial Trust Fund;
- i) ensure that all assets acquired under capital payments are capitalised in the accounts of the PHE General Fund and entered into the PHE Assets Register;
- j) ensure that capitalisation and expensing of capital payments in the accounts of the PHE complies with the *Accounting Manual for Public Health Organisations* and applicable Accounting Standards, including AASB 116 *Property, Plant and Equipment* and are recorded monthly;
- k) ensure that balances of Works in Progress are reconciled monthly and all completed projects added to the Asset Register no later than one month after the date the assets are placed in service and available for use;
- l) acquire, use, commit, transfer and/or dispose of public resources owned, held or controlled by the public health entity in accordance with applicable law, NSW Government policy, Minister of Health directions, Treasurer's Directions, Secretary directions and Ministry of Health policy.

Accounts & Audit Determination

Expenditure to acquire land or other real property¹³

PHEs must not approve, commit or incur expenditure to acquire or lease land or other real property without the prior written approval of the Secretary in line with section 34 of the *Health Services Act 1997*, unless within combined delegation.

Compliance by AHOs with Capital Directions

Unless otherwise approved by the Secretary, AHOs must comply with these Directions in relation to the use of funds provided by the Ministry or held in the General Fund and/or Restricted Financial Asset or Custodial Trust Fund. Where a capital work is being entirely funded outside of these sources, the AHO may deal with, and account for, the expense in accordance with its governance and accounting policies.

3.7 Liabilities

PHEs must:

- a) ensure creditors are paid within the Ministry's set timeframes in the Annual Service Agreements (or Statement of Service) and *Conditions of Subsidy (Government Grants)*;
- b) ensure employee provisions are effectively managed;
- c) seek prior approval from the Secretary NSW Health where a PHE is seeking any new type, or increased limit, of loan or borrowing (excluding leases); and
- d) ensure the Ministry is notified where a PHE is entering into a new lease arrangement.

3.8 Equity

PHEs must seek prior approval from:

- a) the Ministry's CFO where an administrative transfer is to be effected between PHEs; and
- b) the Ministry's CFO to create a reserve other than the property, plant and equipment revaluation reserve.

3.9 Compliance with Taxation Obligations

PHEs must:

- a) comply with all mandatory requirements of the Australian Taxation Office in relation to reporting and payments for:
 - i. GST,
 - ii. FBT (if applicable),
 - iii. PAYE income tax deductions,
 - iv. withholding taxes, and
 - v. other PAYG tax payments;

¹³ Real property includes, but is not limited to, all land (including vacant land) and any structures forming part of the land.

Accounts & Audit Determination

- b) submit Business Activity Statements, where required, by the due dates;
- c) provide information required by the Ministry to enable:
 - i. compliance by the Ministry with their reporting and payment obligations to the ATO, and
 - ii. the Ministry to effectively risk manage taxation compliance;
- d) pay by the due date all charges, fines and penalties correctly raised or levied on the PHE by the Office of State Revenue, Roads and Maritime Services and the NSW Police;
- e) recover from staff concerned all charges, fines or penalties paid by the PHE arising from the conduct of the staff member that constitutes an offence or breach of applicable law regulating the conduct of the staff member;
- f) promptly notify the Ministry of all ATO reviews and audits involving the PHE and follow the Ministry's protocol for management of the review or audit;
- g) prepare a Tax Risk Management Plan for each financial year in accordance with the directions of the Ministry and provide a copy of the plan to the Ministry by 30 November each year; and
- h) seek prior approval of the Secretary before submitting a ruling or lodge an objection or dispute with the ATO in relation to the affairs of the PHE.

3.10 Restricted Financial Assets and Custodial Trust Funds

PHEs must:

- a) maintain a Restricted Financial Assets Fund and Custodial Trust Fund (formerly Special Purpose and Trust) Bank Account comprising two segregated funds for accounting and reporting purposes – a Restricted Financial Assets Fund and a Custodial Trust Fund;
- b) ensure that all purchases funded from Restricted Financial Assets and Custodial Trust Funds are in accordance with the terms and conditions of the Restricted Financial Asset or Custodial Trust and:
 - i. are appropriately recorded,
 - ii. payments for the purchases are made within normal trading terms and recorded in the accounts of the Restricted Financial Assets Fund and/or the Custodial Trust Fund, as appropriate,
 - iii. do not overdraw the respective Restricted Financial Assets or Custodial Trust Fund accounts, and
 - iv. if the General Fund is sourced for the payment to the supplier, the General Fund is fully reimbursed within five working days of the payment;

Accounts & Audit Determination

- c) ensure that the following classes of revenue and assets are held and appropriately recorded in the Restricted Financial Assets Fund:
- i. Grants or any other funds designated by the Ministry's CFO as being Restricted Financial Assets (refer below),
 - ii. Donations, gifts, legacies and bequests, other than those required to be credited to the General Fund,
 - iii. Public Contributions Fund (refer below),
 - iv. Clinical/Drug trials (refer below),
 - v. Health Program Grants (HPGs; refer below),
 - vi. Samaritan Fund,
 - vii. proceeds of charitable fundraising by the PHE,
 - viii. research, project and other grants from third parties that are not allocated to the PHE by the Ministry,
 - ix. Capital Equipment Replacement Fund for designated PHE entities (refer below),
 - x. salaried staff specialist private practice funds under an approved right of private practice arrangement, and
 - xi. interest earned on the above, appropriately apportioned and credited to applicable accounts;
- d) ensure that funds held in trust on behalf of third parties [such as patients (patients' valuables), external foundations, hospital auxiliaries, volunteers and community groups] and refundable deposits, for which the PHE exercises only a custodial role, are held and appropriately recorded in the Custodial Trust Fund;
- e) only use Restricted Financial Assets for the specified purpose(s) in accordance with the conditions specified in the contract or other binding legal obligation governing their use;
- f) record all accounting transactions relating to the use of a Restricted Financial Asset in the accounting records for the Restricted Financial Assets Fund;
- g) record all accounting transactions relating to the use of funds held on trust by the PHE acting as trustee in the accounting records for the Custodial Trust Fund;
- h) separately identify each Restricted Financial Asset in the accounting records of the Restricted Financial Assets Fund;
- i) ensure that all interest income for the Restricted Financial Assets Fund and the Custodial Trust Fund is equitably allocated to each Restricted Financial Asset and Custodial Trust account;
- j) ensure that no commitment or payment is made that would result in a Restricted Financial Assets Fund account or Custodial Trust Fund account being overdrawn;
- k) ensure that adequate records are maintained outlining the establishment, purpose and conditions of use of each account in the Restricted Financial Assets Fund or Custodial Trust Fund;

Accounts & Audit Determination

- l) ensure that each account in the Restricted Financial Assets Fund has a suitable officer or management committee of the PHE designated as the responsible officer for that account. The responsible officer must ensure:
- i. the account is only used for the specified purpose or trust condition,
 - ii. all expenditure is authorised by a person approved to do so under the PHE delegations,
 - iii. no approvals of expenditure or commitments are made which would result in the account having a overdrawn balance, and
 - iv. the account is reviewed on at least an annual basis to assess its projected life and if no activity has occurred for at least 12 months, whether the account should be maintained by the PHE;
- m) must establish a Samaritan Fund if required in accordance with s133 of the *Health Services Act 1997*. The Samaritan Fund is a Restricted Financial Asset in the Restricted Financial Assets Fund with its purpose being to assist necessitous patients and patients being discharged from care through payments to, or purchase of goods and services required for, their wellbeing;
- n) NSW Health Pathology, HealthShare and eHealth must establish a Capital Equipment Replacement Fund. The Capital Equipment Replacement Fund is a Restricted Financial Asset with its purpose being to accumulate capital equipment replacement funds sourced from approved designation Capital Equipment Replacement elements in Pricing to internal and external customers.

Funds designated as Restricted Financial Assets by the Ministry's CFO

From time to time, the Ministry's CFO may approve the establishment of a Restricted Financial Assets Fund by a PHE for a specified purpose other than those listed above. Where this occurs, PHEs are to ensure that the designated funds are held and used in accordance with the purpose and period of time specified by the Ministry's CFO.

Public Contributions Fund

Any donation, gift, legacy or bequest that does not contain any conditions as to its use must be credited to an account within the Restricted Financial Assets Fund entitles "Public Contributions Account".

Clinical/Drug Trials

A Restricted Financial Assets Fund account may only be established for clinical/drug trial funds meeting the following criteria:

- i. the research is funded in advance through a returnable grant from a third party,
- ii. the trial meets the World Health Organisation's definition of a clinical trial as "any research study that prospectively assigns human participants or groups of humans to one or more health-related interventions to evaluate the effects on health outcomes", and

Accounts & Audit Determination

- iii. the trial is approved in line with the National Health and Medical Research Council requirements as published at the time the trial account is established in the Restricted Financial Assets Fund.

Health Program Grant (HPG) Funds

The Commonwealth Government Radiation and Oncology Health Program Grants Scheme provides a funding contribution to approved providers towards the capital cost of eligible high-cost equipment used in the delivery of radiation therapy.

Eligible PHEs must establish a Restricted Financial Assets Fund account for the purpose of accumulating funds received from the Commonwealth under this Scheme, to be used towards the future purchase of eligible radiation therapy equipment.

Capital Equipment Replacement Fund (for designated Business Unit Entities)

Where NSW Health Pathology, HealthShare NSW or eHealth incorporate a charge for capital equipment replacement in their pricing methodologies with respect to external customers (including LHDs/SHNs), they are to establish a Restricted Financial Asset Fund for the purpose of accumulating such component charges as a source of funds for future capital purchases. Any funds accumulated in the RFA bank account established for this purpose must be directly traceable to the Business Entities' charging methodology and billing records.

Patients' valuables

- a) PHEs must take reasonable care to protect money or other valuable items accompanying a patient while admitted to a facility or service of the PHE where the patient is unable to arrange safe custody of the item(s) with a third party.
- b) While providing such safe custody, the PHE must:
 - i. where requested by a patient, issue a receipt for the goods,
 - ii. enter particulars of the goods on a register or other appropriate document,
 - iii. credit any asset receipt to the relevant account within the PHE's Custodial Trust Fund, and
 - iv. where reasonably able to do so, obtain a written acknowledgement of the return of the goods to the patient, or a person nominated by the patient, on discharge of the patient.

Accounts & Audit Determination

3.11 Non-financial data

The *Government Sector Finance Act 2018* introduces requirements around maintaining performance information and the sharing of that information. Requirements include:

- agencies must 'ensure that records and other information are kept that properly explain the performance of that agency';
- agencies must comply with requests from the Treasurer of the responsible Minister where 'the request is for the purposes of decisions about resource allocations' and where the request is not prohibited under other legislation.

PHE's must:

- support NSW Health in providing complete, accurate and timely submission of performance information to comply with the requirements of the *Government Sector Finance Act 2018* and other relevant Treasury policy documents in force from time to time;
- ensure appropriate procedures are in place to ensure the completeness and accuracy of all non-financial data, prior to submission to the Ministry; and
- ensure all requests for non-financial data are directed through the Ministry.

4. Health-Specific Requirements

4.1 NSW Health Shared Services

- a) Unless otherwise approved by the Health Secretary, PHEs other than AHOs must use the following NSW Health shared services:
- i. *HealthShare NSW*:
 1. Transaction services such as accounts payable, including VMO payment processing, accounts receivable, payroll, and general ledger reconciliations, interfaces and journal postings associated with transaction services
 2. Procurement services, including purchasing, warehousing and distribution
 3. Hotel and support services, including food and linen
 4. Disability support services through Enable NSW
 5. Asset register;
 6. Payment services, such as payments for accounts payable, including VMO payments, payroll and PAYG from a HealthShare NSW bank account.
 - ii. *NSW Health Pathology* for pathology services, including public pathology, forensic and analytical services;
 - iii. *NSW eHealth* for Statewide information and communication technology services;
 - iv. *Health Infrastructure* for the delivery and management of major capital works projects, and
 - v. *NSW Ambulance Service* for ambulance services (excluding Non-Emergency Patient Transport).

Accounts & Audit Determination

- b) an AHO may, with the approval of the Secretary, use the services of a Division of the Health Administration Corporation, as listed in a) above;
- c) unless otherwise approved by the Secretary, PHEs receiving services from a NSW Health Shared Service must pay the Shared Service recovery charge set out in the respective Shared Service Customer Service Charters, as adjusted from time to time. The Shared Service recovery charge will be paid by the Ministry on behalf of the PHE;
- d) if no applicable Shared Service recovery charge is included in the Customer Service Charters, PHEs must, subject to the receipt of a correctly rendered Tax Invoice, promptly pay the Shared Service for services received, within normal trading terms;
- e) PHEs must appropriately record in the PHE accounts all Shared Service Recovery charges paid by the Ministry to a NSW Health Shared Service on behalf of the PHE and other NSW Intra-Health payments made on behalf of the PHE by the Ministry through the Ministry of Health State Pool, as set out in the *Accounting Manual for Public Health Organisations*; and
- f) PHEs must promptly pay for other services received from other NSW Health entities on receipt of a correctly rendered tax invoice.

Use of HealthShare NSW for payments

- a) PHEs, other than AHOs, must use HealthShare NSW for all payroll and accounts payable transactions unless exempt by the Ministry and where the payment is urgently required and cannot be processed by HealthShare on the same or next Business Day; and
- b) if an urgent payment directly by the PHE is required, the payment must be made by cheque or electronic funds transfer and the payment approved by two officers authorised to do so under approved delegations.

4.2 Business Units and Commercial Operations

PHEs must:

- a) not operate a Business Unit or Commercial Operation outside of the General Fund unless prior written approval has been given by the Secretary;
- b) ensure that Business Units and Commercial Operations:
 - i. are appropriate to the functions of the PHE
 - ii. do not compromise the ability of the PHE to meet its obligations under the *Health Services Act 1997*, its Service Agreement (or Statement of Service) with the Ministry or its functions as determined by the Secretary;
 - iii. operate on a basis that ensures the recovery of operating costs;
 - iv. contribute appropriately to the overhead costs of the PHE;
 - v. comply with the *Government Sector Finance Act 2018*, applicable NSW Government Policies, Treasurer's Directions, Ministry of Health Policy Directives and directions given by the Secretary;

Accounts & Audit Determination

- vi. comply with all applicable laws, including taxation, licensing and competition law requirements;
 - vii. do not adversely affect the status of the PHE as a public benevolent institution.
- c) ensure that appropriate accounting and other financial records are maintained, financial statements for the Business Unit or Commercial Operation are prepared and audited in accordance with applicable Accounting Standards and the financial statements are included in the audited consolidated financial statements for the PHE.

5. Dictionary

Advisory Board means a board established by a Determination of the Health Secretary to provide advice to the Health Secretary (and undertake other delegated functions) in relation to a Division of the Health Administration Corporation.

Affiliated Health Organisation (AHO) is defined under section 13 of the *Health Services Act 1997* and means a non-profit, religious, charitable or other non-government organisation listed in Column 1 of Schedule 3 of the Act, but only in respect of establishments or services listed in Column 2 of that Schedule.

Consolidated Fund is the account into which the government deposits taxes, tariffs, excises, fines, fees, loans, income from Crown assets and other revenues once collected, together with transfers from the Commonwealth, and from which it withdraws the money it requires to cover its expenditure.

Custodial Trust Funds means contributions that are not controlled by a PHE (that is, does not have a Management Committee, and the assets are not held for the benefits of the PHE). A PHE only performs the role of trustee and custodian of these assets.

Determination means to this document, titled *Accounts and Audit Determination for Public Health Entities in NSW*.

Government Grant means funds allocated to PHEs by the Ministry, or by a Local Health District to an AHO, from appropriations from the Consolidated Fund (including funds from the Commonwealth under the National Health Reform Agreement).

Health Administration Corporation (HAC) means the Health Secretary incorporated as a corporation sole under Section 9 of the *Health Administration Act 1982* and includes Public Health System Support (comprising Health System Support Group HealthShare NSW and NSW eHealth), Health Infrastructure, NSW Ambulance Service and NSW Health Pathology.

Health Secretary means the Secretary of the Ministry of Health.

Ministry means the Ministry of Health listed in Part 1 of Schedule 1 to the Government Sector Employment Act 2013.

Non-Declared AHOs are AHOs that have not been specified as declared affiliated health organisations under s62A of the *Health Services Act 1997*.

Accounts & Audit Determination

Public Health Entity (PHE) means:

- (i) A Public Health Organisation; and
- (ii) a Division of the Health Administration Corporation, including
 - the Ambulance Service of NSW,
 - NSW Health Pathology,
 - eHealth NSW, HealthShare NSW,
 - Health Infrastructure and; and
 - the Public Health System Support Division.

But does not include the Health Care Complaints Commission or the Mental Health Commission

Public Health Organisation (PHO) is defined under section 7 of the *Health Services Act 1997* and means a Local Health District, Statutory Health Corporation and an Affiliated Health Organisation in respect of its recognised establishments and services.

Restricted Financial Asset means public money that is not a NSW Government Grant or other Consolidated Fund payment and that can only be used for a specified purpose or purposes under a contractual or other binding legal obligation.

Staff means persons working at or in connection with the PHE, either as employees or contractors, to provide personnel services or who are appointed to act as an officer of the PHE including members of the NSW Health Service or other divisions of the NSW Government Service, contracted visiting medical, dental or other health practitioners, locums, casual and agency staff.

Note: for affiliated health organisations, staff of the recognised establishment and/or recognised service means staff as defined above who receive any remuneration or benefit funded from public monies.

Statutory Board means a Board of a Local Health District, Statutory Health Corporation or Specialty Health Network, established under sections 26, 46 and 52F respectively of the Health Services Act 1997

Statutory Health Corporations are those entities listed in Schedule 2 of the *Health Services Act 1997*.

The Conditions of Subsidy (Government Grants) sets out general budget advice, financial reporting, accountability and compliance requirements, and other associated financial information and directions.

Treasury Managed Fund (TMF) provides member agencies with unlimited insurance against loss and damage to the State's insurable assets and liabilities.