Post Office Limited

Process documentation

Branch Correction Process (TCs)

F/1753/1

Contents

Branch Corrections

APPROVED BY: (TITLE & DEPT.)	xxxxxxxxxxxxxxx	Sponsor
	Alison Bolsover	Process Owner
	Kay Wilson	Process Owner
VERSION	2.0	

1. Background

This document provides a high level summary of the end to end Branch Correction process (Transaction Corrections) process and controls at Post Office Limited ('POL').

For all sub processes noted below, underlying processes and controls have been documented.

The Branch Correction process includes the following sub-processes:

Branch Corrections Products (Sub-Processes)	
6.1	ATM
6.2	ATM Retracts
6.3	Automated Payments
6.4	Bureau & Cash Rems from Branch
6.5	Camelot
6.6	Cheques to IPSL
6.7	Debit Cards
6.8	Drop & Go
6.9	DVLA
6.10	First Rate
6.11	Government Services
6.12	MoneyGram
6.13	Online Banking
6.14	Pay Station
6.15	Personal Banking
6.16	Postal Orders

Branch Corrections Products (Sub-Processes)	
6.17	Pre-Order
6.18	Santander Online Banking
6.19	Stock - Non Rem
6.20	Suspense
6.21	Unpaid Cheques
6.22	Appendices

All products above relate to Post Office Limited (company number 1000)

Each of the sub-processes is supported by:

- **Flow chart** - This outlines a high level end-to-end flow of transactions, the process and control steps within the process
- **Narrative** - Details the flow chart and allows the reader to better understand the who, how, why, what and when of the process
- **Risk and Controls Matrix** – A tracker collating all the main risks and controls identified through the process mapping exercise
- **Remediation tracker** – A collation of the control gaps identified and remediation plans

1.2 Systems
Key systems used in the Record to Report process are:
- **POLSAP** is a SAP-based bespoke front end financial accounting system that maintains transactional data for Post Office Limited.
- **CFS** is a SAP-based reporting tool that allows Post Office Limited to carry out Management Reporting and Financial Reporting

Other Systems

- **Credence** – Software used by the branch network to measure and manage transaction information

- **Horizon** – Software used by the branch network to account for branch transactions
- **Microsoft Office** – Office suite (Microsoft Excel) is used to maintain reconciliations and calculations

1.3 Key contacts

Dave Carter– Financial Controller, Process Sponsor
Phil Birds – FSC Head of Accounting and Reporting, Process Owner
Danielle Goddard – Financial Accounting and Governance Manager

2. Policy

Please refer to POL GAAP on intranet.

3. Documentation Governance

Insert link to governance of documentation. – TBC by POL

4. Key to process flow

Flowchart Symbol	Description	Flowchart Symbol	Description
	Process		Off-page Connector
	Decision Point		On-page Connector
	System/Database		Controls

5. Abbreviations

Abbrevi	Description
POL	Post Office Limited

Branch Corrections

POMS	Post Office Management Services Limited
FRES	First Rate Exchange Services Limited
GL	General Ledger
CFS	Core Finance System
RMG	The Royal Mail Group
MDT	Master Data Team
FSR	Financial Services Representative
TC	Transactional Correction
HR	Human Resources

6. Transaction Corrections GL codes

The Probity reconciliation process covers all balance sheet accounts associated with TCs, however responsibilities of balance sheet reconciliations and analytics is spread across various teams within the Branch Correction processes. Every product is associated with a GL account or range of GL accounts and at Month End these are subject to Probity Reconciliation who are reviewed by team lead and operations managers to ensure accuracy. Completeness is ensured via the Record to Report team who as per Closing timetable ensures all GL accounts have been reconciled and sample checks a set of accounts each month.

<u>Issuing of a cash TC (can be Dr or CR)</u>

GL Account	Account Description	Posting Type
531210	Agents TCs Outstanding	TC
629310	Outstanding Transaction Corrections	TC

Branch Corrections

532110	Site Cust Rec Acc	AA , SA, ZZ, DG, DR, BD, TX, RV
628XXX	ETL IDOC Control Account	KH, RV

Issuing of a Stock TC

GL Account	Account Description	Posting Type
531210	Agents TCs Outstanding	TC
629320	Outstanding Non Accounting Transaction Correction	TC

Cash TC brought to account in branch

GL Account	Account Description	Posting Type
531210	Agents TCs Outstanding	TR

Branch Corrections

629310	Outstanding Transaction Corrections	TR
532110	Site Cust Rec Acc	AA , SA, ZZ, DG, DR, BD, TX, RV
628XXX	ETL IDOC Control Account	KH, RV
551100	Physical Cash Balance	RV

Stock TC brought to account

GL Account	Account Description	Posting Type
531210	Agents TCs Outstanding	TC
629320	Outstanding Non Accounting Transaction Correction	TC

6.1 ATM

Background
Process covers discrepancies between Branch and Client banks as per above. Normally approx. 10 weeks behind. High value TC's must be issued within 90 days, as CREDENCE only keeps the breakdown for 90 days. **ATM** • Bank of Ireland (daily) • YourCash (daily) • Note Machine (weekly) • TRMB (settlement do upload)

Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.1.1 ATM - Process Flow

Branch Corrections

TC - ATM

Lanes (top to bottom): **Bank of Ireland**, **Branch**, **HORIZON**, **POLSAP**, **CREDENCE**, **ATM Team**

Bank of Ireland:
- Daily e.mail all transactions dispensed from ATM

Branch:
- Daily run ATM dispense report
- Correct error in HORIZON
- Accept TC

HORIZON:
- Manually enter report into HORIZON
- Branch correction / Accept TC
- TC Issued
- Interface

POLSAP:
- Daily Bank of Ireland report
- Interface from HORIZON
- TC Accepted
- Ref App. 3
- TC Issued G/L 627047 (G/L 627050) (G/L 627060)
- Interface
- Yes

CREDENCE:
- Breakdown of HORIZON
- Interface
- C4.9.a.17 FSC Team Manager Monthly monitor TC control account "629310 Cash"
- 10,000 - 250,000 signed by LM >250,000 signed by senior LM
- C4.9.a.13 weekly FSC Team Manager meeting
- C4.9.a.5 / C4.9.a.6 weekly FSC Team Operational meeting

ATM Team:
- Receive daily report
- Upload report to POLSAP
- Run POLSAP report G/L acc Line Item display
- Investigate any open items
- Run report
- Enquiry form to Branch?
- No
- Issue TC
- Month End
- Reconciliation & probity
- Daily POLSAP report Acc. 627047 – "BOI ATM Matching'"
- Monthly POLSAP report Acc. G/L 627050 'Hanco ATM Matching' & G/L 627060 'Notemachine Matching'
- C4.9.a.21 Valid / approved Authority matrix
- C4.9.a.20 TC issued as per Authority matrix
- D1.12.b.4 Finance
- D1.12.b.5 Finance
- C4.9.a.2 / C4.9.a.3 FSC (Monthly Prob. & Rec)

6.1.2 ATM – Process Narrative

Activity ATM	Link to desk procedure
Chronological steps in the process: 1. Bank of Ireland e.mails ATM team all transactions dispensed from ATM machine belonging to Bank of Ireland (this is ATM machines physically located inside the Branch) (the report covers from 16:30 to 16:30 following day) (reports shows total dispense per ATM machine identified via Merchant ID) 2. Upload report into POLSAP (ATM team) 3. Branch runs ATM report (16:30) and manually keys into HORIZON the 16:30 figure from the ATM report 4. Check G/L account 627047 "Post Office ATM matching", should ideally balance to zero each day 5. Investigate any open items (in POLSAP transactions with RED. 6. Run CREDENCE report in order to get the breakdown of HORIZON entries. 7. Issue TC (<=GBP 10,000 - >10,000 fill in high value forms and signed by LM (up to 250,00) >250,000 senior LM) 8. If TC > 1,000 send enquiry form to Branch explaining the Branch error and turnaround time for Branch to correct in HORIZON is 10 WD 9. If Branch corrects in HORIZON this will then clear in POLSAP 10. If Branch do not correct in HORIZON an issue a TC 11. If by any chance both POL and BRANCH corrects, then POL will issue a compensating TC the following day 12. Evidence of HORIZON entries are download to excel and save on desk top 13. At month end do the reconciliation and probity (justifying the balance) Reconciliation of 627047 and 627046 (Settlement matching account) and save on Sharepoint and team lead reviews and signs and send to 2nd senior manager for their review.	

6.1.3 ATM – Risk & Controls

Risk & Control ATM	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3
Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud
Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification
Frequency: Monthly
Control owner: FSC Operations Manager(s)
Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6
Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.
Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.
Frequency: Weekly
Control owner: FSC Operations Manager(s)
Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)
Risk: Workload and peaks are not monitored resulting in build up of back log.
Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-actively.
Frequency: Monthly
Control owner: FSC Team Manager(s)
Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

Branch Corrections

6.2 ATM Retracts

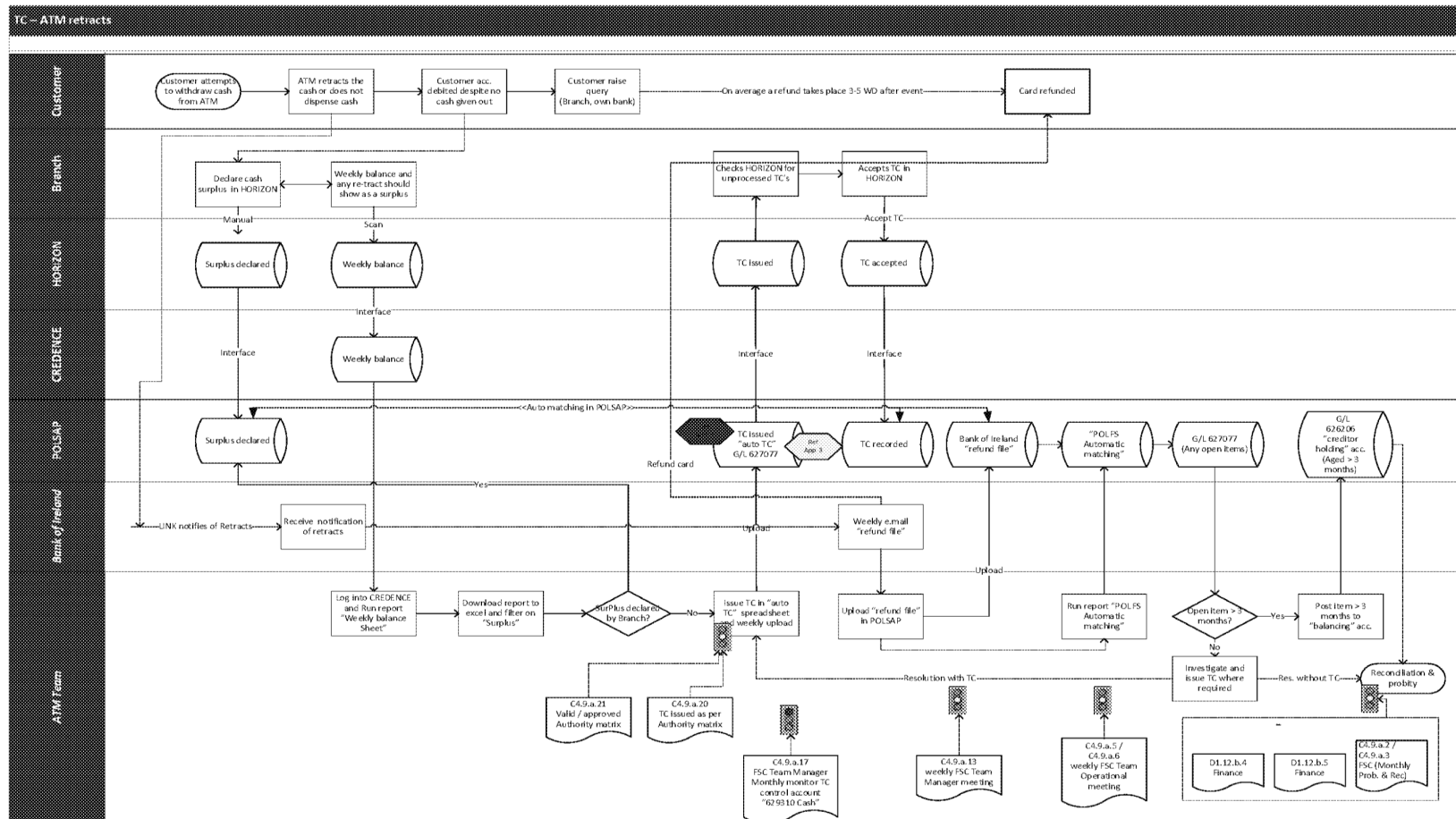| Background |
| --- |
| ATM (PostOffice + Bank of Ireland machines) retracts the cash that is being dispensed by customer back into the machines. This is due to "time out", if the physical cash is not taken within 59 seconds the ATM retracts the money and put in a "retract" tray within the machine. Customer account has been debited.

If there are communication failures on the machine, it can also happen that cash is never dispensed, however the customer account has been debited. A surplus can also consist of a combination of retracts and communication failures etc.

Bank of Ireland normally refunds customer within 3-5 WD. |

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

Branch Corrections

6.2.1 ATM Retracts – Process Flow

6.2.2 ATM Retracts – Process Narrative

Activity - ATM Retracts	Link to desk procedure
Chronological steps in the process: 1. Customer requests cash, however machine retracts the money (if cash is not taken within 59 seconds) / or money never comes out of the machine at all due to e.g. "communication error", machine jammed etc. etc. *(Customer)* 2. Raise enquiry with own bank or Branch *(Customer)* 3. Bank of Ireland automatically get alerted of re-tracts (via Link) *(Bank of Ireland)* 4. PostMaster should notice same day a £ surplus in their re-tract box and declare in HORIZON *(Branch)* 5. PostMaster does weekly balance and any re-tract should show as a surplus, *(Branch)* 6. Scan the "weekly balance" in HORIZON through APADC, *(Branch)* 7. Log into CREDENCE and run report "weekly balance sheet" and download to excel, *(Camelot, Debit Card & ATM Team)* 8. Filter on "surplus" and verify in POLSAP if the Branch has declared the surplus , *(Camelot, Debit Card & ATM Team)* 9. *If "surplus" declared = End (POLSAP will balance)* 10. If not declared – issue TC, *(Camelot, Debit Card & ATM Team)* 11. Gather all TC's in auto TC spreadsheet and weekly upload to POLSAP (normally on Fridays), *(Camelot, Debit Card & ATM Team)* 12. *Branch accepts the TC in HORIZON, (acceptance of the TC replaces the "declare") (Branch)* 13. *Weekly e.mail "refund file" to Camelot, Debit Card & ATM Team (sent to individuals in the team and not a team box), (Bank of Ireland)* 14. Upload Bank of Ireland "refund file" directly in POLSAP, *(Camelot, Debit Card & ATM Team)* 15. Run report "POL FS Automatic matching" in POLSAP for applicable period, *(Camelot, Debit Card & ATM Team)* 16. Check any remaining open items G/L acc. display 627077 and investigate, *(Camelot, Debit Card & ATM Team)* 17. Issue a TC as a resolution and where necessarily utilise Acc. 626206 "creditor holding acc." in order to balance, *(Camelot, Debit Card & ATM Team)* 18. Probity and account reconciliation monthly, *(Camelot, Debit Card & ATM Team)*	

6.2.3 ATM Retracts – Risk & Controls

Branch Corrections

Risk & Control ATM Retracts	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.

The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.

Agreed actions are followed up with respective FSC Team Managers.

The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.

Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.

On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.3 Automated Payments

Background

Customer pays a bar coded bill or swipe card to pay a utility bill, council, tax, rent etc. Responding to queries being raised etc.

A dedicated team member updates the "Enquiries spreadsheet", the log has macros for SLA and turnaround times.

Glossary of Control Owners

Branch Corrections

Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.3.1 Automated Payments – Process Flow

Branch Corrections
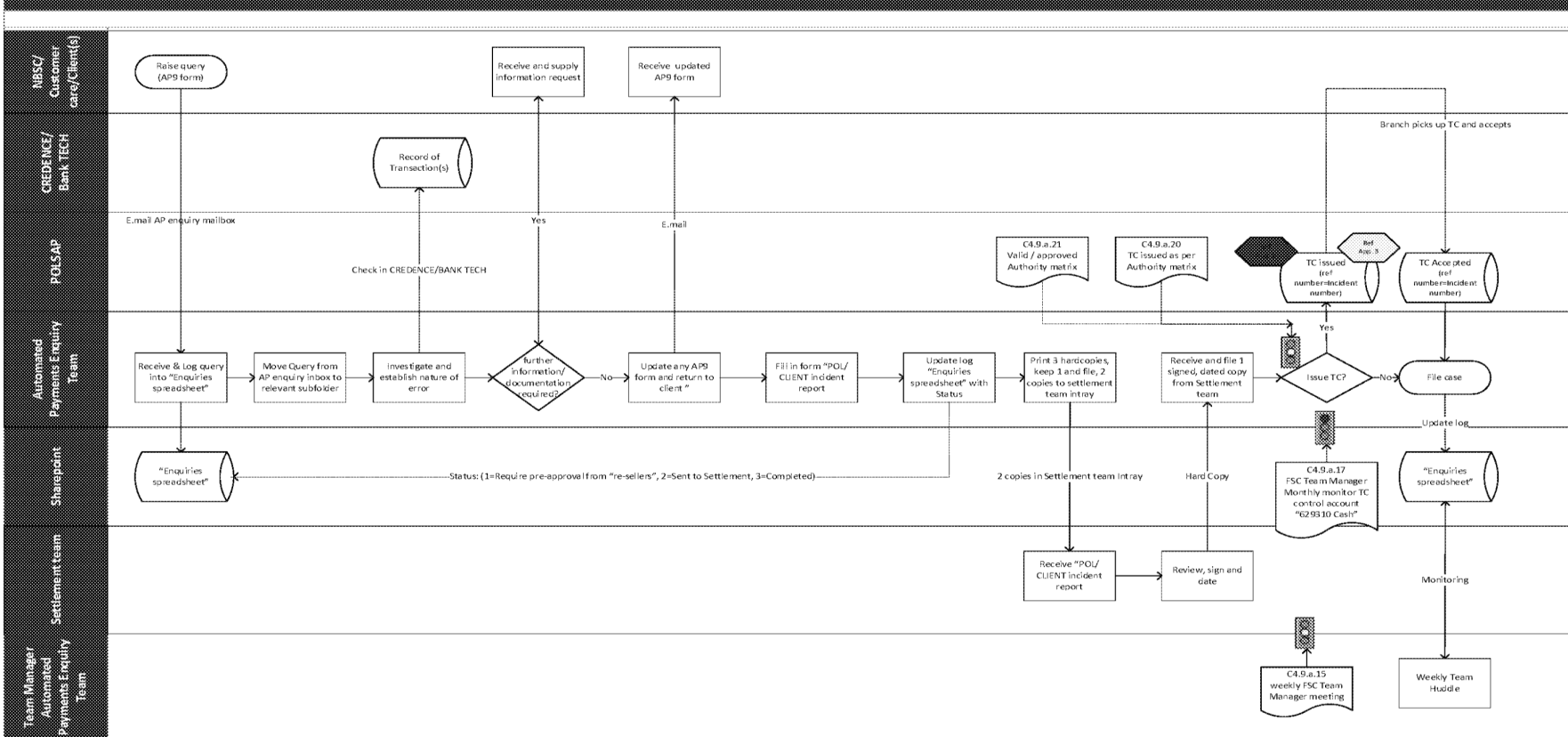
6.3.2 Automated Payments – Process Narrative

Branch Corrections

Activity - Automated Payments	Link to desk procedure
Chronological steps in the process: 1. Receive enquiry from NBSC/Customer care/Client(s) (AP9 form) (via AP enquiry mailbox) (Automated Payments Enquiry Team) 2. Log query into "Enquiries spreadsheet", (Automated Payments Enquiry Team) 3. Move Query from AP enquiry inbox to relevant subfolder, (Automated Payments Enquiry Team) 4. Investigate and establish nature of error, check in CREDENCE/BANK TECH, (Automated Payments Enquiry Team) 5. Where required request further information/documentation from Client, (Automated Payments Enquiry Team) 6. Update any AP9 form and return to client and fill in form "POL/CLIENT incident report" (Overpayment / Underpayment) (all form have incident number), system generated incident number and add own initial and (A=TC, E=Internal adjustment,) (Automated Payments Enquiry Team) 7. Update log "Enquiries spreadsheet" with Status (1=Require pre-approval from "re-sellers", 2=Sent to Settlement, 3=Completed (form received back from Settlement and TC issued where required) 8. Print 3 hardcopies, keep 1 and file, 2 copies to settlement team in-tray, (Automated Payments Enquiry Team) 9. Receive 1 signed and dated copy back from Settlement team (they have actioned what was on the form), (Automated Payments Enquiry Team) 10. File signed copy from Settlement team in team folder, (Automated Payments Enquiry Team) 11. Determine next step: a)No action and file, b)Action with TC 12. Where applicable issue TC in POLSAP with ref number=Incident number 13. Branch accept TC 14. End	

6.3.3 Automated Payments – Risk & Controls

Branch Corrections

Risk & Control Automated Payments	Link to desk procedure
Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers) **Risk:** Workload and peaks are not monitored resulting in build up of back log. **Control objective:** To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily. **Frequency:** Monthly **Control owner:** FSC Team Manager(s) **Control description:** "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line. Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting. On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence." **Control(s):** C4.9.a.17 **Risk:** Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances. **Control objective:** Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay. **Frequency:** Monthly **Control owner:** FSC Team Manager **Control description:** "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."	

Branch Corrections

6.4 BUREAU & CASH REMS FROM BRANCH

Background
Cash rems from branch (POLSAP G/L acc. 553002 Cash in transit-notes and coin collect from branches) Cash Control team Purpose of process: (please fill in a paragraph) The overall purpose is to send physical cash from Branch to central Postoffice as a Branch should only have a certain amount of cash in the Branch.

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.4.1 BUREAU – Process Flow
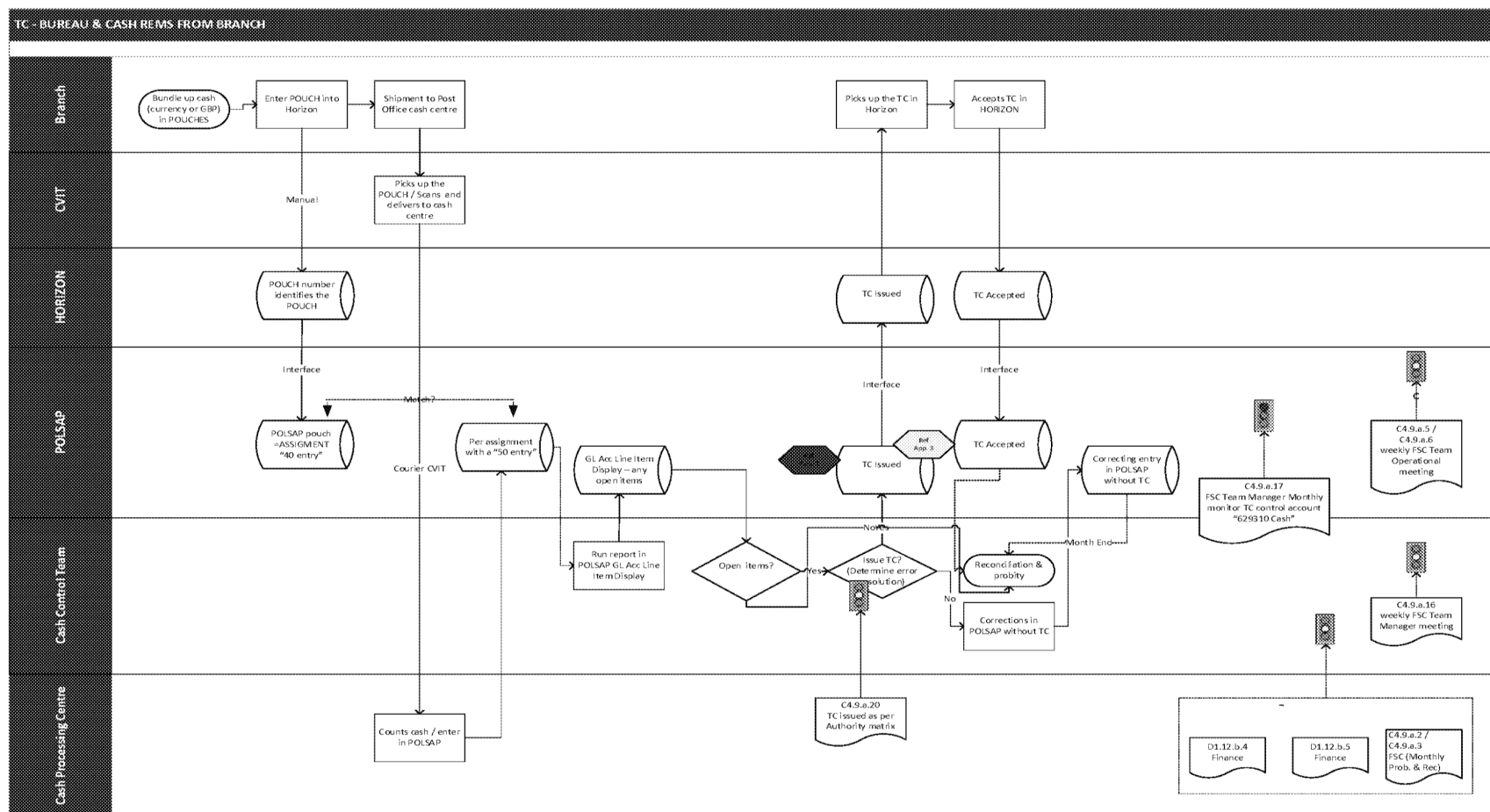
6.4.2 BUREAU – Process Narrative

Activity - BUREAU	Link to desk procedure

Chronological steps in the process:
1. Branch bundles up cash in POUCHES for shipment to Post Office cash centre *(Branch)*
2. Enter POUCH into Horizon, POUCH number identifies the POUCH (POLSAP=ASSIGMENT) *(Branch)*
3. CVIT picks up the POUCH and scan and delivers to cash centre. *(Courier CVIT)*
4. Processing in Cash Centre – (via surveillance cameras) – match up in POLSAP by POUCH number (POLSAP will reflect the 40 trans. Coming from Horizon and Cash centre match this per assignment with a 50 entry in POLSAP) *(Cash Processing Centre)*
5. To investigate what is outstanding run report GL Open Item Ageing Report (no variant) (classified as aged if > 3 months old, however the report shows all periods. *(Cash Control Team)*
6. Select from Ageing report own item as per Branch Code and run report GL Acc Line Item Display *(Cash Control Team)*
7. Run report in POLSAP GL Acc Line Item Display with variant. (Cash Control team)
8. Investigate and error resolution : *(Cash Control Team)*
    a. Resolution can be resolved within Cash Control Team
    b. Resolution needs a Transaction Correction to the Branch (TC issued from Cash Control Team)
9. Where applicable TC is issued in POLSAP *(Cash Control Team)*
10. Branch picks up the TC in Horizon and Accepts or Rejects *(Branch)*
11. Branch accepts in HORIZON and this triggers the 50 transaction in POLSAP *(Branch)*
12. Next day the error transaction will disappear from GL Open Item Ageing Report *(System)*
13. If rejected error resolution and where applicable escalation etc. resulting in acceptance. *(Cash Control Team)*
14. On a monthly basis (usually at month end) perform a probity (balance sheet showing all outstanding for the period) and reconciliation (breakdown, account specification with explanations) and this is being sent to Line Manager Dawn Wall who checks, keeps and files. *(Cash Control Team Lead)*	

6.4.3 BUREAU – Risk & Controls

Risk & Control BUREAU & CASH REMS FROM BRANCH	Link to desk procedure

Branch Corrections

Control(s): C4.9.a.2 & C4.9.a.3
Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud
Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification
Frequency: Monthly
Control owner: FSC Operations Manager(s)
Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6
Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.
Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.
Frequency: Weekly
Control owner: FSC Operations Manager(s)
Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
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The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

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Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.
Frequency: Monthly
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Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.5 CAMELOT

Background

Camelot is the Lottery process and it shows what has been paid out in prizes and the reconciliation between Camelot system and HORIZON – POLSAP. Daily open item reports are generated from Camelot system and TC's are issued to rectify any open item.

Lottery tickets - 3 accounts: Cash prices (manual), Online sales (automated) (Lottery), Scratch card activation (automated)

Branch divided into groups A B C D (each group represents roughly 4000 branches)

Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.5.1 CAMELOT – Process Flow

Branch Corrections

TC - CAMELOT

POL

CAMELOT send report SRC to POL

Receive & Upload SRC into CREDENCE

Branch

Upload

Cash prizes

CREDENCE

SRC

Manual

HORIZON

Interface

Cash Prizes

C4.9.a.21
Valid / approved Authority matrix

C4.9.a.20
TC issued as per Authority matrix

POLSAP

Interface

SRC (G/L 627012)

Cash Prizes

Daily CAMdd.mm.yy

Weekly TE OPEN (groups A B C D)

Variant "SALES PRIZE"

6yyy/mm/dd/P X (P=period) (X=group)

G/L acc display

TC issued GL acc 629310 (Outstanding Transaction Corrections)

Ref App.3

Daily

Weekly

Groups: A B C D

C4.9.a.17
FSC Team Manager Monthly monitor TC control account "629310 Cash"

"automatic TC correction"

C4.9.a.5 / C4.9.a.6
weekly FSC Team Operational meeting

Lottery Team

Log into POLSAP

Daily retrieve the CAMELOT file

Rename file to : CAMdd.mm.yy

Rename the CAMdd.mm.yy file for TC issue – rename to TE OPEN

Run report G/L Acc Line Item

Download to Excel (FAD code for Branch and total amount of errors associated with the Branch)

For each group (ABCD) rename the TE OPEN to "6yyy/ mm/dd/P X (P=period) (X=group) (POLSAP)

Type in FAD code into POLSAP to bring up the total error

Identify error (open item) & Fill in template for TCs

Upload TC template (test run & Final)

Reconciliation & probity

C4.9.a.13
weekly FSC Team Manager meeting

D1.12.b.4
Finance

D1.12.b.5
Finance

C4.9.a.2 / C4.9.a.3
FSC (Monthly Prob. & Rec)

6.5.2 CAMELOT – Process Narrative

Branch Corrections

Activity - CAMELOT	Link to desk procedure

Chronological steps in the process:

1. Camelot sends report SRC (contains volumes of sales, prizes etc.) to PostOffice (check who in Postoffice receive this report??) (CAMELOT)
2. PostOffice uploads report SRC into CREDENCE (PostOffice which team?)
3. CREDENCE interface to POLSAP (CREDENCE)
4. POLSAP interface HORIZON (POLSAP)
5. One G/L account 627012 – contains prizes (POLSAP)
6. Choose group of Branches (A, B, C, D) where each group represents roughly 4000 branches (Lottery team)
7. Each morning retrieve the CAMELOT file and rename to : CAMdd.mm.yy in POLSAP (Lottery team)
8. Weekly rename the CAMdd.mm.yy files for TC issue – rename to TE OPEN (the TE OPEN contains the total of all errors across all groups (A B C D) (Lottery team)
9. Run POLSAP G/L Acc Line Item with variant "SALES PRIZE", (Lottery team)
10. Download report to Excel – report shows FAD code for Branch and total amount of errors associated with the Branch, (Lottery team)
11. For each group (ABCD) rename the TE OPEN to "6yyyy/mm/dd/P X (P=period) (X=group) (POLSAP) , this splits the TE OPEN file as per step 8 into individual errors per group (A B C D), (Lottery team)
12. For each group (ABCD) rename the HORIZON file in POLSAP to "6yyyy/mm/dd/P X (P=period) (X=group) this splits the HORIZON file into individual errors per group (A B C D), (Lottery team)
    a) Knut: how do you identify the total TE open into groups? Its via Branch lookup, where each Branch is identified as group A B C or D.
    b) Knut: How do you identify the HORIZON file to be renamed? (search in POLSAP for file "TE OPEN" and a date range of Month month.)
13. Does POLSAP do any automatic matching within the file as it now has identical file names originating from 2 sources (HORIZON and POLSAP) (No matching, however POLSAP now gives the total open per Branch, etc. Credits from CAMELOT postings and Debits from HORIZON.
14. Anything less than 1 GBP (Deb/cr.) no TC is issued, (Lottery team)
    a) Knut: How are amounts less than £1 being written off?
15. Select from spreadsheet amounts over GBP 300, (Lottery team)
    a) Knut: Is that just the priority? Cheque value starts normally at GBP300
16. Type in FAD code into POLSAP G/L acc display to bring up the total error, (Lottery team)
17. Identify error (open item) in Trading period
18. Fill in template for TCs (spreadsheet "Group x period yyyy" (stored on Sharepoint)
19. TCs are issued monthly per Branch (per Group), working on a group per week so each group is covered during the month.
20. POLSAP screen "automatic TC correction" – meaning POLSAP uploads from TC template and posts automatically all TC's that has been filled.
21. Run first in Test run
22. When test run is successful – run in normal mode

23. TCs issued in POLSAP 24. Transaction posts in "Lottery Stock Unit", GL acc 629310 (Outstanding Transaction Corrections) Debit in Stock Unit OoH (Out of Hours) money in to Stock Unit, Credit paying money back to Branch (no physical transfer of money is happening between POL and Branch) 25.	

6.5.3 CAMELOT (Other) – Process Flow

Background

Main purpose of this process is to monitor the below G/L accounts and keep Open items to a minimum. Any Open item > 90 days is considered aged. In POLSAP the matching is compared between the uploaded CAMELOT file and CREDENCE (via Interface to POLSAP) and data source coming from HORIZON

1. G/L acc: 627016 (CAMELOT Online Sales Matching), (Pinged into HORIZON automatically)
2. G/L acc: 627011 (CAMELOT Scratch card activation acc.) (Pinged into HORIZON automatically)
3. G/L acc: 627012 (CAMELOT Prizes) (Manual into HORIZON)
4. G/L acc. 622046 (CAMELOT Barclay Cheques) (manual into HORIZON) prizes, max £500 in Cash and rest in Barclay cheque)

Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

Branch Corrections

TC – CAMELOT - Other

Branch

Sales / prizes

Record sale in
Lottery terminal

Accept TC

Manual

Lottery Terminal

Online Sales

Scratch card
activation

Prizes

Barclay Cheques

Automatic "PING"   Automatic "PING"   Manual   Manual

HORIZON

Record of
Transaction

Record of
Transaction

Record of
Transaction

Record of
Transaction

TC Issued

TC Accepted

CREDENCE

Upload via Acenture

CAMELOT file

Interface

Interface

C4.9.a.21
Valid / approved
Authority matrix

C4.9.a.20
TC issued as per
Authority matrix

Interface

Interface

POLSAP

Record of
transaction
HORIZON source

Record of
transaction
CAMELOT source

Record of
transaction

TC issued
G/L 627012

TC Accepted

Transaction
corrected
without TC

Ref
App. 3

Lottery Team

End

No

Check open items
G/L Acc. Line Item
display

Open items?   Yes   Investigate open
items

Yes

Issue TC

No, correct in POLSAP without TC

C4.9.a.5 /
C4.9.a.6
weekly FSC Team
Operational
meeting

Reconciliation &
probity

C4.9.a.18
FSC Team Manager Monthly
monitor TC control account
"629320 Stock"

C4.9.a.13
weekly FSC Team
Manager meeting

D1.12.b.4
Finance

D1.12.b.5
Finance

C4.9.a.2 /
C4.9.a.3
FSC (Monthly
Prob. & Rec)

6.5.4 CAMELOT (Other) – Process Narrative

Activity - CAMELOT (Other)	Link to desk procedure
Chronological steps in the process: 1. Customer buys/checks winning ticket lottery via "Lottery terminal" *(Branch)* 2. Transaction is recorded on Lottery terminal as a sale in CAMELOT 3. Lottery terminal "PINGS" automatically to HORIZON G/L 1 & 2, whereas 3 & 4 is entered manually) 4. Upload daily file from CAMELOT to CREDENCE *(ACCENTURE??)* 5. Interface to POLSAP with daily total, *(POLSAP)* 6. Check open items G/L Acc. Line Item display in acc. 627016, 627011, 627012 *(Camelot team)* 7. Investigate open items (aged > 90 days) (POLSAP compare CAMELOT data vs. HORIZON), *(Camelot team)* 8. Issue resolution – either raise a TC or correct without TC	

6.5.5 CAMELOT – Risk & Controls

Branch Corrections

Risk & Control	CAMELOT	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.18

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629320 "Outstanding non Accounting Trans Corrections'. All issued TC's related to "Volume" are also posted on Control account 'A/C 629320 ' to enable overall monitoring, and an e.mail reminder is sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629320'.

Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629320' as evidence of review."

6.6 Cheques to IPSL

Background

Cheques paid in to the Branch are being sent to iPSL for processing. The principle of this process is to balance entries from Horizon with the upload file coming from iPSL. In POLSAP the 40 entry comes from HORIZON and 50 entry is the upload file (physical cheque).

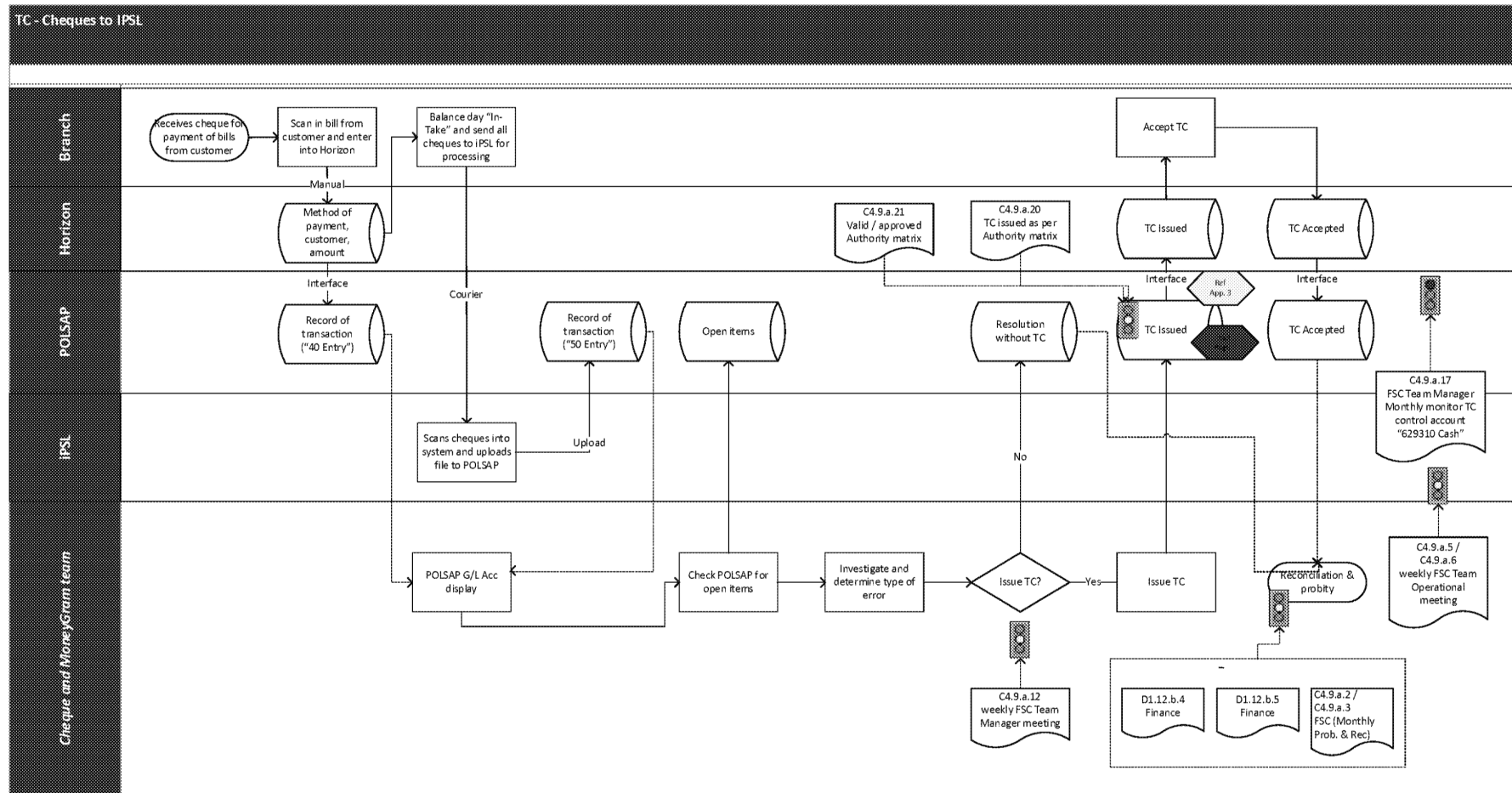| Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.6.1 Cheques to IPSL – Process Flow

Branch Corrections

6.6.2 Cheques to IPSL – Process Narrative

Branch Corrections

Activity - Cheques to IPSL	Link to desk procedure
Chronological steps in the process: **(Cheque and MoneyGram team)** 1. Customer writes cheque to pay e.g. utility bill (bulk cheques) and pays via Post Office *(Customer)* 2. Post Office scan in bill and enters into Horizon (amount, method of payment (Cash, Cheque, debit card etc.) customer etc.) *(Branch)* 3. Post master balance the days taking, and sends cheques for the day to iPSL for processing *(Branch)* 4. iPSL scans the cheques and uploads the file into POLSAP. 5. Checks that POLSAP balance between the 2 data sets (40 entry comes from HORIZON and 50 entry is the upload file (physical cheque) *(Cheque and MoneyGram team)* 6. Works on a 14 days in arear situation (bounced cheques are dealt with Nikki's team) *(Cheque and MoneyGram team)* 7. Run report from POLSAP – "Open Item Errors" and checks per Office code and date *(Cheque and MoneyGram team)* 8. Investigates error and determine resolution, *(Cheque and MoneyGram team)* 9. Correction without TC, *(Cheque and MoneyGram team)* 10. Or raise TC to Branch, *(Cheque and MoneyGram team)* 11. Once a week, runs an aged report to check no ageing of balances. *(Cheque and MoneyGram team, Team Lead)*	

6.6.3 Cheques to IPSL – Risk & Controls

Branch Corrections

Risk & Control	Cheques to IPSL	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.

The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.

Agreed actions are followed up with respective FSC Team Managers.

The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.

Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.

On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.17
Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.
Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.
Frequency: Monthly
Control owner: FSC Team Manager
Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.7 Debit Cards

Background

Reconcile debit card accounts for all products/services either in a Branch or Online web services (top up a Drop & Go card). Majority of TCs are issued to refund money directly to Customers card (that was used for payment). Requests for refunds would normally come via e.mail from NBSC.

GL Acc. – Bureau (555079), Retail (555078), Online Drop&Go (555083), Paystation (555080), Self Service Kiosk (555095), AMEX Bureau (555085), AMEX Retail (555084)

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith
FSC Team Manager	Andrea M Green

6.7.1 Debit Cards – Process Flow

Branch Corrections

TC – Debit Card

Lane	Content

- Customer
  - Buy product / services in Branch
  - Card refunded

- Global Pay
  - Process Card Payment
  - C4.9.a.8 POL SLA of 10 Business days response time
  - Request Global Pay for refund the card
  - Query? — No — Process refund

- Branch
  - Enter transaction in HORIZON
  - Accept TC
  - Picks up the TC in Horizon

- HORIZON
  - Record of Transaction
  - TC Accepted
  - TC issued

- FUJITSU/ ACENTURE
  - Interface
  - Run Weekly Sweep
  - Receive file from Global Pay — Upload
  - Interface
  - Interface
  - Yes / Encrypted e.mail

- POLSAP
  - Record of Transaction (HORIZON source)
  - Sweep
  - Record of Transaction (Global Pay source)
  - TC Accepted
  - TC Issued 555084 AMEX Retail 555095 AMEX Bureau 539107 Robbery & Burglary 627024 First Rate
  - Ref App. 3
  - C4.9.a.17 FSC Team Manager Monthly monitor TC control account "6293310 Cash"
  - C4.9.a.13 weekly FSC Team Manager meeting
  - Resolution without TC
  - C4.9.a.5 / C4.9.a.6 weekly FSC Team Operational meeting
  - GL Acc LI Display for GL - Open Items

- Debit Card team
  - Run GL Acc LI Display for GL - Open Items
  - Investigate Open Items /Request for refund
  - Determine product & how Branch has accounted for it (e.g. reversal, cancellation, duplicates etc
  - Issue TC? — Yes
  - Fill in spreadsheet "Refund Request Form" / clarify Global Pay query
  - Yes
  - No
  - Resolution without TC — Month End — Reconciliation & probity

- NBSC
  - Requests for refund — E.mail
  - C4.9.a.21 Valid / approved Authority matrix
  - C4.9.a.20 TC issued as per Authority matrix
  - C4.9.a.1 FSC card refunds to customer are checked
  - D1.12.b.4 Finance
  - D1.12.b.5 Finance
  - C4.9.a.2 / C4.9.a.3 FSC (Monthly Prob. & Rec)

6.7.2 Debit Cards – Narrative

Activity - Debit Cards	Link to desk procedure
Chronological steps in the process: **Debit Card Team** 1. Customer uses a debit/credit card in a Branch to pay for a service/product *(Customer)* 2. Branch enters transaction into HORIZON *(Branch)* 3. HORIZON interface to CREDENCE & POLSAP *(HORIZON)* 4. Global Pay process card payments and send file through FUJITSU/ACCENTURE, *(Global Pay)* 5. Daily uploads file into POLSAP *(FUJITSU/ACCENTURE)* 6. Weekly Sweep file for all GL accounts in POLSAP that match *(FUJITSU/ACCENTURE)* 7. Run GL Acc LI Display for GL acc, and investigate Open item (majority of POLSAP can be resolved without TC) *(Debit Card Team)* 8. Requests for refunds – receive e.mail request for refund from NBSC (Call Centre - Helpline etc.) *(NBSC)* 9. Determine product and how the Branch has accounted for the transaction (e.g. reversal, cancellation, duplicates etc. etc.) *(Debit Card Team)* 10. Based on type of error (as in 8 above) determine whether or not to issue a TC *(Debit Card Team)* 11. No TC Issued – resolution within FSC *(Debit Card Team)* 12. Issue TC in POLSAP – screen "Enter Outgoing Invoices" and fill in Branch, customer, date etc. *(Debit Card Team)* 13. POLSAP interface to HORIZON – Branch has pending TC – Accepts TC, *(POLSAP)* 14. Same day as Issuing TC – request Global Pay (fill in spreadsheet "Refund Request Form" in order to refund the card (that was used for the transaction) *(Debit Card Team)* 15. Encrypt spreadsheet and e.mail to Global Pay. *(Debit Card Team)* 16. Global Pay reviews request form and query (e.mail) if required, otherwise action the refund *(Global Pay)* 17. Global Pay payment file is reflected (interface into POLSAP) *(POLSAP)* 18. Branch accepts the TC in HORIZON and via Interface to POLSAP *(Branch)*	

6.7.3 Debit Cards – Risk & Controls

Branch Corrections

Risk & Control	Debit Cards	Link to desk procedure

Branch Corrections

Control(s): C4.9.a.2 & C4.9.a.3
Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud
Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification
Frequency: Monthly
Control owner: FSC Operations Manager(s)
Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6
Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.
Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.
Frequency: Weekly
Control owner: FSC Operations Manager(s)
Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.1
Risk: Erroneous or unauthorised card refunds to customer resulting in fraud or misstatement.
Control objective: To ensure that all requests for card refunds to customer are checked and documented.
Frequency: weekly
Control owner: FSC Team Manager
Control description: "To ensure that all requests for card refunds to customer are checked, documented and authorised, the Camelot, Debit Cards & ATM Team Leader verifies on a weekly basis that all refund requests as per log "Refund Request Form" are supported, documented and authorised in the "Request Sheet". The Camelot, Debit Cards & ATM Team Leader queries where applicable with the Camelot, Debit Cards & ATM Team and dates, signs and retain as evidence of review."

Control(s): C4.9.a.8

Risk: SLA's are not met resulting in penalty and/or incurred loss to POL and/or reputational damage

Control objective: To ensure that all SLA's between POL and third party are met.

Frequency: weekly

Control owner: FSC Team Manager

Control description: "To ensure timely responses to Global Pay all queries are logged in respective spreadsheet logs per product with date of received and responded to Global Pay and stored on Sharepoint with restricted access. Queries from Global Pay to POL are subject to a SLA of 10 Business days response time. To prevent any queries from Global Pay falling outside the SLA timeframe, the FSC Team Manager monitors on a weekly basis the log for timely response times and dates, signs and files as evidence in spreadsheet 'Debit Cards Conformance' and stores in Sharepoint link https://poluk.sharepoint.com/sites/A1013/PBankCamelot/DCProduct/Forms/AllItems.aspx"

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line. Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting. On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Branch Corrections

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay. **Frequency:** Monthly **Control owner:** FSC Team Manager **Control description:** "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."	

6.8 DROP & GO

Background
Drop and Go is a service where one apply for a D&G card (up to GBP 750) to be used for postage. This service is specially geared towards e.g. e.bay sellers etc. who have frequent parcels to ship. They don't need waiting in a queue and can drop off parcels quickly.

Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.8.1 Drop & Go – Process Flow

TC - Drop & Go

Customer	Apply for D&G Card	Shipments dropped off at Branch
Branch	Sets up the account in CDP and issue card	Scans the shipment/ parcel labels into HORIZON	Process the postage payment via the D&G card	Picks up the TC in Horizon	Accepts TC in HORIZON
Accenture	Runs daily "daily pending Closure Report"
QUATRIX	"daily pending Closure Report"
CREDENCE	All transactions per customer held	C4.9.a.21 Valid / approved Authority matrix	C4.9.a.20 TC issued as per Authority matrix
POLSAP	TC issued (interface to HORIZON) / Ref App. 3	Interface from HORIZON Open item matched.
CDP	Customer records held	Customer card unblocked	Debits customer D&G card	No, issue TC	C4.9.a.17 FSC Team Manager Monthly monitor TC control account "629910 Cash"	C4.9.a.11 weekly FSC Team Manager meeting	C4.9.a.5 / C4.9.a.6 weekly FSC Team Operational meeting
Drop & Go Team	Download "daily pending Closure Report"	Unblock all cards on "Daily report" in CDP	Check the transaction in CREDENCE	Payment recorded?	Yes	Reconciliation & probity	D1.12.b.4 Finance	D1.12.b.5 Finance	C4.9.a.2 / C4.9.a.3 FSC (Monthly Prob. & Rec)

6.8.2 Drop & Go – Narrative

Activity - Drop & Go	Link to desk procedure
Chronological steps in the process: **(Cheque and MoneyGram team)** **Part of APOP (Automated Payments Out Payment) team** Drop and Go is a service where one apply for a D&G card (up to GBP 750) to be used for postage. This service is specially geared towards e.g. e.bay sellers etc. who have frequent parcels to ship. They don't need waiting in a queue and can drop off parcels quickly. CREDENCE shows all transactions that has happened in HORIZON 1. Customer applies/sets up an account with CDP (Accenture supported system) (where transactions are recorded and balances held) *(Customer)* 2. The branch scans the parcel labels and enters into HORIZON (postage paid) *(Branch)* 3. Branch process the postage payment part via the D&G card which debits the card balance *(Branch)* 4. Accenture sends daily "daily pending Closure Report" sitting on QUATRIX system *(Accenture)* 5. D&G team logs on to QUATRIX system and download daily reports to excel *(Drop & Go team)* 6. Unblock all cards on report in CDP system (D&G team) *(Drop & Go team)* 7. Check the transaction in CREDENCE using a) Office code, b) date, to identify the amount of the error *(Drop & Go team)* 8. Enter into CDP system and double check that the payment has not gone out *(Drop & Go team)* 9. Issue a credit TC (in POLSAP) to the Branch and debits the customer drop and go card *(Drop & Go team)* 10. The branch will see the TC in HORIZON next day and need to accept in order to clear transaction. *(Branch)* Each day all items are resolved.	

6.8.3 Drop & Go – Risk & Controls

Branch Corrections

Risk & Control	Drop & Go	Link to desk procedure

Branch Corrections

Control(s): C4.9.a.2 & C4.9.a.3
Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud
Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification
Frequency: Monthly
Control owner: FSC Operations Manager(s)
Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6
Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.
Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.
Frequency: Weekly
Control owner: FSC Operations Manager(s)
Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)
Risk: Workload and peaks are not monitored resulting in build up of back log.
Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.
Frequency: Monthly
Control owner: FSC Team Manager(s)
Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.17
Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.
Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.
Frequency: Monthly
Control owner: FSC Team Manager
Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.9 DVLA

Background

Vehicle tax payments to DVLA.

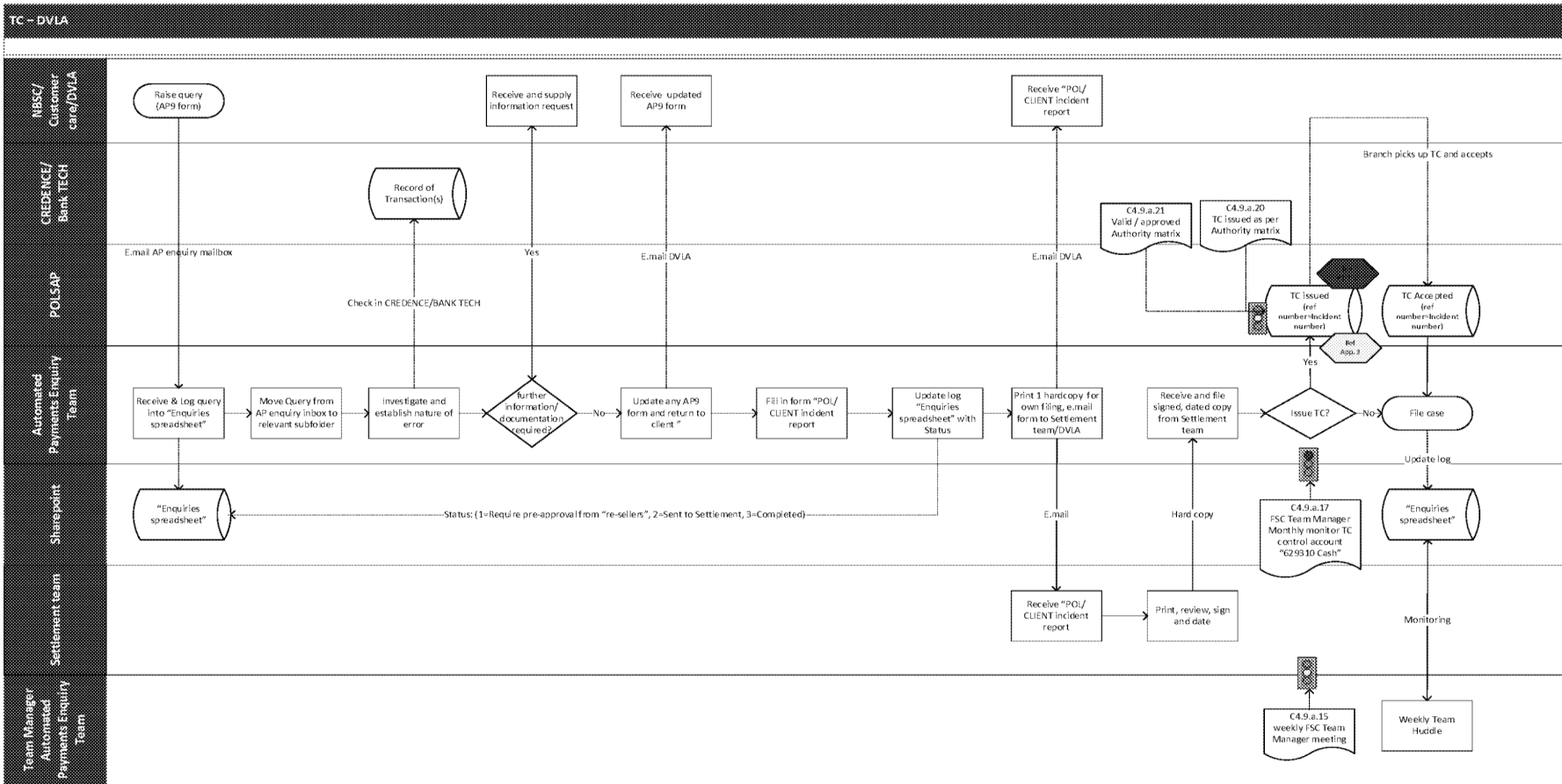| Glossary of Control Owners	
Job Title	Control Owner
FSC Team Manager	Tracy Middleton
FSC Team Manager	Dawn Phillips

6.9.1 DVLA – Process Flow

Branch Corrections

6.9.2 DVLA – Narrative

Branch Corrections

Activity - DVLA	Link to desk procedure
Chronological steps in the process: 1. Receive enquiry from NBSC/Customer care/client (AP9 form) (DVLA) (via AP enquiry inbox) (Automated Payments Enquiry Team) 2. Log query into "Enquiries spreadsheet", (Automated Payments Enquiry Team) 3. Move Query from AP enquiry inbox to relevant subfolder, (Automated Payments Enquiry Team) 4. Investigate and establish nature of error, check in CREDENCE/BANK TECH, (Automated Payments Enquiry Team) 5. Where required request further information/documentation from Client, (Automated Payments Enquiry Team) 6. Update any AP9 form and return to client and fill in form "POL/CLIENT incident report" (Overpayment / Underpayment) (all form have incident number), system generated incident number and add own initial and (A=TC, E=Internal adjustment,) (Automated Payments Enquiry Team) 7. Update log "Enquiries spreadsheet" with Status (1=Require pre-approval from "re-sellers", 2=Sent to Settlement, 3=Completed (form received back from Settlement and TC issued where required) 8. E.mail "POL/CLIENT incident report" to Settlement team and DVLA and print 1 hardcopy for own filing, (Automated Payments Enquiry Team) 9. Receive 1 signed and dated hard copy back from Settlement team (they have actioned what was on the form), (Automated Payments Enquiry Team) 10. File signed hard copy from Settlement team in team folder, (Automated Payments Enquiry Team) 11. Determine next step: a)No action and file, b)Action with TC 12. Where applicable issue TC in POLSAP with ref number=Incident number 13. Branch accept TC 14. End	

6.9.3 DVLA – Risk & Controls

Branch Corrections

Risk & Control DVLA	Link to desk procedure
Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers) **Risk:** Workload and peaks are not monitored resulting in build up of back log. **Control objective:** To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily. **Frequency:** Monthly **Control owner:** FSC Team Manager(s) **Control description:** "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line. Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting. On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence." **Control(s):** C4.9.a.17 **Risk:** Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances. **Control objective:** Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay. **Frequency:** Monthly **Control owner:** FSC Team Manager **Control description:** "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."	

Branch Corrections

6.10 FIRST RATE – TRAVEL MONEY CARD

Background
Travel money card is a card where you can load money on the card and use e.g. abroad. (Multi-currency card, e.g. can put multiple currencies on it). There are no day to day involvement from the team, only via queries from First Rate, Branch etc.

Glossary of Control Owners	
Job Title	Control Owner
FSC Team Manager	Tracy Middleton
FSC Team Manager	Dawn Phillips

6.10.1 First Rate Travel Money Card– Process Flow

TC - First Rate – Travel Money Card
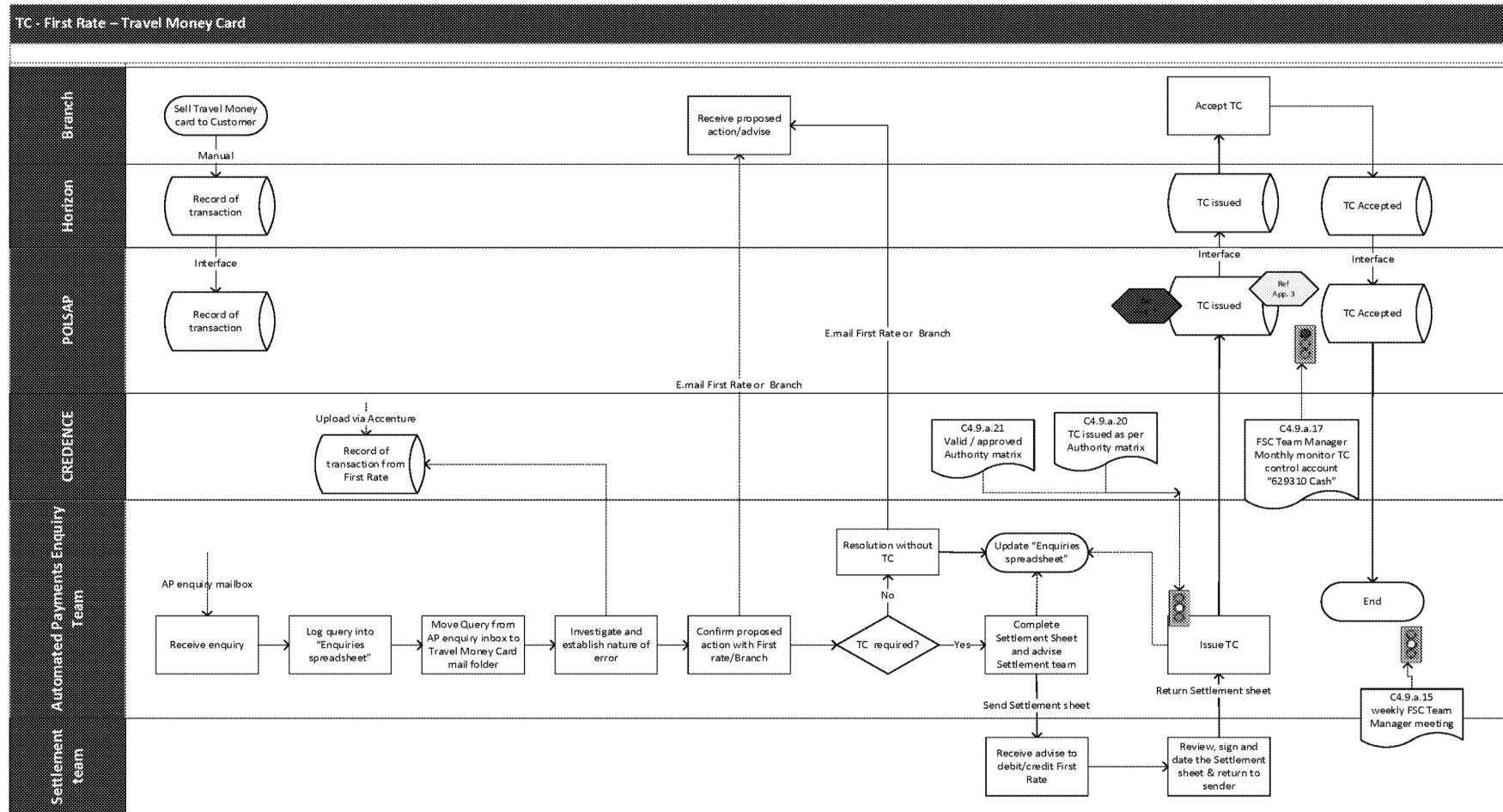
Branch Corrections

6.10.2 First Rate Travel Money Card – Process Narrative

Activity - First Rate	Link to desk procedure
Chronological steps in the process: 1. Customer buys Travel Money Card from branch 2. Branch input into Horizon……… (Branch) 3. Upload file to CREDENCE (Accenture) 4. Receive enquiry from First rate/Branch etc. (via AP enquiry inbox) (Automated Payments Enquiry Team) 5. Log query into "Enquiries spreadsheet", (Automated Payments Enquiry Team) 6. Move Query from AP enquiry inbox to Travel Money Card folder, (Automated Payments Enquiry Team) 7. Investigate and establish nature of error, check in CREDENCE, (Automated Payments Enquiry Team) 8. Confirm proposed action with First rate/Branch (Automated Payments Enquiry Team) 9. Determine if TC is required (Automated Payments Enquiry Team) 10. Where no TC is required – transaction seems OK and advise Frist rate/Branch (Automated Payments Enquiry Team) 11. If TC needed complete Settlement Sheet to inform Settlement Team to debit/credit First Rate accordingly and await signed sheet to be returned (Automated Payments Enquiry Team) 12. Update "Enquiries spreadsheet" , (Automated Payments Enquiry Team) 13. Issue TC in POLSAP (Automated Payments Enquiry Team) 14. Update "Enquiries spreadsheet" , (Automated Payments Enquiry Team) 15. Branch accept TC, (Branch) 16. End	

6.10.3 First Rate Travel Money Card – Risk & Controls

Risk & Control	First Rate Travel Money Card	Link to desk procedure

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)
Risk: Workload and peaks are not monitored resulting in build up of back log.
Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.
Frequency: Monthly
Control owner: FSC Team Manager(s)
Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17
Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.
Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.
Frequency: Monthly
Control owner: FSC Team Manager
Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.11 GOVERNMENT SERVICES

Background

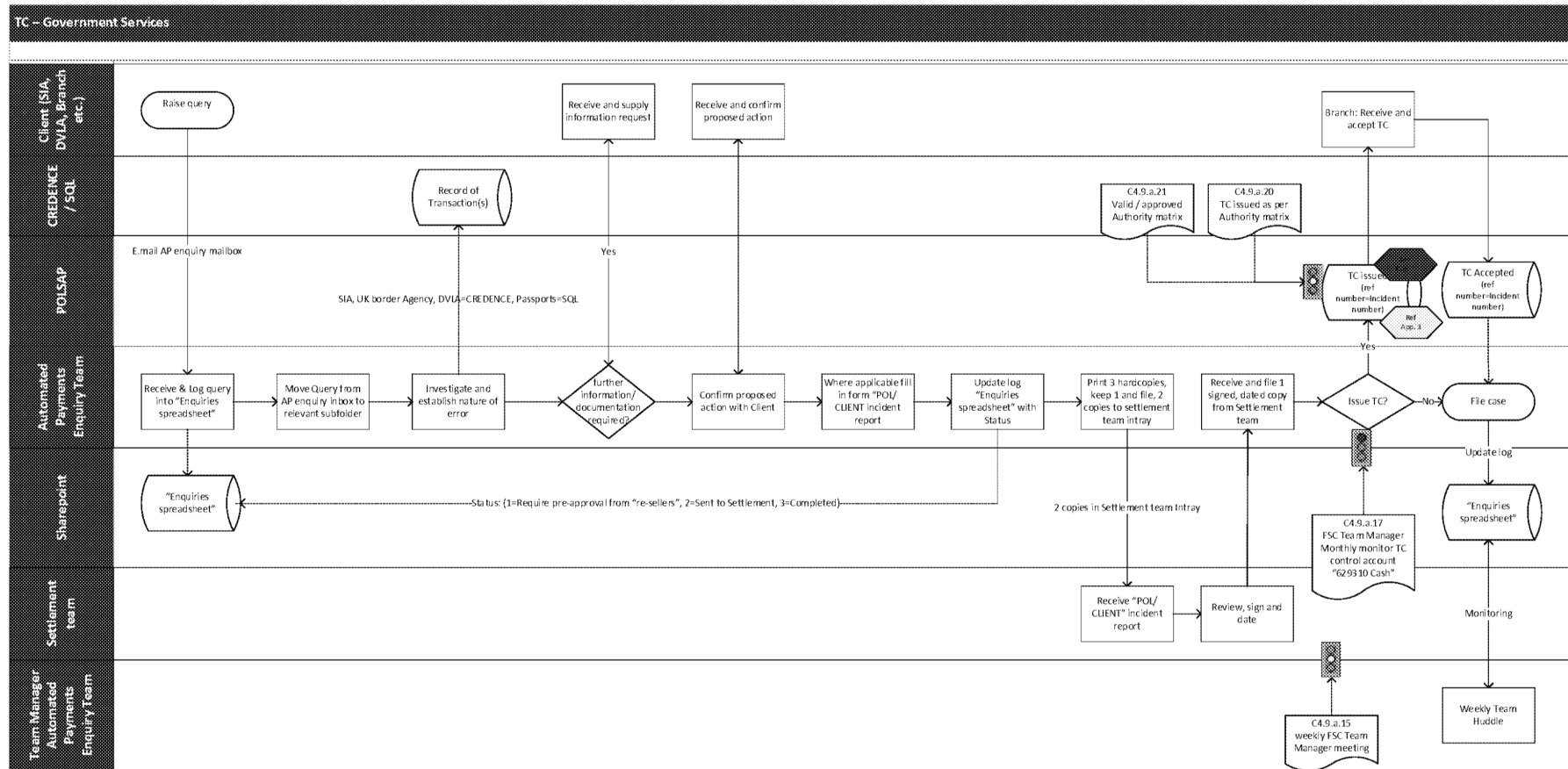License applications for e.g. UK border agencies, bouncers etc.

Glossary of Control Owners	
Job Title	Control Owner
FSC Team Manager	Tracy Middleton
FSC Team Manager	Dawn Phillips

6.11.1 Government Services – Process Flow

TC – Government Services

Client (SIA, DVLA, Branch etc.)
- Raise query
- Receive and supply information request
- Receive and confirm proposed action
- Branch: Receive and accept TC

CREDENCE / SQL
- Record of Transaction(s)
- C4.9.a.21 Valid / approved Authority matrix
- C4.9.a.20 TC issued as per Authority matrix

POLSAP
- E.mail AP enquiry mailbox
- SIA, UK border Agency, DVLA=CREDENCE, Passports=SQL
- Yes
- TC issued (ref number=Incident number)
- TC Accepted (ref number=Incident number)
- Ref App. 3

Automated Payments Enquiry Team
- Receive & Log query into "Enquiries spreadsheet"
- Move Query from AP enquiry inbox to relevant subfolder
- Investigate and establish nature of error
- further information/ documentation required?
- Confirm proposed action with Client
- Where applicable fill in form "POL/ CLIENT incident report
- Update log "Enquiries spreadsheet" with Status
- Print 3 hardcopies, keep 1 and file, 2 copies to settlement team intray
- Receive and file 1 signed, dated copy from Settlement team
- Issue TC? — No
- File case
- Update log

Sharepoint
- "Enquiries spreadsheet"
- Status: (1=Require pre-approval from "re-sellers", 2=Sent to Settlement, 3=Completed)
- 2 copies in Settlement team intray
- C4.9.a.17 FSC Team Manager Monthly monitor TC control account "629310 Cash"
- "Enquiries spreadsheet"

Settlement team
- Receive "POL/ CLIENT" incident report
- Review, sign and date

Team Manager Automated Payments Enquiry Team
- C4.9.a.15 weekly FSC Team Manager meeting
- Weekly Team Huddle
- Monitoring

6.11.2 Government Services – Narrative

Branch Corrections

Activity - Government Services	Link to desk procedure
Chronological steps in the process: 1. Receive enquiry from Client (e.g. SIA, DVLA, Branch etc.) (via AP enquiry inbox) (*Automated Payments Enquiry Team*) 2. Log query into "Enquiries spreadsheet", (*Automated Payments Enquiry Team*) 3. Move Query from AP enquiry inbox to Client/Branch folder, (*Automated Payments Enquiry Team*) 4. Investigate and establish nature of error , check in CREDENCE for (SIA, UK border Agency, DVLA renewals), (For Passport enquiries check database SQL) (*Automated Payments Enquiry Team*) 5. Confirm proposed action with Client (If query is from Branch fill in Incident report), (*Automated Payments Enquiry Team*) 6. Fill in form -where applicable for Client- the "POL/CLIENT incident report" (Overpayment / Underpayment) (all forms have incident number), system generated incident number and add own initial and (A=TC, E=Internal adjustment,) (*Automated Payments Enquiry Team*) 7. Update log "Enquiries spreadsheet" with Status (1=Require pre-approval from "re-sellers", 2=Sent to Settlement, 3=Completed (form received back from Settlement and TC issued where required), (*Automated Payments Enquiry Team*) 8. Print 3 hardcopies, keep 1 and file, 2 copies to settlement team Intray, (*Automated Payments Enquiry Team*) 9. Receive 1 signed and dated copy back from Settlement team (they have actioned what was on the form), (*Automated Payments Enquiry Team*) 10. File signed copy from Settlement team in team folder, (*Automated Payments Enquiry Team*) 11. Determine next step: a)No action and file (Code=E), b)Action with TC (code=A), (*Automated Payments Enquiry Team*) 12. Where applicable issue TC in POLSAP with ref number=Incident number, (*Automated Payments Enquiry Team*) 13. Branch accept TC, *(Branch)* 14. End	

6.11.3 Government Services – Risk & Controls

Branch Corrections

Risk & Control First Rate Travel Money Card	Link to desk procedure
Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers) **Risk:** Workload and peaks are not monitored resulting in build up of back log. **Control objective:** To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily. **Frequency:** Monthly **Control owner:** FSC Team Manager(s) **Control description:** "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line. Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting. On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence." **Control(s):** C4.9.a.17 **Risk:** Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances. **Control objective:** Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay. **Frequency:** Monthly **Control owner:** FSC Team Manager **Control description:** "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."	

6.12 MONEYGRAM

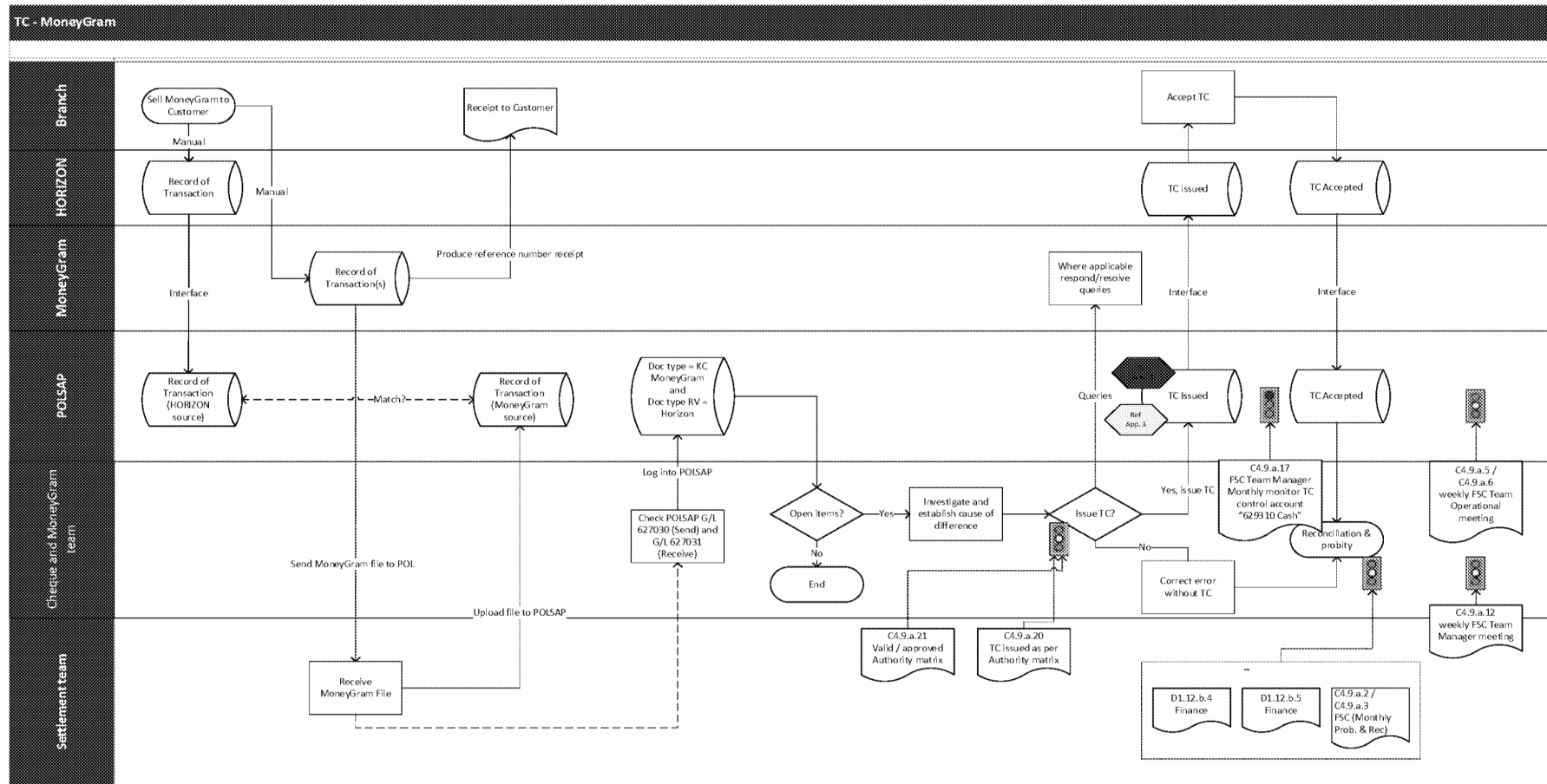| Background |
| --- |
| Investigates differences between Moneygram system and Horizon system

MoneyGram transactions in POLSAP are identified with doc type KC whereas Horizon transactions in POLSAP are identified with doc type RV. The team also receives a breakdown of Horizon and MoneyGram files and these are downloaded to Excel and saved in Sharepoint. Majority of all TCs issued for MoneyGram are related to SEND transactions. MoneyGram send the file via e-mail to our Settlement team who then upload it into POLSAP |

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.12.1 MoneyGram – Process Flow

6.12.2 MoneyGram – Narrative

Branch Corrections

Activity - MoneyGram	Link to desk procedure
Chronological steps in the process: 1. Customer require a cash sum to be sent (normally abroad) 2. Customer fills in form, name, address, etc. 3. Postmaster takes the money from customer and enter into HORIZON 4. A transaction reference receipt is generated from Horizon and this reference number is the customers proof of purchase 5. PostOffice must be sure that no transaction reference is given to the customer if customer has not paid the money (because the transaction can be"live" in the MoneyGram system. 6. Customer send the reference to end receiver 7. End receiver goes to either a post office or Moneygram agent with ID and transaction reference number and funds are paid out. 8. In POLSAP doc type = KC is MoneyGram and RV comes from Horizon 1. Log into POLSAP G/L account 627030 (Send) transaction and G/L 627031 (Receive) transaction. (*Cheque and MoneyGram team*) 2. POLSAP screen shows wherever there is a discrepancy between MoneyGram and Horizon 3. Download into excel HORIZON file and save in Sharepoint, (*Cheque and MoneyGram team*) 4. Download into excel MoneyGram file and save in Sharepoint, (*Cheque and MoneyGram team*) 5. TC for SEND – a TC is issued to correct Branch account in POLSAP by either placing liability or receivable back to Branch. E.g. A Transaction has been reversed in HORIZON but not cancelled in MoneyGram (Branch needs to retrieve money back from Moneygram or take the hit), or a transaction has been cancelled in MoneyGram and not reversed in Horizon, TC is issued to replace the missing reversal., (*Cheque and MoneyGram team*) 6. Issue TC to Branch, (*Cheque and MoneyGram team*) 7. Accept TC *(Branch)*	

6.12.3 MoneyGram – Risk & Controls

Branch Corrections

Risk & Control	MoneyGram		Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.13 ONLINE BANKING - LINK

Background

Link is a "middleware" between PostOffice and all other banks for PostOffice customer (any bank Debit card holders)

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.13.1 Online Banking Link – Process Flow

Branch Corrections

TC - Online Banking - LINK

Customer
- Debit Card holder does either a cash deposit or withdrawal in a branch
- receipt

Branch
- Enter transaction into HORIZON
- Print authorization receipt
- Miskey? — No — End
- Yes, log mistake/transaction with NBSC
- Accept TC

HORIZON
- Record of Transaction — Print
- Manual
- TC Issued
- TC Accepted

NBSC
- Miskey case logged
- Send "Mis-key" form detailing the nature of the error
- Interface
- e.mail box "Linkenqueries" GRO
- Interface
- Interface

TESQA
- Record of all Card transactions from Branch
- C4.9.a.21 Valid / approved Authority matrix
- C4.9.a.20 TC Issued as per Authority matrix

PCLSAP
- Record of Transaction
- Ref App. S
- TC Issued (Reference Number) Vendor A/C
- TC Accepted (Reference Number)

POL Treasury
- Log into TESQA
- Transfer funds to POL
- POL receives funds from bank
- Send advise that POL has received amount with reference number
- E.mail
- C4.9.a.17 FSC Team Manager Monthly monitor TC control account "629310 Cash"
- C4.9.a.5 / C4.9.a.6 weekly FSC Team Operational meeting

Personal Banking Team
- Check and verify information on Mis-key form in TESQA
- Determine error and amend the mis-key form where applicable
- Log case in "Link Mis-key yyyy" spreadsheet (Sharepoint)
- E.mail mis-key form to card holders bank
- E.mail from box: "Linkenqueries" GRO
- Bank investigates and resolves
- Check reference number and identify Open Case
- Update "Link Mis-key yyyy" spreadsheet with TC reference number and date
- Issue TC with reference number
- Reconciliation & probity
- D1.12.b.4 Finance
- D1.12.b.5 Finance
- C4.9.a.2 / C4.9.a.3 FSC (Monthly Prob. & Rec)
- C4.9.a.16 weekly FSC Team Manager meeting

Branch Corrections

6.13.2 Online Banking Link – Narrative

Activity - Online Banking	Link to desk procedure
Chronological steps in the process: 1. Debit Card holder does either a cash deposit / (cheque deposit is dealt with Cheque team) or cash withdrawal in a branch, *(Branch)* 2. Branch (attempts) to enter transaction into HORIZON (either cash route or Cheque), *(Branch)* 3. Branch prints authorization receipts from HORIZON and gives this to the customer, *(Branch)* 4. Branch log mistake/transaction with NBSC (Network Business Support Centre), *(NBSC)* 5. NBSC (help line for Postmaster - part of POL) send to e.mail box "Linkenqueries␣␣␣GRO␣␣␣" (restricted access) a "Mis-key" form detailing the nature of the error, *(NBSC)* 6. Check and verifies information on Mis-key form in TESQA system (shows all transactions made by card in a Branch), *(Personal Banking Team)* 7. Determine error and amend the mis-key form where applicable, *(Personal Banking Team)* 8. Log case in "Link Mis-key yyyy" spreadsheet (Sharepoint and restricted to team access), this log contains all enquires coming from various sources, *(Personal Banking Team)* 9. E.mail mis-key form from "Linkenqueries␣␣GRO␣␣" box to Bank (whichever was involved in the transaction) advising as per electronic copy of mis-key form (stored in restricted Sharepoint) (no confirmation is received back from Bank source), *(Personal Banking Team)* 10. Receive advise from POL Treasury that they have received amount with reference number, *(Personal Banking Team)* 11. Check reference number and identify Open Case, *(Personal Banking Team)* 12. Issue TC in POLSAP – gives TC reference number – Vendor account, *(Personal Banking Team)* 13. Update "Link Mis-key yyyy" spreadsheet with TC reference number and date, *(Personal Banking Team)* 14. Branch accepts TC in HORIZON, *(Branch)* 15. Transaction error clears in POLSAP 16. End	

6.13.3 Online Banking Link – Risk & Controls

Branch Corrections

Risk & Control	Online Banking Link	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3
Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud
Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification
Frequency: Monthly
Control owner: FSC Operations Manager(s)
Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6
Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.
Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.
Frequency: Weekly
Control owner: FSC Operations Manager(s)
Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)
Risk: Workload and peaks are not monitored resulting in build up of back log.
Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.
Frequency: Monthly
Control owner: FSC Team Manager(s)
Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.14 PAYSTATION

Background

Payment terminal used for payments of certain bills, top up of Mobile phones and Energy top up etc.

Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

Branch Corrections

6.14.1 PayStation – Process Flow
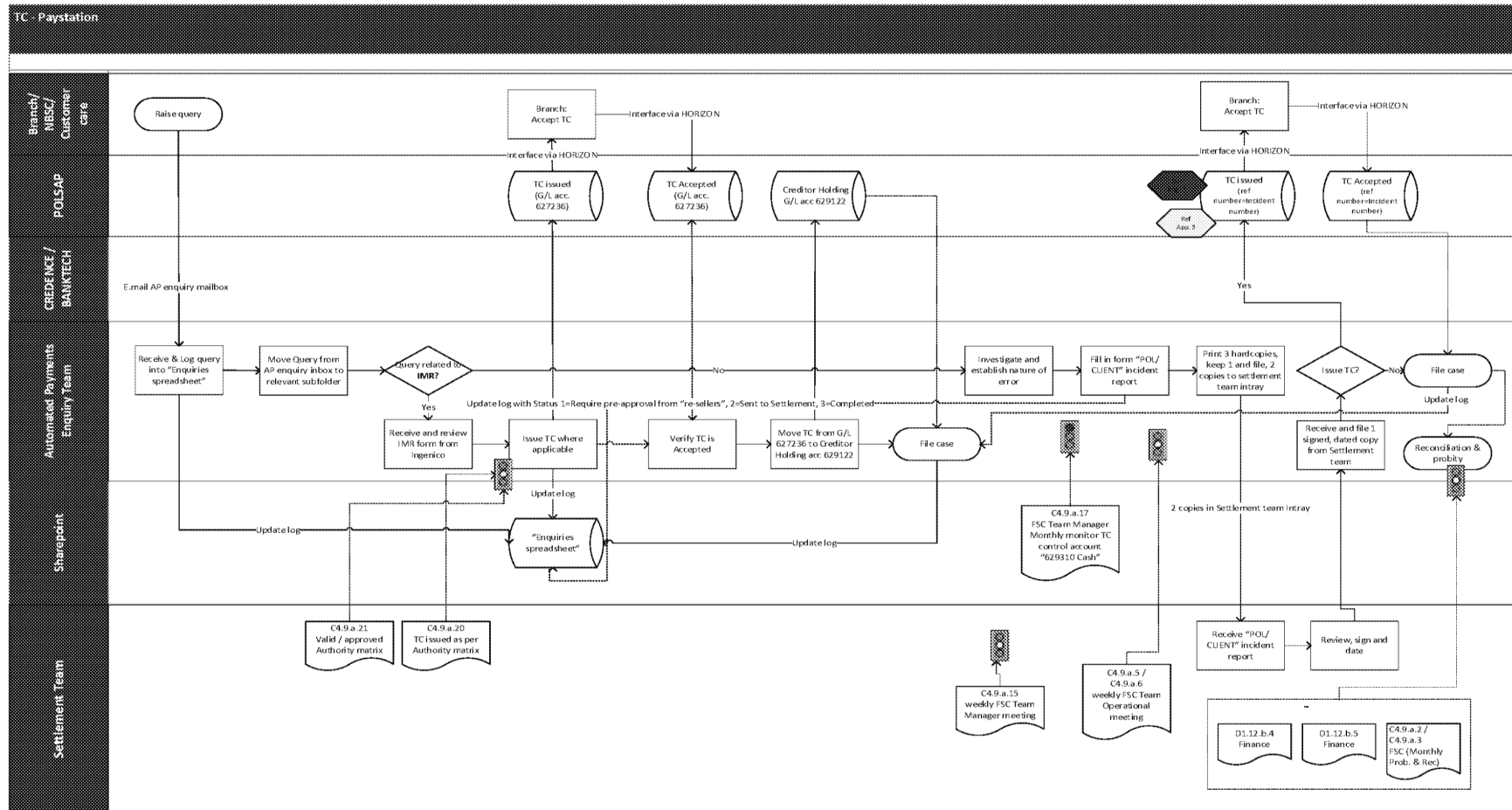
6.14.2 PayStation – Narrative

Branch Corrections

Activity - PayStation	Link to desk procedure

Chronological steps in the process:
 	
1. Receive enquiry from Branch/NBSC/Customer care, **IMR form** (via AP enquiry inbox) (Automated Payments Enquiry Team)
2. Log query into "Enquiries spreadsheet", (Automated Payments Enquiry Team)
3. Move Query from AP enquiry inbox to "Client" inbox, (Automated Payments Enquiry Team)
    a. Query related to **IMR** – receive IMR form from Ingenico
    b. Review IMR form and Issue TC (where applicable)
    c. Update Enquiries spreadsheet and check that TC is accepted on G/L acc. 627236
    d. Once TC is accepted move TC from G/L 627236 to Creditor Holding acc 629122
    e. File and end.
4. Investigate and establish nature of error, check in CREDENCE/BANK TECH, (Automated Payments Enquiry Team)
5. Fill in form "POL/CLIENT incident report" (Overpayment / Underpayment) (all form have incident number), system generated incident number and add own initial and (A=TC, E=Internal adjustment,) (Automated Payments Enquiry Team)
6. Update log "Enquiries spreadsheet" with Status (1=Require pre-approval from "re-sellers", 2=Sent to Settlement, 3=Completed (form received back from Settlement and TC issued where required)
7. Print 3 hardcopies, keep 1 and file, 2 copies to settlement team intray, (Automated Payments Enquiry Team)
8. Receive 1 signed and dated copy back from Settlement team (they have actioned what was on the form), (Automated Payments Enquiry Team)
9. File signed copy from Settlement team in team folder, (Automated Payments Enquiry Team)
10. Determine next step: a)No action and file, b)Action with TC
11. Where applicable issue TC in POLSAP with ref number=Incident number
12. Branch accept TC
13. End	

6.14.3 PayStation – Risk & Controls

Risk & Control	PayStation	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.15 PERSONAL BANKING

Background

Receive and log bank enquiries to resolve customer enquiries regarding cash deposits. Transaction corrections are issued to either debit the office and credit the bank (via settlement email) or vice versa.

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.15.1 Personal Banking – Process Flow

Branch Corrections

6.15.2 Personal Banking – Narrative
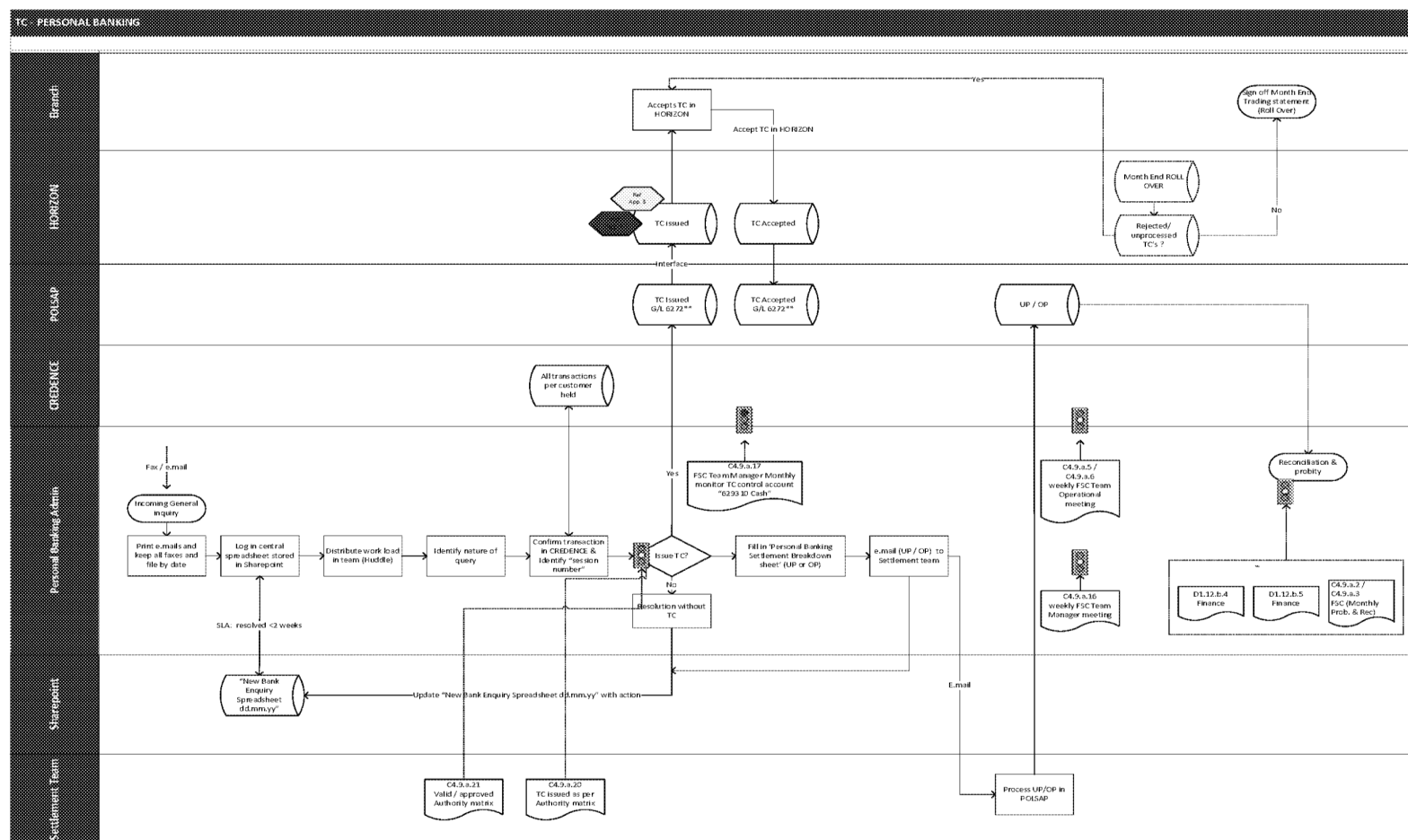
Branch Corrections

Activity - Personal Banking	Link to desk procedure
Chronological steps in the process: 1. Incoming General inquiry – fax / e.mail *(Personal Banking Admin)* 2. By end of business – check all central mail boxes, Print all e.mails and keep all faxes/e.mails and file by date *(Personal Banking Admin)* Identify branch FAD number (unique identifier) *(Personal Banking Admin)* fax and log in central spreadsheet (New bank Enquiry Spreadsheet), kept on Sharepoint, (Access rights etc.) *(Personal Banking Admin)* 3. SLA turnaround time is 2 weeks *(Personal Banking Admin)* 4. Distribute work load amongst staff, (Approx 18 queries per day (Personal Banking Admin team approx. 4 staff, team Huddles) *(Personal Banking Admin)* 5. Identify nature of query *(Personal Banking Admin)* 6. Confirm transaction in CREDENCE system (today optional but make mandatory) *(Personal Banking Admin)* 7. Identify "session number" (Transaction number) in CREDENCE *(Personal Banking Admin)* 8. Issue transaction correction in POLSAP (Post Master Customer Account in POLSAP) *(Personal Banking Admin)* Post (Issue transaction correction) in POLSAP and its feeds into HORIZON (CORRECT ARTICLE FOR BANK must be filled in – system control) *(Personal Banking Admin)* (used for mapping between POLSAP and HORIZON) *(Personal Banking Admin)* 9. Fill in Personal Banking Settlement Breakdown sheet (UP or OP) *(Personal Banking Admin)* 10. Send (e.mail) "Settlement team for processing in POLSAP *(Personal Banking Admin)* 11. POSTMASTER checks HORIZON for new TC *(Branch)* 12. POSTMASTER accepts/close TC *(Branch)* 13. POSTMASTER sign off end of month Trading statement (Roll over) *(Branch)* 14. POSTMASTER roll over in HORIZON (system prevents roll over if any pending TC's) *(Branch)* 15. End	

6.15.3 Personal Banking – Risk & Controls

Branch Corrections

Risk & Control	Personal Banking	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.16 POSTAL ORDER

Background
Majority of this process is regarding sending postal orders for people without bank account. Code 5 and 22 (coded as Ns) will trigger a TC GL Acc 622014 & 554546 Max Postal Orders a person can buy is GBP 250 NB: Postal Order process will change - no longer dealing with IPSL.

Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.16.1 Postal Order – Process Flow

Branch Corrections
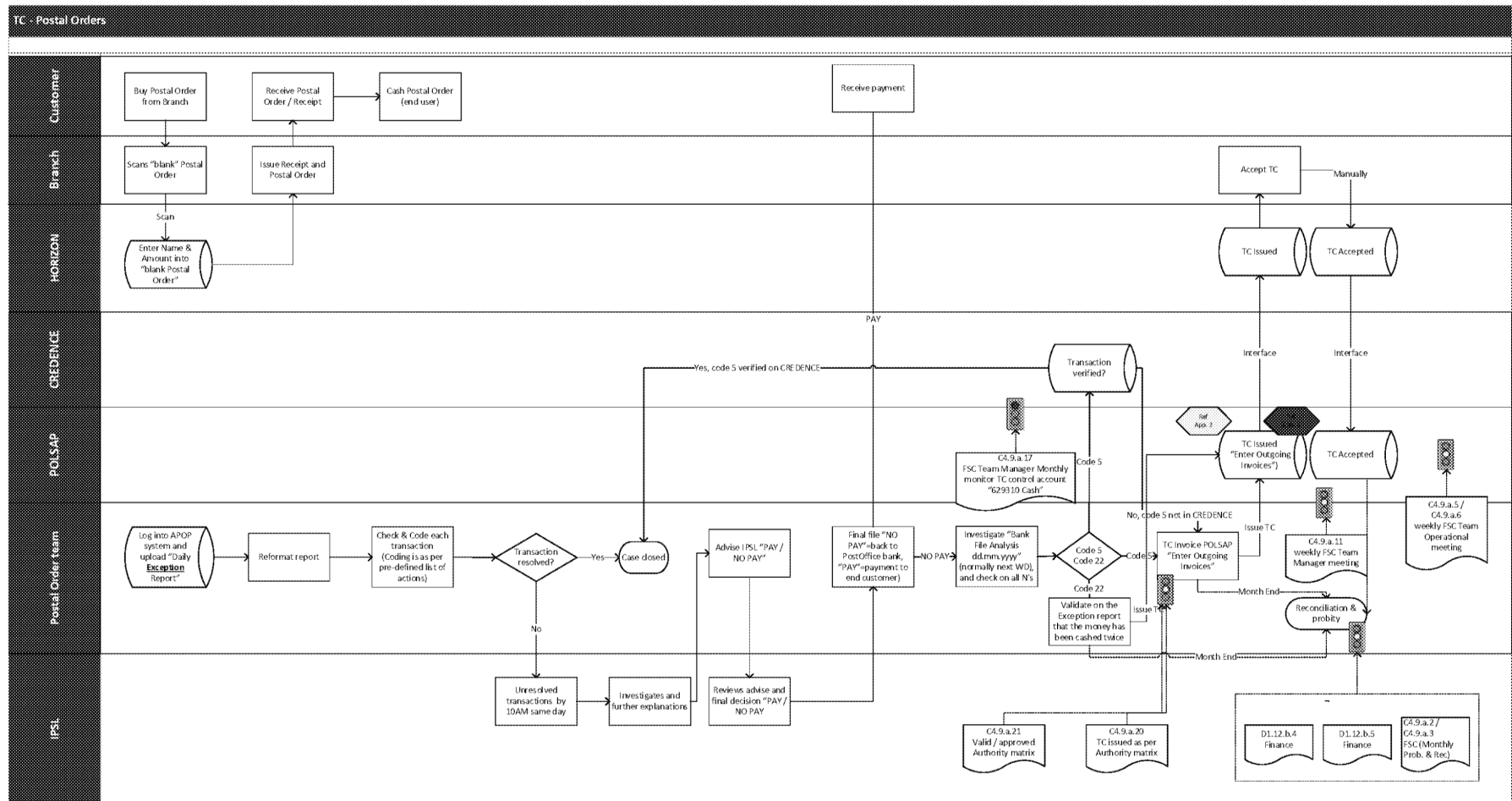
TC - Postal Orders

6.16.2 Postal order – Narrative

Branch Corrections

Activity - Postal order	Link to desk procedure
Chronological steps in the process: Team: APOP database – Postal Order team 1. Customer buys Postal Order from Branch *(Customer)* 2. Branch scans barcode on a blank Postal Order who automatically gets into HORIZON, *(Branch)* 3. Branch enters into HORIZON name and amount, *(Branch)* 4. Branch issue receipt and postal order to customer, *(Branch)* 5. Log into APOP system and Uploads daily exception report , *(Postal Order team)* 6. Reformat report and check and code each transaction (coding as per predefined list of actions) which via lookup/macro determines a Y=return to bank (TC not issued) (goes to IPSL who does the clearing with Barclays) who or a N=Dealt with within postal order team. *(Postal order team)* 7. Filter on report for anything to go back to IPSL (Ys) and send to IPSL by 10AM same day, *(Postal order team)* 8. IPSL sends back to Postal Order team the same file with further explanations, *(IPSL)* 9. Postal Order team advise IPSL either "PAY / NO PAY" and sends to IPSL by 2PM same day, *(Postal order team)* 10. IPSL amend the file and sends final file back to Postal Order team with final decision (NO PAY goes back to PostOffice bank account (IPSL refund the money via Barclays), PAY goes to end Customer, CASE RAISED and IPSL investigates further. *(IPSL)* 11. IPSL also sends copy of NO PAY report to Postal Order team, *(IPSL)* 12. Investigate "Bank File Analysis dd.mm.yyyy" (normally next WD), and check on all N's and look for code 5's and 22's who will trigger a TC, *(Postal order team)* 13. For code 5 investigates if transaction exist in CREDENCE? If yes (Spoil or Branch sale) then no further action required, if Not on CREDENCE issue a TC Invoice POLSAP "Enter Outgoing Invoices". *(Postal order team)* 14. For code 22 are cases where the branch has given the postal order back to customer by mistake. Validate on the bank file (Exception report) that the money has been cashed twice. Raise a TC (invoice) to the branch to gain back the money. 15. Branch accepts TC in HORIZON, *(Branch)* 16. Period End reconciliation between POSTAL Orders and BANK, *(Postal order team)*	

6.16.3 Postal order – Risk & Controls

Branch Corrections

Risk & Control	Postal Order	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.17 PRE-ORDER

Background

This process is for pre-order of foreign currency.

Customer can either a) Order direct from Branch, Order direct Online with First rate and pick up in Branch, or order direct via phone to First rate and pick up in Branch.

POLSAP G/L acc: 629310 – Outstanding Transaction Corrections (The whole Branch Corrections team uses this account)

Settlement team would have an open item in case the team forgets to issue a TC.

Glossary of Control Owners	
Job Title	Control Owner
FSC Team Manager	Tracy Middleton
FSC Team Manager	Dawn Phillips

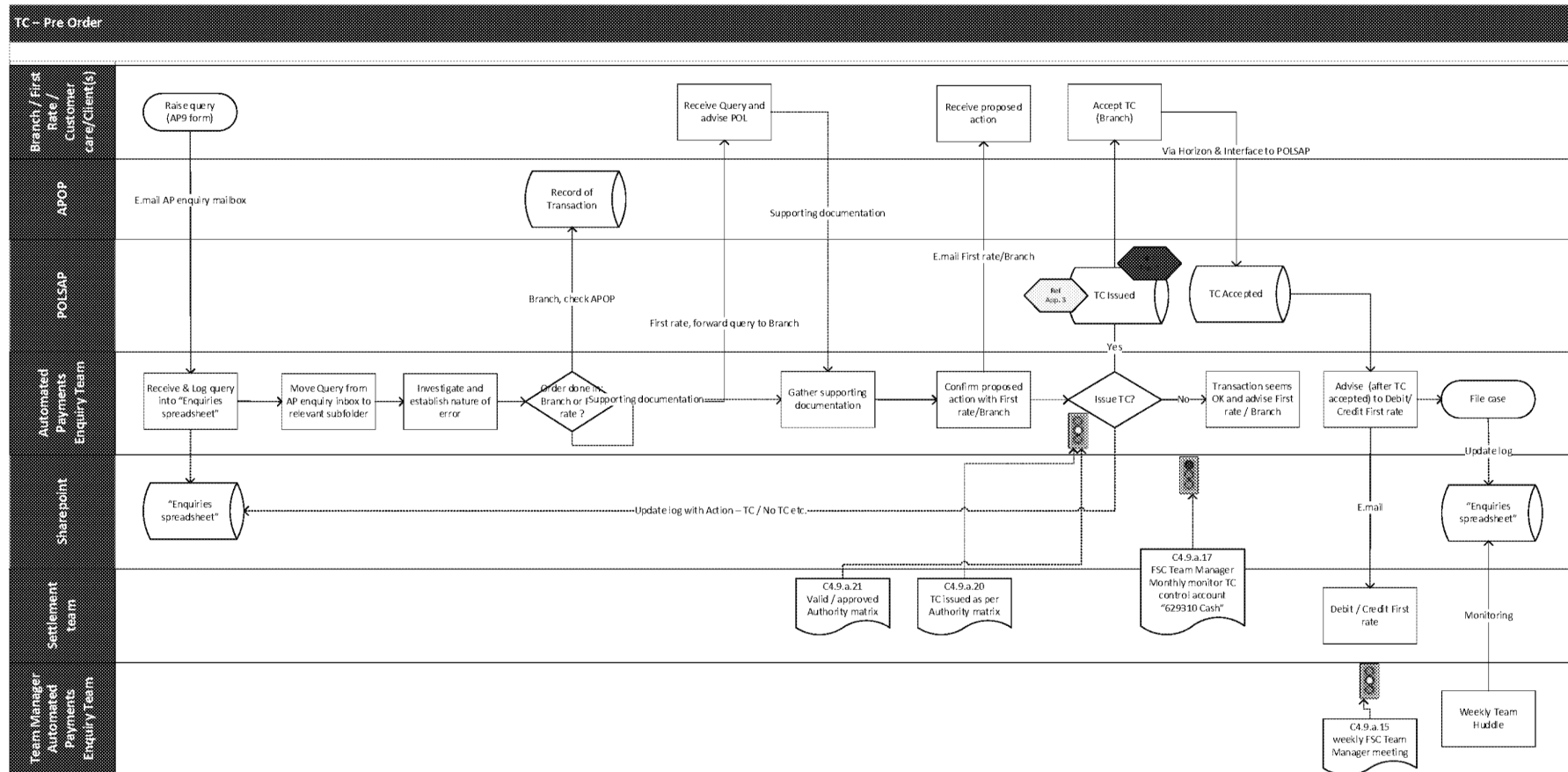## 6.17.1 Pre-Order – Process Flow

Branch Corrections

6.17.2 Pre-Order – Narrative

Branch Corrections

Activity – Pre-Order	Link to desk procedure
Chronological steps in the process: 1. Customer buys Postal Order from Branch *(Customer)* 2. Branch scans barcode on a blank Postal Order who automatically gets into HORIZON, *(Branch)* 3. Branch enters into HORIZON name and amount, *(Branch)* 4. Branch issue receipt and postal order to customer, *(Branch)* 5. Log into APOP system and Uploads daily exception report , *(Postal Order team)* 6. Reformat report and check and code each transaction (coding as per predefined list of actions) which via lookup/macro determines a Y=return to bank (TC not issued) (goes to IPSL who does the clearing with Barclays) who or a N=Dealt with within postal order team. *(Postal order team)* 7. Filter on report for anything to go back to IPSL (Ys) and send to IPSL by 10AM same day, *(Postal order team)* 8. IPSL sends back to Postal Order team the same file with further explanations, *(IPSL)* 9. Postal Order team advise IPSL either "PAY / NO PAY" and sends to IPSL by 2PM same day, *(Postal order team)* 10. IPSL amend the file and sends final file back to Postal Order team with final decision (NO PAY goes back to PostOffice bank account (IPSL refund the money via Barclays), PAY goes to end Customer, CASE RAISED and IPSL investigates further. *(IPSL)* 11. IPSL also sends copy of NO PAY report to Postal Order team, *(IPSL)* 12. Investigate "Bank File Analysis dd.mm.yyyy" (normally next WD), and check on all N's and look for code 5's and 22's who will trigger a TC, *(Postal order team)* 13. For code 5 investigates if transaction exist in CREDENCE? If yes (Spoil or Branch sale) then no further action required, if Not on CREDENCE issue a TC Invoice POLSAP "Enter Outgoing Invoices". *(Postal order team)* 14. For code 22 are cases where the branch has given the postal order back to customer by mistake. Validate on the bank file (Exception report) that the money has been cashed twice. Raise a TC (invoice) to the branch to gain back the money. 15. Branch accepts TC in HORIZON, *(Branch)* 16. Period End reconciliation between POSTAL Orders and BANK, *(Postal order team)*	

6.17.3 Pre-Order – Risk & Controls

Branch Corrections

Risk & Control Pre-Order	Link to desk procedure
Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers) **Risk:** Workload and peaks are not monitored resulting in build up of back log. **Control objective:** To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily. **Frequency:** Monthly **Control owner:** FSC Team Manager(s) **Control description:** "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line. Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting. On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence." **Control(s):** C4.9.a.17 **Risk:** Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances. **Control objective:** Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay. **Frequency:** Monthly **Control owner:** FSC Team Manager **Control description:** "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."	

Branch Corrections

6.18 SANTANDER ONLINE BANKING

Background

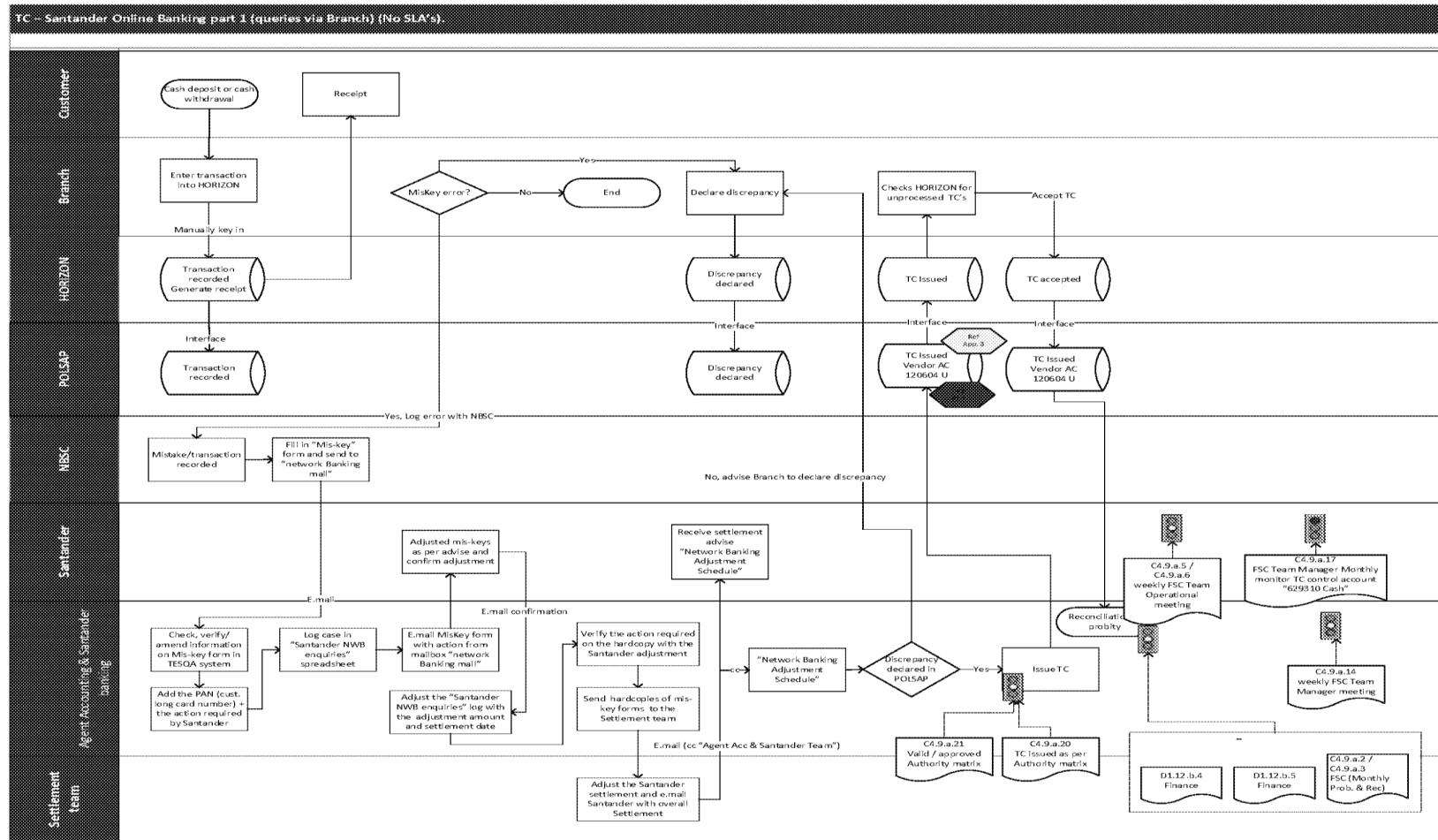Cash deposits or withdrawals from Santander card based transaction made in a PostOffice branch.

(Only covers cash transactions – e.g. cheques is not covered here)

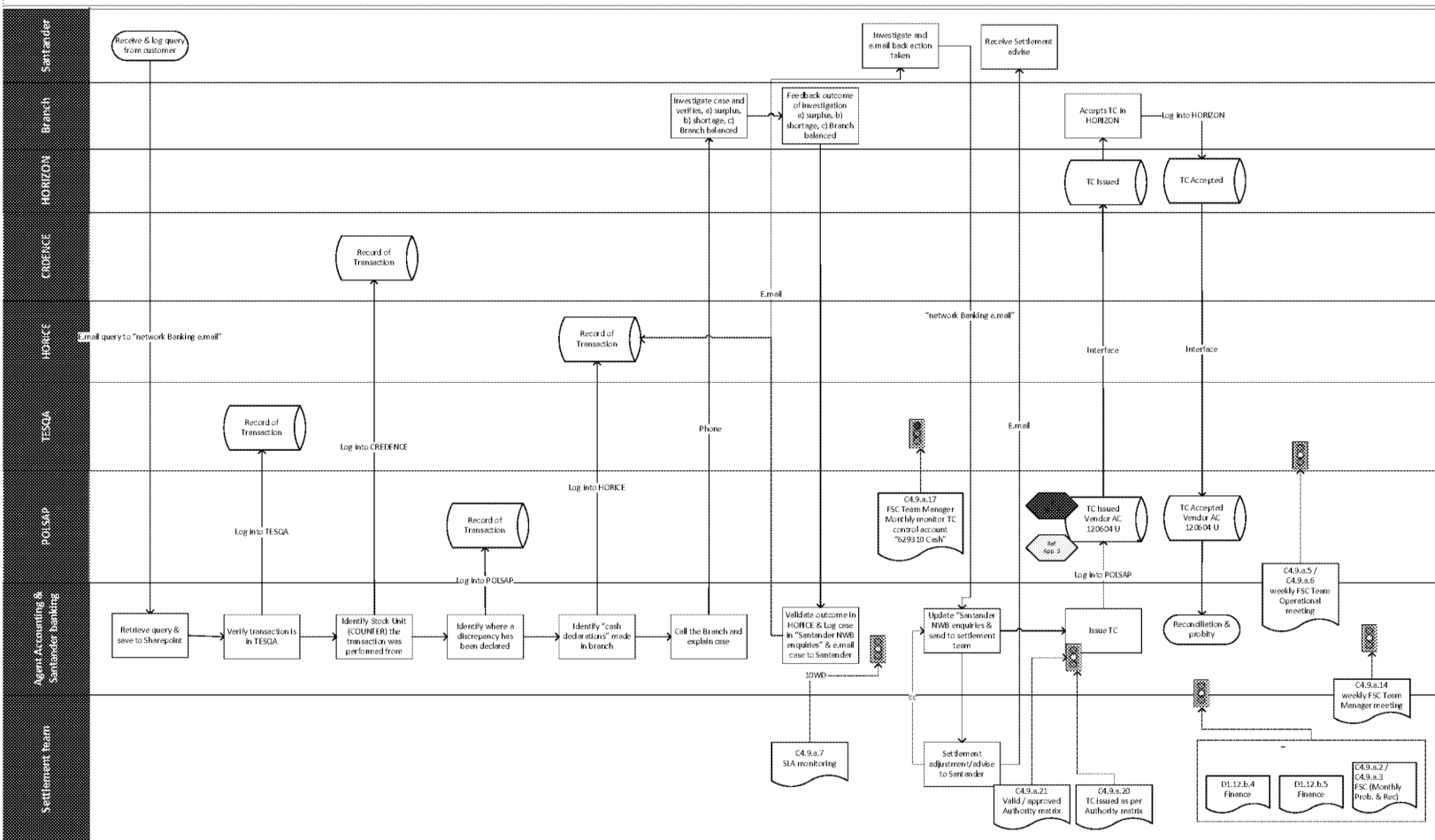| Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

Branch Corrections

6.18.1 Santander Online Banking part 1 & 2– Process Flows

Branch Corrections

TC – Santander Online Banking part 2 (queries via Santander).

6.18.2 Santander Online Banking part 1 & 2– Narrative

Branch Corrections

Activity - Santander Online Banking – part1	Link to desk procedure
Chronological steps in the process: <u>Part 1</u> covers an error done in Branch and where Branch contacts Network Support centre regarding own mistake (mis key): 1. A Santander Customer does either a cash deposit or cash withdrawal in a PostOffice branch *(Customer)* 2. Branch enters transaction into HORIZON *(Branch)* 3. Branch issues receipts (generated via HORIZON) *(Branch)* 4. Mistake made in Branch? *(Branch)* 5. Branch log mistake/transaction with NBSC (Network Business Support Centre) *(Branch)* 6. NBSC send to "network Banking mail" (restricted access) box a "Mis-key" form detailing the nature of the error *(NBSC)* 7. Check and verifies information on Mis-key form in TESQA system (shows all transactions made by card in a Branch), *(Agent Accounting & Santander banking)* 8. Determine error and amend the mis-key form where applicable and add the PAN (cust. long card number – only visible in TESQA system) + the action required by Santander, *(Agent Accounting & Santander banking)* 9. Log case in "Santander NWB enquiries" spreadsheet (Sharepoint and restricted to team access), *(Agent Accounting & Santander banking)* 10. E.mail mis-key form from "network Banking mail" box to Santander advising as per electronic copy of mis-key form (stored in restricted Sharepoint), *(Agent Accounting & Santander banking)* 11. Receive Confirmation e.mail from Santander of adjusted mis-keys, *(Agent Accounting & Santander banking)* 12. Retrieve the hard copies of mis-key for cases being adjusted as per Santander e.mail, and verify the action required on the hardcopy with the adjustment advise as per Santander e.mail, *(Agent Accounting & Santander banking)* 13. Adjust the "Santander NWB enquiries" log with the adjustment amount and settlement date (always today + 1 business day), *(Agent Accounting & Santander banking)* 14. Bring hardcopies of mis-key forms for cases above to the Settlement team, *(Agent Accounting & Santander banking)* 15. Settlement team adjust the Santander settlement and e.mail Santander with overall Settlement -/+ any adjustments as per above and CC in Shaun., *(Settlement team)* 16. Checks that e.mail from Settlement team to Santander includes all transaction as per requested ("Santander NWB enquiries" log vs. Settlement teams spreadsheet "Network Banking Adjustment Schedule", *(Agent Accounting & Santander banking)* 17. Check POLSAP if discrepancy has been declared (Branch should declare discrepancy), *(Agent Accounting & Santander banking)* 18. If discrepancy has been declared and shows in POLSAP then issue a TC, *(Agent Accounting & Santander banking)* 19. If POLSAP does not show that the discrepancy has been declared contact the Branch and advise that a discrepancy declaration must be made before a TC can be issued., *(Agent Accounting & Santander banking)* 20. End	

Branch Corrections

Activity - Santander Online Banking – part 2	Link to desk procedure
Chronological steps in the process: **Part 2 covers where a Santander customer contact and raise a query with Santander Bank:** 1. Customer raise a query with Santander *(Customer)* 2. Log query and e.mail case to "network Banking e.mail" *(Santander)* 3. Retrieve query, save to Sharepoint and verify transaction is in TESQA, *(Agent Accounting & Santander banking)* 4. Verify transaction in CREDENCE and identify the Stock Unit (COUNTER) the transaction was performed from, *(Agent Accounting & Santander banking)* 5. Verify transaction in POLSAP to identify where a discrepancy has been declared, *(Agent Accounting & Santander banking)* 6. Verify transaction in HORICE to identify "cash declarations" made in branch for +/- dates near the transaction date as per enquiry form/ CREDENCE, *(Agent Accounting & Santander banking), access to HORICE is limited to Gill Hoyland)* 7. Call the Branch and explain case, *(Agent Accounting & Santander banking)* 8. Branch investigates case and verifies, a) surplus, b)shortage, c) Branch balanced, *(Branch)* 9. Feedback to Agent Accounting & Santander banking a, b or c as per above, *(Branch)* 10. Validate information from Branch in HORICE, *(Agent Accounting & Santander banking)* 11. Log case in "Santander NWB enquiries" spreadsheet (Sharepoint and restricted to team access), *(Agent Accounting & Santander banking)* 12. Update hardcopy (as per 3) of case for Settlement use and electronic copy of case for Santander use, *(Agent Accounting & Santander banking)* 13. E.mail case to Santander – (electronic copy), *(Agent Accounting & Santander banking)* 14. E.mail action taken to "network Banking e.mail" with case reference *(Santander)* 15. Retrieve hardcopy of case and Update "Santander NWB enquiries" with Amount and Settlement date (next WD), *(Agent Accounting & Santander banking)* 16. Send hardcopies to Settlement team, *(Agent Accounting & Santander banking)* 17. Settlement team CC in *Agent Accounting & Santander banking* in e.mail settlement to Santander, (Settlement team) 18. Issue TC (via file automatic Transaction Corrections), *(Agent Accounting & Santander banking)* 19. Branch accept TC, (Branch) 20. End.	

6.18.3 Santander Online Banking part 1 & 2– Risk & Controls

Branch Corrections

Risk & Control	Santander Online Banking part 1 & 2	Link to desk procedure

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

6.19 STOCK NON REM

Background
Monitoring of Royal Mail stock products, (Stamps) and adjustments. REMIT IN is a means of accounting for received stock (stamps) and has no cash effect on the Branch, whereas a Stock adjustment has a Cash effect. When a branch receives stock it should always be REMIT IN. The ownership of stamps sits with Royal Mail and the Branch gets a commission for each stamp sold. Wrongful stock adjustments could potentially lead to misstatement of sales data from Royal Mail.

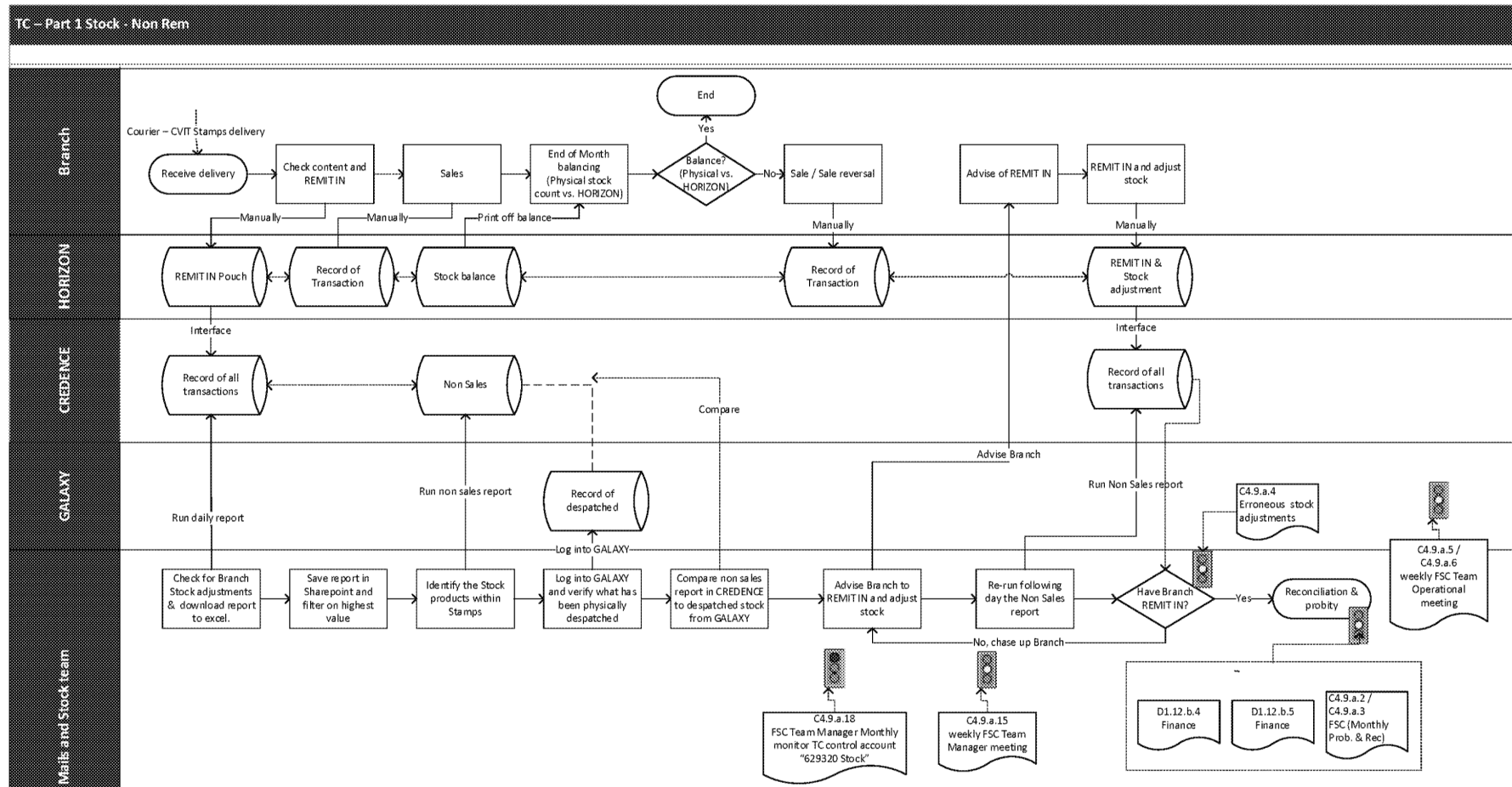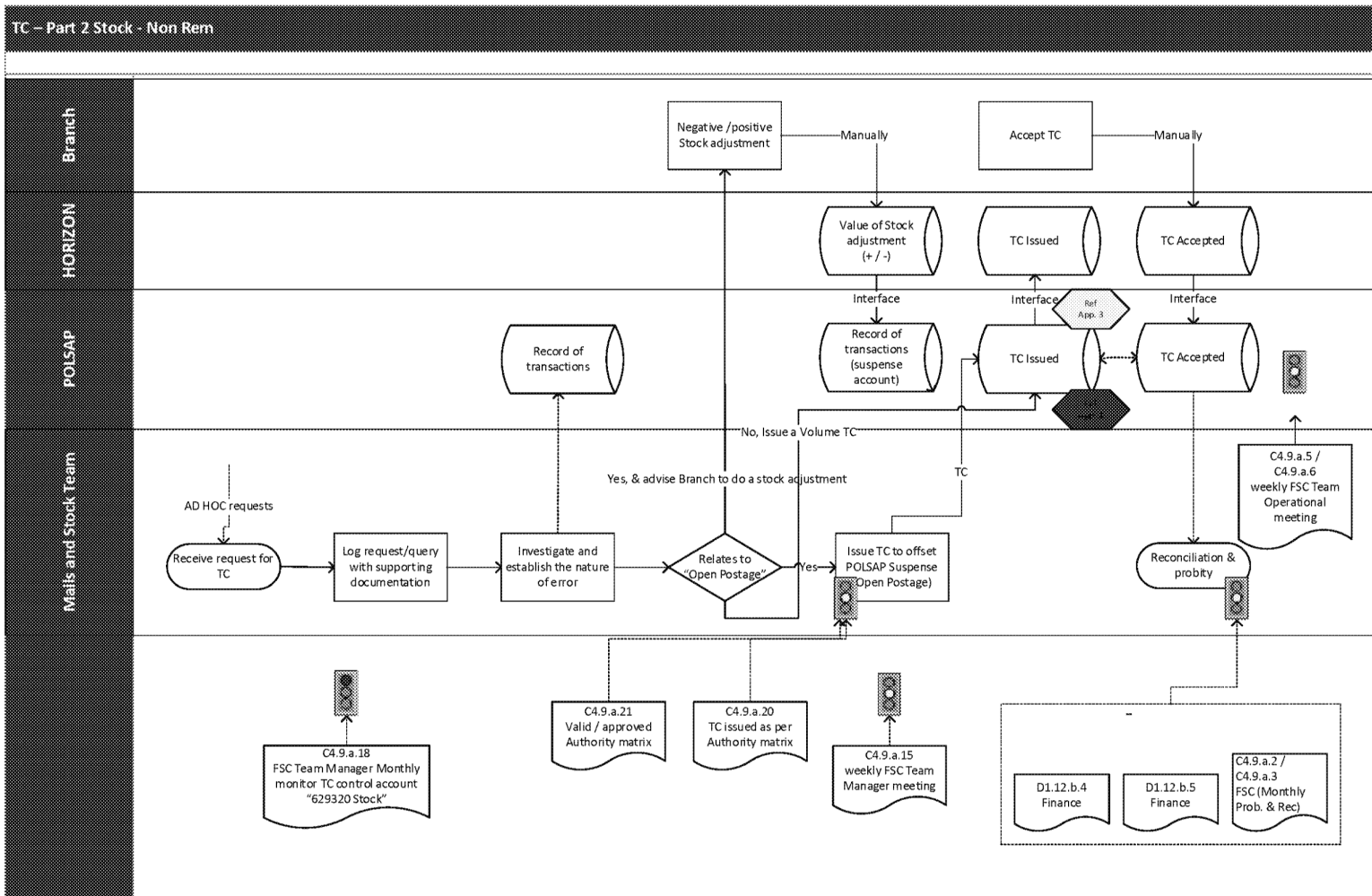| Glossary of Control Owners	
Job Title	**Control Owner**
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith
Automated Payment Enquiry Team Leader	Tracy Middleton

Branch Corrections

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6.19.1 Stock non Rem (part 1 & 2) – Process Flow

Branch Corrections

TC – Part 2 Stock - Non Rem

Branch

Negative /positive Stock adjustment —Manually

Accept TC —Manually

HORIZON

Value of Stock adjustment (+ / -)

TC Issued

TC Accepted

POLSAP

Interface — Interface — Ref App. 3 — Interface

Record of transactions

Record of transactions (suspense account)

TC Issued

TC Accepted

Mails and Stock Team

No, Issue a Volume TC

Yes, & advise Branch to do a stock adjustment

TC

C4.9.a.5 / C4.9.a.6 weekly FSC Team Operational meeting

AD HOC requests

Receive request for TC

Log request/query with supporting documentation

Investigate and establish the nature of error

Relates to "Open Postage" —Yes→ Issue TC to offset POLSAP Suspense (Open Postage)

Reconciliation & probity

C4.9.a.18 FSC Team Manager Monthly monitor TC control account "629320 Stock"

C4.9.a.21 Valid / approved Authority matrix

C4.9.a.20 TC issued as per Authority matrix

C4.9.a.15 weekly FSC Team Manager meeting

D1.12.b.4 Finance

D1.12.b.5 Finance

C4.9.a.2 / C4.9.a.3 FSC (Monthly Prob. & Rec)

Branch Corrections

6.19.2 Stock non Rem– Narrative

Branch Corrections

Activity - Stock non Rem	Link to desk procedure
Chronological steps in the process: 1. Scheduled delivery / Request for extra (additional to already scheduled) Stamps to NBSC Helpline *(Branch)* 2. Swindon courier (CVIT) a Pouch and despatch to Branch *(Swindon)* 3. Check content and REMIT IN (manually) into HORIZON *(Branch)* 4. Selling of stamps enter into HORIZON *(Branch)* 5. End of Month (Balancing period) take physical stock count *(Branch)* 6. Print off balance in HORIZON and compare to physical stock *(Branch)* 7. If any difference – do a sale or a sale reversal *(Branch)* 8. Run daily report in CREDENCE and download to excel to check for Branch Stock adjustments (report shows all stock adjustments made by all Branches) *(Mails and Stock team)* 9. Save daily report in Sharepoint "Stock Adjustments dd.mm.yy", *(Mails and Stock team)* 10. Filter on highest positive value/volume (Positive means increase in stock, negative means decrease in stock), *(Mails and Stock team)* 11. Run non sales report in CREDENCE to identify the Stock products (within Stamps), *(Mails and Stock team)* 12. Log into GALAXY and verify what has been physically despatched from Swindon, *(Mails and Stock team)* 13. Compare non sales report in CREDENCE to despatched stock from GALAXY, *(Mails and Stock team)* 14. If not REMIT in, advise branch to REMIT IN and advise to do a Negative Stock adjustment (in order to balance the REMIT IN), *(Mails and Stock team)* 15. Update daily report in Sharepoint "Stock Adjustments dd.mm.yy" with stock product, volume, value, contact person in Branch and advise given. *(Mails and Stock team)* 16. REMIT IN and Adjust the Stock in HORIZON, *(Branch)* 17. Re-run following day the Non Sales report in CREDENCE to verify that Branch has REMIT In and adjusted Stock. *(Mails and Stock team)* 18. *End* TCs are AD HOC and involves receiving requests for TC from Branch, Audit, NBSC. G/L account 539106 "REM shortages Suspense" and G/L 629452 "REM Surplus Suspense" – these accounts are monitored for aged balances by the Cash Team. Transaction Corrections: 1. Receive request for a TC, via e.mail, calls, NBSC spreadsheet (Branch, Audit team, NBSC), *(Mails and Stock team)* 2. Log request/query in hardcopy sheet with supporting documentation, (log from NBSC is electronic) *(Mails and Stock team)* 3. Investigate and establish the nature of error, *(Mails and Stock team)* 4. If error relates to "Open Postage" – Branch do a negative/positive Stock adjustment in HORIZON *(Branch)* 5. The value of Stock Adjustment is posted in HORIZON against a suspense in HORIZON *(Branch)* 6. Interface to POLSAP (suspense account) **7.** Issue TC to offset POLSAP Suspense (Open Postage), *(Mails and Stock team)* **8.** If error does not relate to "Open Postage", do a Volume TC, *(Mails and Stock team)* 9. Branch accepts TC 10. End	

6.19.3 Stock non Rem – Risk & Controls

Branch Corrections

Risk & Control	Stock non Rem	Link to desk procedure

Branch Corrections

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.

Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.4

Risk: Erroneous stock adjustments resulting in misstatement of sales data

Control objective:
To ensure accurate records of sales data and the correct usage of sales adjustments vs. stock adjustments.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "On a monthly basis the Mails and Stock team performs an analysis of non-sales data in CREDENCE to verify that Branch has REMIT In stock correctly and any pending REMIT IN transaction(s) in CREDENCE is annotated with explanations.

Branch Corrections

The analysis is sent to the Automated Payment Enquiry Team Leader for final review and approval who signs, dates and files."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)
Risk: Workload and peaks are not monitored resulting in build up of back log.
Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.
Frequency: Monthly
Control owner: FSC Team Manager(s)
Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.18
Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.
Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.
Frequency: Monthly
Control owner: FSC Team Manager
Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629320 "Outstanding non Accounting Trans Corrections'. All issued TC's related to "Volume" are also posted on Control account 'A/C 629320 ' to enable overall monitoring, and an e.mail reminder is sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629320'.
Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629320' as evidence of review."
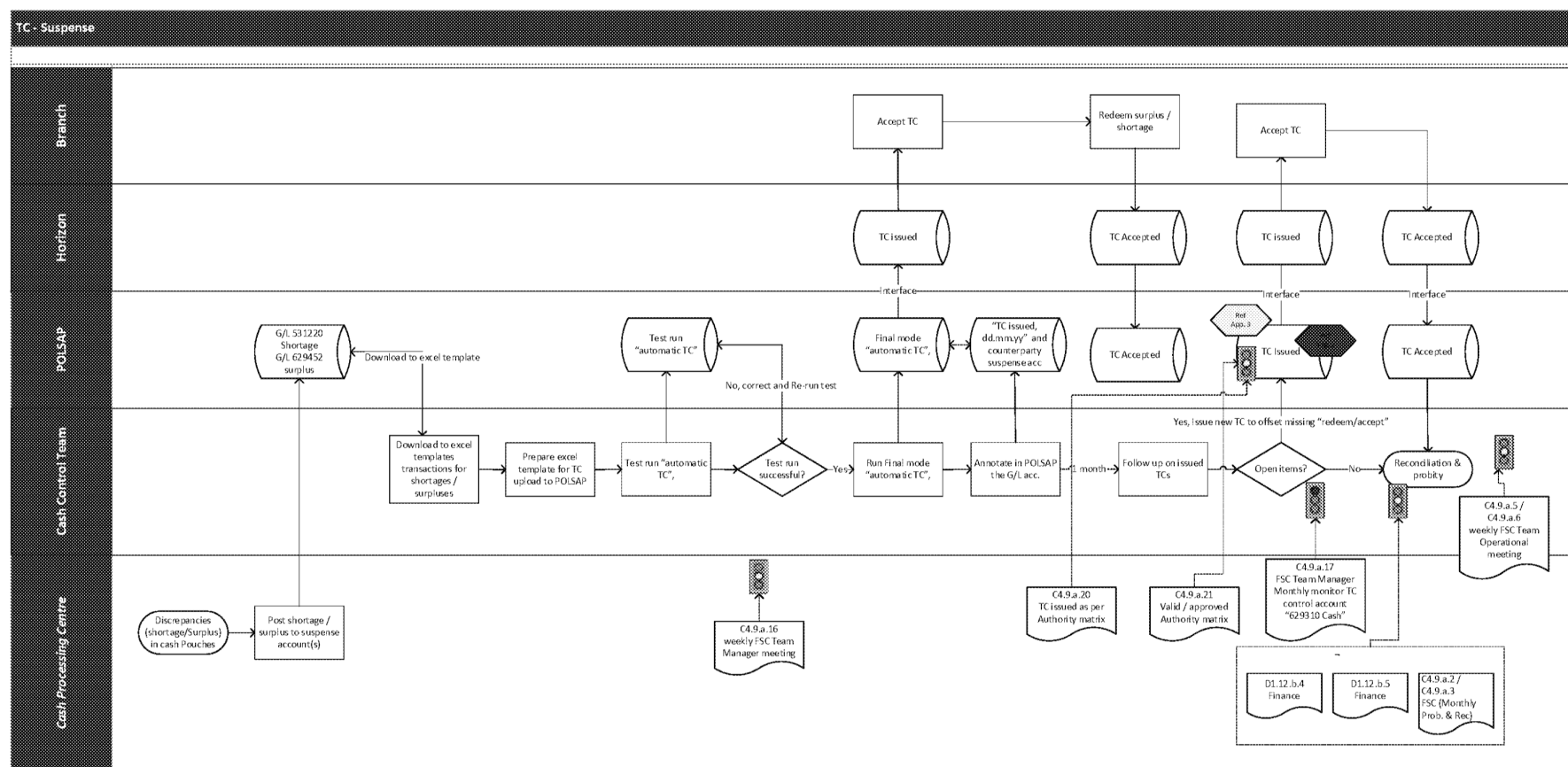
Branch Corrections

6.20 SUSPENSE

Background

Cash shortages/surplus related to Cash Rems from Branch. This process relates to cash rems from Branch, whenever the cash centre counts up either a surplus or a shortage of cash send by pouches from Branch.

- 539106 – Shortage suspense
- 539104 – Surplus – surpluses from Cash Centre (input by Cash Centre)
- 629452 – Surplus suspense
- 531220 – Shortages from Cash Centre (input by Cash Centre)

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.20.1 Suspense – Process Flow

Branch Corrections

6.20.2 Suspense – Narrative

Activity - Suspense	Link to desk procedure
Chronological steps in the process: 1. Cash Centre receives cash pouches and counts (Cash Centre) 2. Where discrepancies (shortage/Surplus), post to respective suspense account (Cash Centre) 3. Download to excel templates transactions from POLSAP G/L account surplus / shortages (Cash Control Team) 4. Prepare excel template for TC upload to POLSAP, (Cash Control Team) 5. Log into POLSAP – "automatic TC", find correct file and do a test run, (Cash Control Team) 6. Review test run and where applicable correct test run, re-run test run, (Cash Control Team) 7. Once test run is successful – run TC's in final mode, (Cash Control Team) 8. Annotate in POLSAP the G/L acc. with "TC issued, dd.mm.yy and counterparty suspense acc.), (Cash Control Team) 9. Branch accepts in Horizon, (Branch) 10. Message re TC to Branch, redeem transaction Correction? (Branch) 11. Follow up on issued TCs – await until next period (one month), any open items? (Cash Control Team) 12. Ensure no open items falls into aged (3 Months), (Cash Control Team) 13. Issue new TC to offset un-actioned (from Branch) original TC, (Cash Control Team) 14. Rec & probity	

6.20.3 Suspense – Risk & Controls

Branch Corrections

Risk & Control	Suspense		Link to desk procedure

Branch Corrections

Control(s): C4.9.a.2 & C4.9.a.3
Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud
Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification
Frequency: Monthly
Control owner: FSC Operations Manager(s)
Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6
Risk: Build-up of aged balances - unapproved aged balances of affected account resulting in loss of reputation to PostOffice.
Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.
Frequency: Weekly
Control owner: FSC Operations Manager(s)
Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)
Risk: Workload and peaks are not monitored resulting in build up of back log.
Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.
Frequency: Monthly
Control owner: FSC Team Manager(s)
Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Control(s): C4.9.a.17

Risk: Control accounts are not monitored on a regular basis resulting in unjustified and unexplained aged balances.

Control objective: Control accounts are monitored on a regular basis and action taken to clear any aged items without unnecessarily delay.

Frequency: Monthly

Control owner: FSC Team Manager

Control description: "The FSC Team Manager monitors on a monthly basis all outstanding TC's over 5 weeks on control account 'A/C 629310 Outstanding Transaction Correction Cash'. All issued TC's related to "Cash" are also posted on Control account 'A/C 629310 ' to enable overall monitoring, and an e.mail reminder is automatically sent each month to TC issuer for all open TC's > 5 weeks. The TC issuer annotates for own area of responsibility an explanation/action against each open TC. The information from each TC issuer with open TCs are collated, monitored and followed up with TC issuer via control 'A/C 629310'. Once satisfied that all open TCs have a justification with action - the FSC Team Manager signs, dates and files the open item report on control 'A/C 629310' as evidence of review."

Branch Corrections

6.21 UNPAID CHEQUES

Background

This is a debt recovery process as once a cheque has been received unpaid POL have the debt that they need to recover either by unpaying a customer's bill our requesting a debit to the customer savings/current account.

G/L accounts:

- 533306 PABA Unpaid Cheques Control
- 533301 Unpaid Cheques Branch non-conformance **(TC)**
- 533309 BOI Unpaid Cheques
- 533304 Royal Mail Business Redirection Unpaid Cheques
- 539594 Giro Schemes Unpaid Cheques (daily balance to zero)
- 554078 Unpaid cheques Bank account
- 533315 POL ISA Unpaid cheques
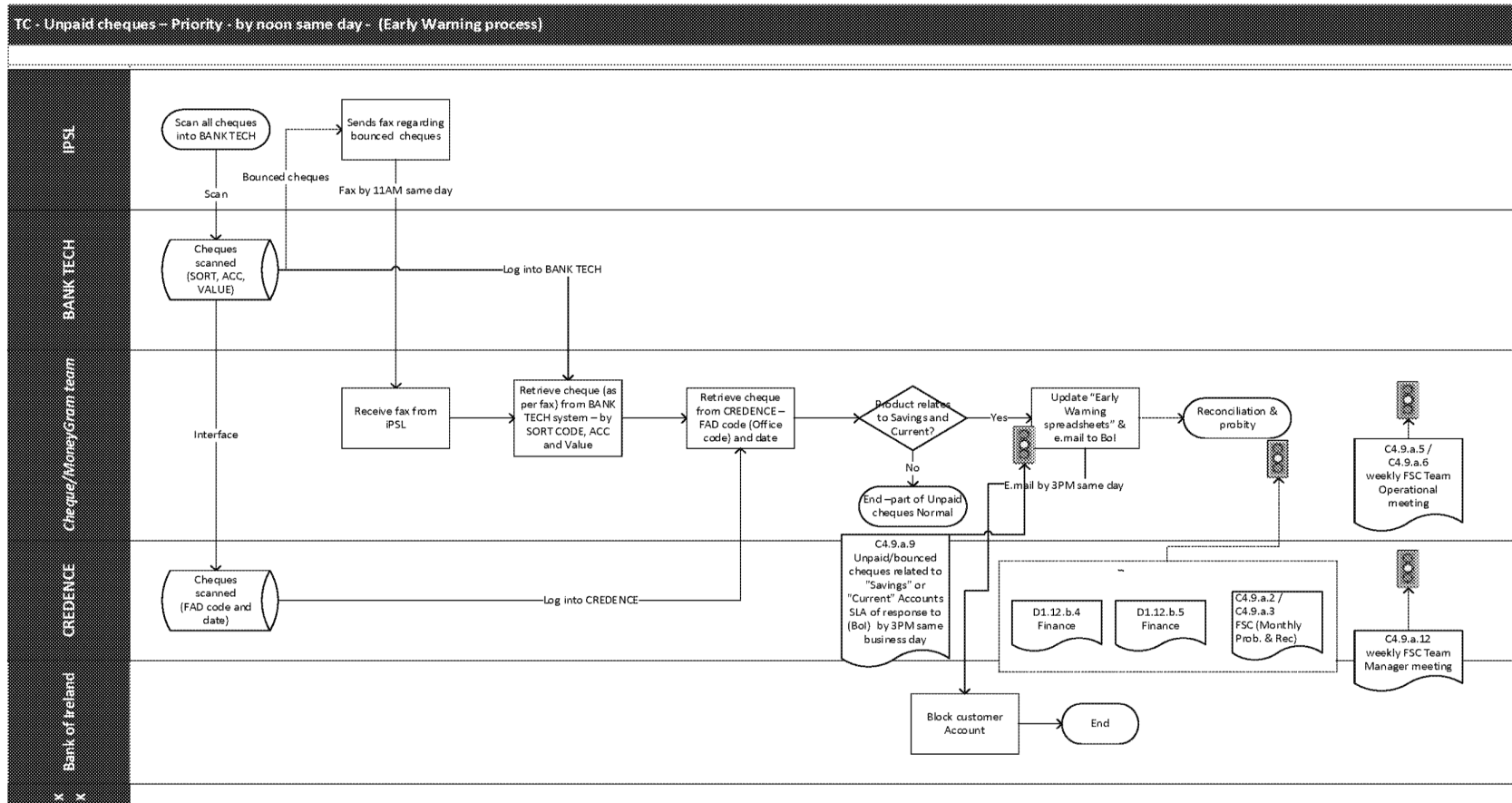- 250701 Misc. losses returned cheques (internal POL acc)

Glossary of Control Owners	
Job Title	Control Owner
FSC Operations Manager	Gillian Hoyland
FSC Operations Manager	Paul Smith

6.21.1 Unpaid Cheques – Process Flow

Branch Corrections

TC - Unpaid cheques – Normal (by noon next WD)

IPSL
- Bundle up bounced cheques and produce list "returned Cheques Batch Order Report"

Branch
- Picks up the TC in Horizon
- Accepts TC
- Investigate to establish Client
- Client established

HORIZON
- TC Issued
- TC Accepted

CREDENCE
- Courier by 4:45 PM
- Scanned cheques
- Interface
- Interface

POLSAP
- Log into CREDENCE
- TC Issued
- TC Accepted
- Adjust vendor (client) account
- Log into POLSAP
- C4.9.a.5 / C4.9.a.5 Weekly FSC Team Operational meeting
- C4.9.a.17 FSC Team Manager Monthly monitor TC control account "62.93.10 Cash"
- C4.9.a.12 weekly FSC Team Manager meeting

Cheque/MoneyGram team
- Receive and date stamp with todays date
- Verify cheques received and reconcile to IPSL list "returned Cheques Batch Order Report"
- Investigate each cheque in CREDENCE to establish Client (recipient)
- Client Established? — No, issue TC / Yes
- Update "UNPAID daily" spreadsheet, sheet for unique client
- Reconcile UNPAID total with cheques and total value
- Photocopy all cheques and file together with clients "summary form"
- Put hard copies in 'In Tray'
- Reconciliation & probity
- D1.12.b.4 Finance
- D1.12.b.5 Finance
- C4.9.a.2 / C4.9.a.3 FSC (Monthly Prob. & Rec)

Settlement team
- In tray, pickup paperwork for settlement adjustments
- Adjust client (vendor) settlement with UNPAID cheques
- End

6.21.2 Unpaid Cheques – Narrative

Branch Corrections

Activity - Unpaid Cheques	Link to desk procedure
Chronological steps in the process: Unpaid Cheques <u>Priority</u> (e.mail Early Warning by noon same day, no TC issued in Early Warning process). The purpose of Early Warning process is a Pre-warning of bounced cheques and customer account has to be blocked as soon as possible in order no funds can be redrawn from cust. savings acc. etc.. 1. Scan all cheques received into BANK TECH system *(iPSL)* 2. Post Office processing Centre (iPSL) sends fax to *Cheque/MoneyGram team* regarding returned cheques *(iPSL)* 3. Receive fax from iPSL by 11:00 or call iPSL by 12:00 to chase up *(Cheque/MoneyGram team)* 4. Retrieve the cheque (as per fax) from BANK TECH system – by SORT CODE, ACC and Value, *(Cheque/MoneyGram team)* 5. Retrieve from CREDENCE – FAD code (Office code) and date, *(Cheque/MoneyGram team)* 6. Investigate and determine if product relates to Savings and current, (yes) update "Early Warning spreadsheets" , SLA 3pm same day, (if No, process ends) *(Cheque/MoneyGram team)* 7. E.mail Bank of Ireland the "Early Warning spreadsheets", *(Cheque/MoneyGram team)* 8. Account blocked – *(Bank of Ireland)* Unpaid Cheques <u>normal</u> (by noon next WD) (these are the same cheques as in Early warning Spreadsheet). The purpose of this process is to advise clients (e.g. BG, BT etc. etc.) of bounced cheques so they can correct customer account from PAID to UNPAID. The process is that when a customer pays a bill in a PostOffice branch with a cheque, the PostOffice stamps the bill as PAID and credit the client (BG, BT etc.) account. The consequence is that it is the PostOffice who is bearing the payment until the cheque clears. 1. Bundle up bounced cheques and produce list "returned Cheques Batch Order Report", *(iPSL)* 2. Send via Courier bounced cheques & list to (Cheque/MoneyGram team), *(iPSL)* 3. Chase up iPSL if not received by 4:45 *(Cheque/MoneyGram team)* 4. Receive physical cheques & "returned Cheques Batch Order Report" and date stamp with todays date *(Cheque/MoneyGram team)* 5. Verify the number and amount of cheques received and reconcile to IPSL list "returned Cheques Batch Order Report", *(Cheque/MoneyGram team)* 6. Investigate each cheque in CREDENCE to establish Client (recipient) , *(Cheque/MoneyGram team)* 7. Update UNPAID daily spreadsheet, sheet for unique client (e.g. BT, BG etc.), *(Cheque/MoneyGram team)* 8. Reconcile UNPAID total for the day with number 5 (cheques and total value) (NB: a cheque can be split,), *(Cheque/MoneyGram team)* 9. Photocopy all cheques and file together with clients "summary form", *(Cheque/MoneyGram team)* 10. POLSAP entries: GL posting to individual vendors D, GL Control account Cr., D total of all individual Vendor GL accounts and Cr GL Bank acc., *(Cheque/MoneyGram team)* 11. Leave physical paperwork for the day in Settlement team In Tray. Who in turn will adjust the settlement to the client with the POLSAP G/L posting, *(Cheque/MoneyGram team)* 12. Transaction corrections: If there are any cheque in the pouch received where the client cannot be identified (as per step 5 above) then a TC is issued to the branch. It is then for the branch to accept the TC in HORIZON and do further investigation as to what client was the payment meant for. *(Cheque/MoneyGram team)*	

6.21.3 Unpaid Cheques – Risk & Controls

Branch Corrections

Risk & Control	Unpaid Cheques	Link to desk procedure

Branch Corrections

Control(s): C4.9.a.2 & C4.9.a.3

Risk: Balance sheet accounts are not reviewed resulting in error and misstatement or fraud

Control objective: To ensure that all BS accounts are reconciled and analysed and have evidence of balance justification

Frequency: Monthly

Control owner: FSC Operations Manager(s)

Control description: "All BS accounts within FSC area are reconciled at month end by the relevant Admin team members. Any open items are explained / annotated by the Admin team member and the reconciliation is sent to respective FSC Team Managers for review and approval. The FSC Team Manager(s) follows up any unreconciled/unexplained items with the respective Admin team member and once satisfied the reconciliation is approved (sign and dated as evidence) and forwarded to the FSC Operations Manager for final review and approval. The FSC Operations Manager reviews and queries where applicable with the FSC Team Manager(s) and sends/signs as evidence of final approval. The reconciliation(s) with approvals and any supporting documentation is dated, stored/printed and filed on Sharepoint."

Control(s): C4.9.a.5 & C4.9.a.6

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Control objective: To ensure close monitoring of aged balances and prevent where possible any aged build-up of accounts affected.

Frequency: Weekly

Control owner: FSC Operations Manager(s)

Control description: "On a weekly basis the FSC Operations Manager performs an ageing analysis of all open items matching account per product area. The main objective is to prevent wherever possible any open item(s) falling into an aged (>3 months) category.
The respective Team Managers explains the analysis for their product area at the weekly Team Operational meeting. Open items are prioritised by highest value, date and/or other steer from Management.
Agreed actions are followed up with respective FSC Team Managers.
The FSC Operations Manager signs and dates the analysis and minutes from meeting with any other supporting documentation and retain as evidence."

Control(s): C4.9.a.11-16 (same control, however assigned to 6 different Team Managers)

Risk: Workload and peaks are not monitored resulting in build up of back log.

Control objective: To ensure there are frequent monitoring of the teams workload and any necessarily actions are taken pro-activily.

Frequency: Monthly

Control owner: FSC Team Manager(s)

Control description: "The FSC Team Manager monitors on a weekly basis their teams workload and escalates areas of concern with their reporting line.
Issues affecting the team's ability to process workloads are flagged by the FSC Team Manager and discussed in the weekly FSC Team Leader meeting.
On a monthly basis the FSC Team Manager signs, dates and retains the "weekly Stats" as evidence."

Branch Corrections

Control(s): C4.9.a.9

Risk: SLA's are not met resulting in penalty and/or incurred loss to POL and/or reputational damage

Control objective: To ensure that all SLA's between POL and third party are met.

Frequency: Daily / evidenced monthly

Control owner: FSC Team Manager(s)

Control description: "To ensure timely responses to Bank of Ireland (BoI) regarding all bounced cheques related to "Savings" or "Current" Accounts these are logged in spreadsheet "Early Warning spreadsheet" with date of received and responded to Bank of Ireland (BoI) and stored on Sharepoint with restricted access.

Unpaid/bounced cheques related to "Savings" or "Current" Accounts are subject to a SLA of response to Bank of Ireland (BoI) by 3PM same business day as received. To prevent responses to Bank of Ireland (BoI) falling outside the SLA timeframe, the FSC Team Leader monitors daily the "Early Warning spreadsheet" to ensure POL meets the SLA and/or explains any missed SLAs.

On a monthly basis the FSC Team Leader signs, dates and files the "Early Warning spreadsheet".

Branch Corrections

6.22 APPENDICES

Background

Appendix 1: Issuing of TCs – e2e daily process
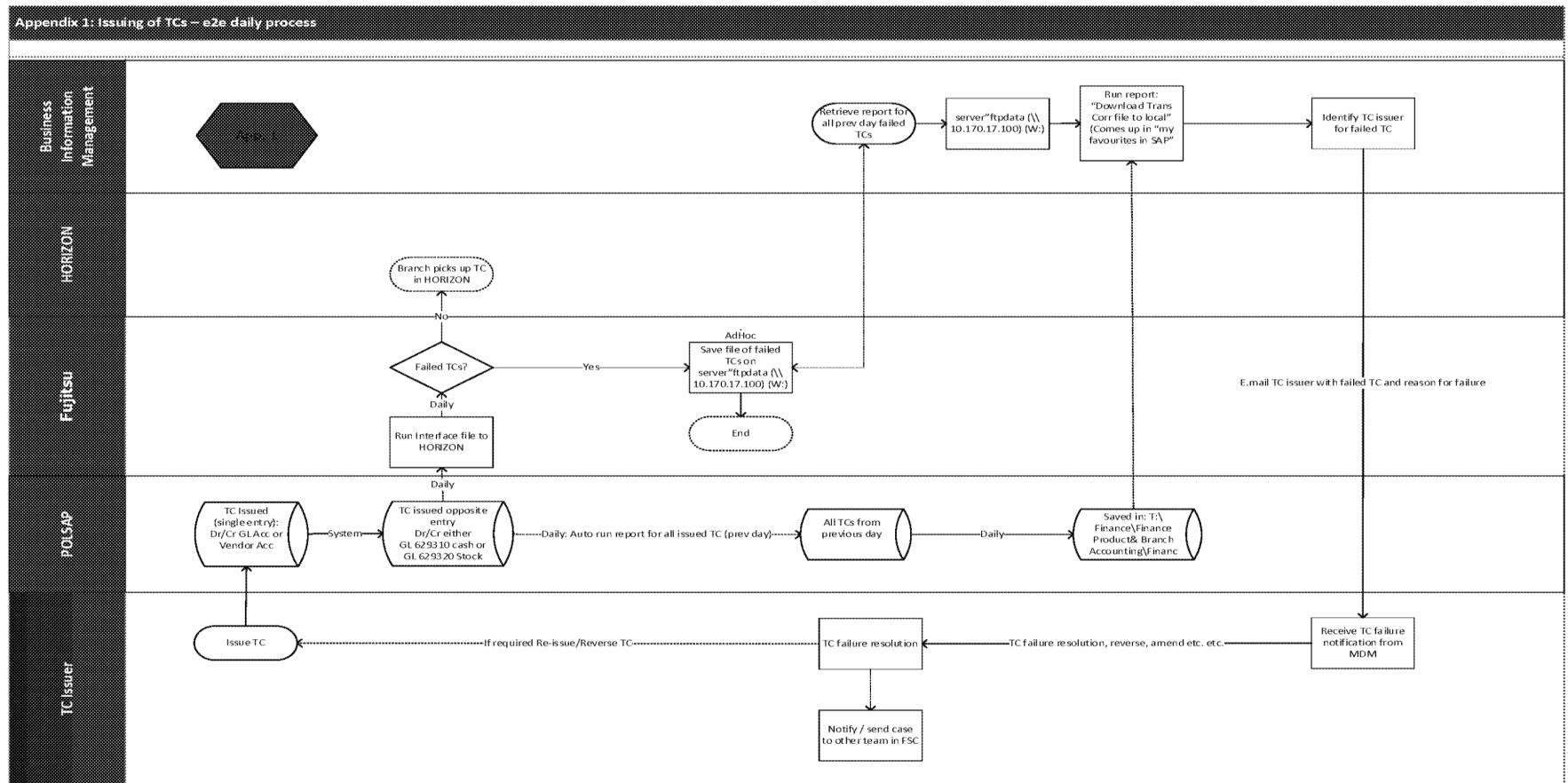
Appendix 2: TC - Month End Procedures

Appendix 3:   Issuing TC: I) Enter Outgoing Invoices, II) Auto upload

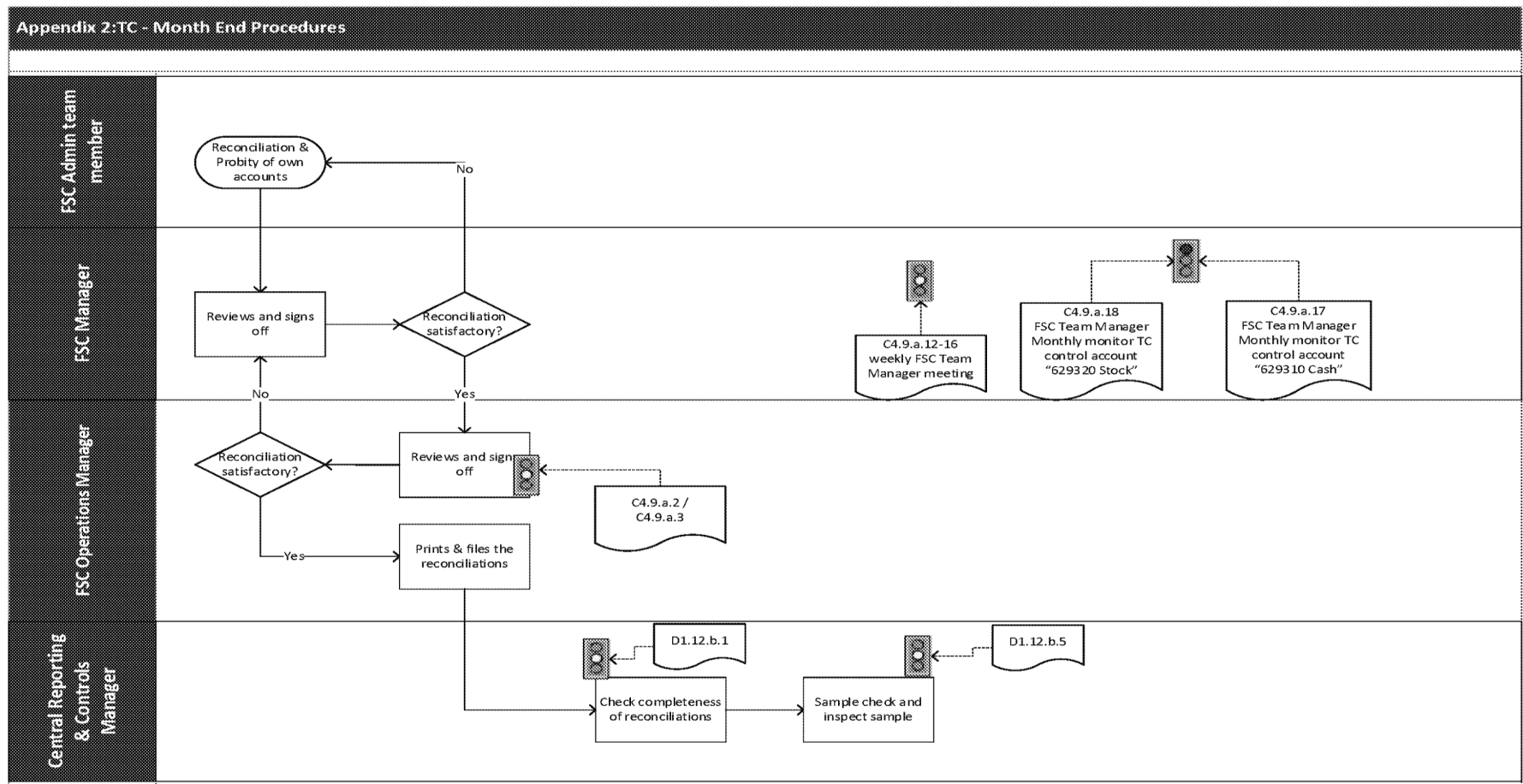| Glossary of Control Owners	
Job Title	Control Owner
Senior Debt Recovery Manager	Alison Bolsover
Senior Settlement Manager	Kay Wilson

Branch Corrections

6.22.1 Appendix 1 Issuing of TCs – e2e daily process – Process Flow

Appendix 1: Issuing of TCs – e2e daily process

Branch Corrections

6.22.2 Appendix 2 - TC - Month End Procedures – Process Flow

Appendix 2:TC - Month End Procedures

6.22.3 Appendix 3   Issuing TC: I) Enter Outgoing Invoices, II) Auto upload– Process Flow