

Part: **Public Money and Property**  
 Section: **Receipt, Deposit and Control of Public Money**  
 Subsection: **Control of Public Money**  
 Policy: **NSF Cheques**

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## NSF Cheques

- Objective** *The objective is to defray a portion of the costs incurred by the Government in processing cheques returned due to non-sufficient funds (NSF).*
- Authority** *The Financial Administration Act, 1993, clauses 5(a) and 5(e), subsection 10(2) and section 22*
- Applicability** This policy applies to the General Revenue Fund (GRF), and special purpose funds and trust money that are administered by ministries. See [Appendix C Public Money](#).
- Treasury Board Policy** .01 Ministries are responsible for collecting an administration fee determined by the Provincial Comptroller for NSF cheques.
- Provincial Comptroller Directives** .02 An administrative fee of \$25.00 per NSF cheque is to be collected from the person who issued the NSF cheque. The administrative fee is deposited to casual revenue if it pertains to the GRF.
- .03 The permanent head or delegate may waive the fee where the collection of an administrative fee is impractical.
- .04 Ministries should notify their customers that an administrative fee will be charged on all NSF cheques by:
- installing a sign at a counter where fees are collected;
  - notifying repeat customers (those who ordinarily return to purchase goods or services again); or
  - providing notification on an application form or receipt.
- .05 Non-negotiable cheques (e.g., NSF, stale-dated, post-dated) deposited to the General Revenue Fund (GRF) are returned to the Provincial Comptroller's Office and then forwarded to the depositing ministry. Non-negotiable cheques deposited to other bank accounts are returned directly to the depositing ministry.
- .06 Ministries using bank accounts are required to:
- record non-negotiable cheques that are returned;
  - ensure a replacement is obtained; and
  - deposit and record the replacement.

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**References**

[3020 Suspense Accounts and Conditional Receipts](#)

[3500 Control of Public Money](#)

[3505 Receipt and Control of Public Money](#)

[3510 Minor Errors in Remittances](#)

[3520 Credit and Debit Card Receipts](#)

[3525 Receipt of Donations](#)

[3600 Control of Bank Accounts](#)

[3700 Control of Accounts Receivable](#)

[Accounting Manual, Appendix A General Revenue Fund Year-end Procedures and Schedules](#)