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**National Defence – Assistant Deputy Minister (Finance)
Financial Administration Manual (FAM) Chapter 1018-2-3 Interest on Overdue Accounts
Receivable**

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Revision History

Revision No.	Date	Section(s)	Description	Approval
1	25 March 2025		<p>Amendments include:</p> <ul style="list-style-type: none">• Change in FAM template• Application of effective interest rate method• High-level summary of tax implications• Updates to roles and responsibilities	Acting Director General Strategic Financial Governance (A/DGSFG)

1. Effective Date

- 1.1 This policy is effective on **25 March 2025**.
- 1.2 This policy amends the following Financial Administration Manual (FAM) Chapter:
 - Financial Administration Manual (FAM) Chapter 1018-2-3 Interest on Overdue Accounts Receivable, 24 March 2015.
- 1.3 The policy was approved by the Assistant Deputy Minister (Finance) (ADM(Fin)) on **24 March 2015** and the amendment was approved by the Acting Director General Strategic Financial Governance (A/DGSFG) on **25 March 2025**.

2. Application

- 2.1 The purpose of this FAM Chapter is to reestablish the policy with respect to the charging of interest on overdue accounts receivable (AR) accounts within the Department of National Defence/Canadian Armed Forces (DND/CAF).

3. Context

- 3.1 The DND Financial Management (FM) policies and procedures governing interest charges on overdue AR are established in accordance with the Treasury Board (TB) FM policy direction, *Interest and Administrative Charges Regulations* (Regulations) and Section 155.1 of the *Financial Administration Act* (FAA). The regulations prescribe the rates and the general conditions under which DND/CAF must charge interest on overdue AR.
- 3.2 The main purpose of these Regulations is to provide debtors an incentive to pay their accounts on time and to shift financing costs of AR from the public to the delinquent debtors.
- 3.3 Accordingly, this policy must be applied in conjunction with and after reading the following:
 - *Interest and Administrative Charges Regulations*;
 - Section 155.1 of the *FAA*;
 - TB Policy on Financial Management;
 - TB Directive on Public Money and Receivables;
 - TB Guide to Interest and Administrative Charges; and
 - TB Guide to Managing Receivables.
- 3.4 All financial documentation supporting the transactions must be retained for six years from the end of the fiscal year in which the transaction takes place. When a receivable is created, all documentation is retained until the account is cleared. When a criminal, disciplinary or recovery action is taken, all documentation must be retained and protected for six fiscal years after the process is completed.

3.5 See [Appendix A](#) for the definitions applicable to this policy and a list of acronyms used.

4. Objectives and Expected Results

4.1 The objectives of this policy are to:

- Identify the DND/CAF key stakeholders involved with the management of receivables related to charging of interest on overdue accounts and outline their roles and responsibilities; and
- Provide direction on the DND/CAF FM policies and practices for the management of interest on overdue accounts that are generally not addressed in TB policies, directives, standards and guidelines.

4.2 The expected results of implementing this policy are:

- Effective internal controls, governance and oversight over the DND/CAF management of receivables related to the accounting for and charging of interest on overdue accounts; and
- Key DND/CAF stakeholders are aware of and understand their roles and responsibilities with respect to the settlement of AR and accrued interest.

5. Requirements

General

5.1 Interest on overdue accounts must be charged to DND/CAF debtors on all overdue invoices (including applicable taxes), the repayment of outstanding overpayments and erroneous payments and other overdue amounts such as interest and administrative charges, except in cases where an act of Parliament, regulations, orders, contract or arrangement sets out the method for charging of interest or lack thereof and/or the specific interest rate.

5.2 Interest becomes payable on the amount of the late or missed payment starting the day after the due date and accrues during the period and ends on the day before the date on which the payment is received.

5.3 Goods and Services Tax (GST)/Harmonized Sales Tax (HST) is not calculated on interest and administrative fees.

Due date

5.4 The due date to be applied on all AR documents will be according to the payment terms stated on the invoice. In cases where the payment terms are not specified, they will be determined to be 30 days after the day on which the demand for payment is issued, in accordance with the *Interest and Administrative Charges Regulations*.

- 5.5 However, if individuals (including employees, CAF members, corporations, and organizations, etc) have received an overpayment or erroneous payment as a result of fraud, falsification of documents, willful misrepresentation or any other offence committed by that individual, interest is payable by that individual on the amount owing on account of the overpayment, or erroneous payment immediately, beginning on the day on which the overpayment or erroneous payment is made and ending on the day before the day on which repayment is received.

Interest Rate

- 5.6 The interest rate is calculated as the average Bank of Canada discount rate for the previous month plus 3 percent. This rate is available on the Payment on Due Date (PODD) – Receiver General for Canada – Public Services and Procurement Canada webpage, a link is available in the references section below.

The use of the effective interest rate method may apply to long term interest on overdue accounts receivables that are amortized over 2 years or more and are greater than \$10 million (materiality threshold). For more information on the application of the effective interest rate method, refer to the Directive on Accounting Standards: GC 3450 Financial Instruments, a link is available in the references section below.

Calculation of Interest

- 5.7 Unless otherwise indicated in this policy, interest will be compounded monthly and calculated in accordance with the following formula:

$I = B \times (r/100) \times (D/365)$ where:

I = interest payable

B = overdue account balance

r = interest rate

D = number of days overdue (the number of days between the invoice due date (in the Financial Management System (FMS), the ‘Defence Resource Management Information System (DRMIS) DUE DATE’) and the Receipt Date.) The Receipt Date is the day when the payment first arrives at a DND office or is made at a financial institution. The Receipt Date is stamped on cheques and recorded as the payment date in DRMIS.

Example: Two invoices totalling \$4,200 are issued on January 5. The due date is February 4. The interest rate is 4.25%.

- a. The debtor pays the full amount on February 1, no interest is payable.

- b. The debtor pays the full amount, received on February 18. The interest due as a result of late payment is calculated as follows:

$$I = \$4,200 \times (4.25/100) \times (13/365) = \$6.36$$

Total amount owing as of February 18 = \$4,206.36

- c. The debtor makes a partial payment of \$2,000 which is received on February 18, and the balance principal plus interest is received on February 25. The interest due as a result of late payment is calculated as follows:

$$I = \$4,200 \times (4.25/100) \times (13/365) = \$6.36$$

$$I = ((\$4,200+6.36)-2,000)) = \$2,206.36 \times (4.25/100) \times (6/365) = \$1.54$$

Total amount owing as of February 25 = \$2,207.90

- 5.8 Non-sufficient funds (NSF) and administrative charges, in accordance with the TB Guide to Interest and Administrative Charges, will be applied when an item payable to DND is returned as NSF or otherwise dishonoured.
- 5.9 The standard administrative charge is fifteen (15) dollars when a payment is returned by a financial institution as 'NSF' or otherwise dishonoured.
- 5.10 When dishonoured items are processed by a financial institution and DND has to issue a payment to reimburse the financial institution because a charge-back is not possible, the standard administrative charge is twenty-five (25) dollars.

Restrictions

- 5.11 Interest charges will be applied in accordance with this policy on all debtor accounts, including amounts owing by Crown Corporations, unless another act of Parliament, a regulation, an order, a contract or an arrangement states otherwise.
- 5.12 Interest charges will not be applied to:
- Amounts owed by Other Government Department (OGD) (e.g. interdepartmental transactions);
 - Amounts owed by Non-Public Property;
 - Amounts resulting from any error made or delay caused by DND/CAF, or a duly authorized agent of DND/CAF, in establishing the AR document or processing the payment such as not crediting the proper account, not depositing or recording the payment promptly, attempting to deposit a post-dated cheque or holding a cheque until it becomes stale dated;
 - Amounts resulting from a breakdown or other failure in the system or communication links customarily used by DND/CAF to process payments;

- Cases where the total amount payable for a period including cumulative accrued interest is less than the minimum amount for which a request for payment would normally be issued for that period (*Regulations 8(b) – Interest and Administrative Charges Regulations*). This amount has been determined by ADM(Fin) to be \$10 (principal plus accumulated accrued interest). However, if there are several small amounts that total more than the cut-off limit, or total outstanding exceeds that limit, departmental officials are to charge interest; or
 - Amounts for cases where there exists an urgent and critical urgent situation of a temporary nature, such as a pandemic, natural disaster, or other emergency (*Regulations 9(e) – Interest and Administrative Charges Regulations*).
- 5.13 For the cases that fall under one of the criteria identified in paragraph 5.12 above, the reasons for waiving or reducing interest charges must be clearly documented. This excludes amounts owing by an OGD. If an amount has already been recorded, an adjusting entry must be done to reduce or reverse the amount already charged.
- 5.14 Positions with delegated authority to waive interest charges and the minimum amount to charge interest are identified in the Delegation of Authorities for Financial Administration Instrument, which is comprised of the Delegation of Authorities for Financial Administration Matrix and the policy document - Delegation of Authorities for Financial Administration for the DND and the CAF.
- 5.15 If a debt has been deemed to be uncollectible and written off, the accrued or accumulated interest would also be written off. If the debt subsequently is reinstated and collection activities resume, the interest charges would also be reinstated from the date of the write off unless forgiveness for the interest has been granted.

Salary and Compensation

- 5.16 ADM (HR-Civ) collects overdue debt related to civilian overpayments made to inactive employees and employees on Leave Without Pay (LWOP).
- 5.17 As per Military Pay Administrative Instructions (MPAI), Director Military Pay and Allowances Processing (DMPAP) is responsible to collect overdue debt related to military overpayment and erroneous payment of pay and allowances from CAF members.

Tax Implications

- 5.18 The *Income Tax Act (ITA)* and *Quebec Taxation Act (QTA)* apply in certain circumstances to deem a benefit to have been received by an individual if, by virtue of the office or employment or the future office or employment of that individual, any person receives a loan or overpayment of salary, or otherwise incurs debt. The amount of the benefit shall be included in computing the income of the individual for the year as income from an office or employment.

- 5.19 Where a decision is made to waive or reduce (“waived”) the interest charges on the overpayment of salary or debt, the DND employee / CAF member, including a retired DND employee / CAF member, will be deemed to receive a taxable benefit by virtue of an office or employment or future office or employment. The benefit will be the amount of interest that the person would have paid on the balance owing at the Canada Revenue Agency (CRA) / Revenu Quebec prescribed interest rate minus the amount of interest which is paid on the balance owing in the year, or no later than 30 days after the end of the year.
- 5.20 There are different tax treatments depending on the type of employee debt write-off, whether it be due to remission or forgiveness of debt, due to statute barred collection limitations or due to bankruptcy of the employee.
- 5.21 Please refer to the [Policy Memorandum - Guidance on the Taxable Benefit Implications resulting from the Write-Off](#) and related appendices: Clarification to the FAM Chapter 1018-2 Control of Receivables, Public Revenue and Debt Deletion Authorities for more details on the taxability of the write-off of a DND employee’s / CAF member’s debt and the related interest component.

Administrative Process

- 5.22 Payment terms, the charging of interest on late payments and the lists or schedules of all applicable fees and rates must be stated clearly on all documents (e.g. invoices, statements of account, memorandums of understanding and contracts).
- 5.23 Monthly statements must clearly indicate that the due date is the original due date and not the statement issue date.
- 5.24 All invoices recorded in the FMS will be mailed out the following day by the Corporate Departmental Accounting Office (CDAO) (unless other arrangements have been made with the Regional Departmental Accounting Office (RDAO) Comptrollers, as applicable).
- 5.25 Receiver General Deposit Facility (RGDF) cashiers shall ensure that all deposit slips are date stamped, and that funds received are promptly deposited and correctly recorded in the FMS when payments are received.
- 5.26 Revenue from interest on overdue accounts is non-respendable governmental revenue.
- 5.27 On or before the 5th working day of the current month, the CDAO (or the RDAO, as applicable) will send Account Statements for the previous month end to all clients with an AR balance.

5.28 Allocating payments when the debtor remits a payment and the AR includes overdue interest is to be applied as follows:

- First to the interest outstanding; and
- Any remainder amount to the principal amount.

5.29 As part of their mandate to publish Accounts Processing Standard Operating Procedures (AP/SOPs), the Director Financial Systems Integration (DFSI) has published the SOP – “[Control of Receivables and Public Revenue](#)”. Readers should refer to that document for detailed direction on charging interest on overdue accounts and for the settlement of AR and accrued interest.

Year-end Procedures

5.30 It is imperative that all AR and accrued interest be properly recorded in the appropriate accounting period and fiscal year. Therefore, every effort must be made to identify and record all AR and accrued interest in a timely manner. The Level One (L1) Comptrollers shall ensure that Responsibility Centre (RC) Managers are aware of, understand and adhere to the Financial Year End Instructions.

6. Roles and Responsibilities

Deputy Minister of National Defence

6.1 The Deputy Minister (DM) of National Defence is responsible for:

- Taking corrective measures for instances of non-compliance within the organization with those responsible for implementing the requirements of this policy;
- Ensuring appropriate and timely action is taken to address any significant issues relating to interest on overdue accounts; and
- Providing a report and/or information on interest on overdue accounts as requested by the Comptroller General.

Assistant Deputy Minister (Finance)/Chief Financial Officer

6.2 The Assistant Deputy Minister (Finance) / Chief Financial Officer (ADM(Fin)/CFO) is responsible for:

- All responsibilities outlined in section 4.1, 4.3 and 4.4 of the TB Directive on Public Money and Receivables;
- Providing financial functional direction and guidance across the department on matters related to the management of receivables;
- Ensuring that the appropriate forms of payment are accepted, as supported by the Receiver General, for the settlement of AR and accrued interest; and

- Ensuring that the internal controls for the administration and calculation of interest are established, at a minimum:
 - The appropriate segregation of duties related to the maintenance of accounting records and the application of interest charges to all applicable overdue accounts;
 - The provision of complete audit trails to track all transactions that gave rise to interest on AR through to their final settlement;
 - The establishment and monitoring of results-based measurement mechanisms; and
 - The preparation and distribution to management of periodic reports on the financial and non-financial activities of the portfolio, including receivable aging statements.

Level One Advisors

- 6.3 The Level One (L1) Advisors are responsible for:
- Ensuring compliance with the financial functional direction provided by the CFO over the management of receivables, including the charging of interest on overdue accounts; and
 - Ensuring compliance with procedures established by the DFSI.

Level One Comptrollers

- 6.4 The Level One (L1) Comptrollers are responsible for:
- Ensuring sound internal controls and the integrity of local interest on overdue account management activities. This may include:
 - Coordinating the input of AR in the FMS and the correct application of interest on overdue accounts;
 - Ensuring proper segregation of duties between cashier and receivable functions; and
 - Assessing individual capability and requirements to ensure that appropriate training is provided to comply with this policy.
 - Ensuring the timely and effective collection of receivables by:
 - Ensuring collection action is taken by the RDAOs on overdue non salary related debt (up to 90 days);
 - Ensuring that sound internal controls related to the management of receivables are established at subordinate levels; and
 - Ensuring that subordinate Comptrollers are compliant with this policy and procedures established that pertain to the settlement of AR and accrued interest.

Director General Strategic Financial Governance

- 6.5 The Director General Strategic Financial Governance (DGSFG) is responsible for:
- Supporting the implementation and monitoring of compliance with this policy;

- Ensuring that this policy takes into consideration the unique situations and circumstances of the DND/CAF;
- Ensuring that business processes and procedures related to the settlement of AR and accrued interest are established to ensure compliance with this policy; and
- Testing key internal controls, reporting on the results, and tracking remediation if and as required.

Director General Financial Operations and Services

- 6.6 The Director General Financial Operations and Services (DGFOS) is responsible for:
- Ensuring that compulsory functional direction and guidance is provided department-wide in support of the settlement of AR and accrued interest;
 - Collaborating with DGSFG in the development/updating of procedural direction (e.g. SOPs) in support of this policy;
 - Ensuring that departmental compliance with this policy is monitored;
 - Bringing to the CFO's attention any significant difficulties, gaps in performance or compliance issues and recommendations to address them; and
 - Bringing recommendations to change or update policies and/or SOPs to DGSFG's attention in order to address significant difficulties, gaps in performance or compliance issues.

Director Financial Policy, Controls and Community Development

- 6.7 The Director Financial Policy, Controls and Community Development (DFPCCD) is responsible for:
- Developing and promulgating policies in regard to the charging of interest to DND/CAF debtors;
 - Reviewing procedures related to the settlement of AR and accrued interest to ensure that they adhere to all financial legislation, TB FM policy instruments (including mandatory guidelines) and DND FM policies;
 - Providing policy interpretation and clarification assistance regarding the charging of interest to debtors;
 - Assessing quality assurance programs and making recommendations based on the results of the assessments;
 - Assessing the effectiveness of key controls related to the management of AR and accrued interest and making recommendations based on the results of the assessments;
 - Reporting on the status of the assessments and completing the annual summary for inclusion as an Annex to the departmental financial statements; and
 - Tracking and reporting on the status of remediation action plans.

Director Financial Analytics Systems Support and Training

- 6.8 The Director Financial Analytics Systems Support and Training (DFASST) is responsible for:
- Maintaining the FMS, which records and maintains data on AR, including accrued interest;
 - Updating the interest rate used to generate interest charges in the FMS on a bi-monthly basis;
 - Ensuring that the FMS is capable of also calculating fixed interest rates for AR;
 - Scheduling and monitoring the interest program for AR in FMS; and
 - Supporting any proposed system changes by providing advice/feedback from a FMS Production/system perspective.

Director Financial Systems Integration

- 6.9 The Director Financial Systems Integration (DFSI) is responsible for:
- Providing support on FMS system changes, FMS enhancements and business requirements;
 - Developing and issuing mandatory procedures in compliance with this policy that standardize the management of AR activities performed across the DND/CAF; and
 - Ensuring that the departmental FMS adequately support the management of AR and accrued interest on overdue accounts.

Director Financial Accounting

- 6.10 The Director Financial Accounting (DFA) is responsible for:
- Producing the monthly trial balance which reflects the interest charge balance in AR and interest revenue in the appropriate General Ledger (GL);
 - Providing guidance on accounting treatment of receivables;
 - Reporting amounts associated with accounts receivables and accrued interest in the departmental financial statements; and
 - Providing corporate support to L1 Comptrollers and CDAO through guidance and advice on receivables including Receivables at Year End (RAYE).

Director Financial Operations

- 6.11 The Director Financial Operations (DFO) is responsible for:
- Ensuring that compulsory functional direction and guidance is provided department-wide to support the implementation of this policy; and
 - Ensuring that RDAO compliance with this policy and related procedures is monitored.

Corporate Departmental Accounting Office

- 6.12 The Corporate Departmental Accounting Office (CDAO) is responsible for:
- Managing the interest on overdue account financial documents and processes;
 - Coordinating the input and the mailing out of AR invoices to DND/CAF debtors;
 - Verifying, prior to the generation of interest charges in the FMS, that interest charges to be recorded will be created in accordance with this policy (i.e. correct amounts, interest charges applied to the right categories of debtors, etc.) by using sampling techniques. Documented proof of this verification is to be kept for a period of 6 years;
 - Providing functional direction and guidance to RDAO Comptrollers in support of the management of AR and accrued interest;
 - Taking collection action on overdue accounts (after 90 days) which are related to non salary related debt or non-budgetary debt. RC managers are still responsible for the collection of their receivables and as needed they i.e. RC Managers, or staff on behalf of RC Managers, are responsible to provide support to CDAO 3 with the collection on their overdue receivables; and
 - Monitoring and verification of receivables management for the DND / CAF.

Regional Departmental Accounting Office Comptroller

- 6.13 The Regional Departmental Accounting Office (RDAO) Comptrollers are responsible for:
- Ensuring that the correct financial coding and the appropriate customer account group are utilized, thus allowing for the accurate processing of interest charges in the FMS;
 - Ensuring collection actions are completed by the RC Managers on overdue accounts (up to 90 days);
 - Monitoring and oversight of AR and accrued interest for their regions; and
 - Providing support to the CDAO on the reconciliation of AR and accrued interest.

Responsibility Centre Managers

- 6.14 The Responsibility Centre (RC) Managers are responsible for:
- Ensuring timely and accurate recognition of receivables in the FMS; and
 - Taking collection actions on overdue accounts as directed by this policy.

Base / Wing Receiver General Deposit Facility Cashiers

- 6.15 The Base/Wing Receiver General Deposit Facility (RGDF) Cashiers are responsible for:
- Receiving, depositing and recording payments in the FMS while ensuring a clear segregation of duties; and

- Ensuring payments received are posted against the appropriate receivables or cash receipt.

The DND / Canadian Forces Legal Advisor

- 6.16 The Department of National Defence and Canadian Forces Legal Advisor (DND/CF LA) is responsible for:
- Providing recommendations regarding the collectability of receivables;
 - Providing analysis and attestation on TB Submissions related to debt deletions;
 - Taking appropriate collection action regarding debts to the Crown, especially in matters related to bankruptcy, consumer proposals and estates; and
 - Providing interpretative advice on the FAA, *Bankruptcy and Insolvency Act*, *Crown Liability and Proceedings Act*, *Interest and Administrative Charges Regulations* and the *Debt write-off regulations*, 1994.

7. Consequences of Non-Compliance

- 7.1 Under the TB Policy on Financial Management, the DM is responsible for investigating and acting when significant issues regarding policy compliance arise and ensuring that appropriate remedial action is taken to address such issues within DND/CAF. The TB Framework for the Management of Compliance provides guidance on the considerations for determining the possible mix of consequences, which include the impact of the non-compliance, whether there has been a history of non-compliance, was there intent and other circumstances.
- 7.2 To support the DM's responsibility under the TB Policy on Financial Management, the ADM(FIN)/CFO or in the case of a member of the CAF, the military chain of command at the ADM(FIN)/CFO's direction, must ensure corrective actions are taken to address instances of non-compliance with this policy. Corrective actions can include a requirement for additional training, changes to procedures or systems, removal or suspension of delegated financial authorities on a temporary or permanent basis, disciplinary action or other measures as appropriate.

8. References

8.1 Legislation

[Financial Administration Act](#)
[Interest and Administrative Charges Regulations](#)
[Income Tax Act](#)
[Quebec Taxation Act](#)

8.2 Treasury Board and Central Agency FM Policy Instruments

[TB Policy on Financial Management](#)
[TB Directive on Public Money and Receivables](#)

[TB Guide to Managing Receivables](#)
[TB Guide to Interests and Administrative Charges](#)
[Directive on Accounting Standards: GC 3450 Financial Instruments](#)
[Payment on Due Date \(PODD\) – Receiver General for Canada](#)

8.3 DND/CAF FM Policies FAM Chapter

[FAM Chapter 1018-2 – Control of Receivables, Public Revenue and Debt Deletion Authorities](#)
[FAM Chapter 1024-9 Taxable Benefits and Allowances](#)
[Delegation of Authorities for Financial Administration for the DND and the CAF](#)

8.4 DND/CAF FM Guides, Forms and Other Tools

[DAOD 6002-8, Electronic Authentication and Authorization](#)
[Standard Operating Procedure: Control of Receivables and Public Revenues](#)

8.5 Taxation Guides and Other Tools

[T4130 Employers' Guide - Taxable Benefits](#)
[Revenue Quebec Taxable Benefits Guide IN-253-V \(2021-11\)](#)
CRA interpretation letter dated October 12, 2016 on Employee loan or debt extinguished or settled
[IT-421R2: Benefits to individuals, corporations and shareholders from loans or debt](#)
[Policy Memorandum - Guidance on the Taxable Benefit Implications Resulting from the Write-Off of Department of National Defence \(DND\) Employees'/Canadian Armed Forces \(CAF\) Members' Debts](#)

9. Enquiries

- 9.1 Questions on policy interpretation and clarification are to be addressed to the appropriate Comptroller.
- 9.2 If the local Comptroller requires assistance, the question will be escalated through the financial chain of command.
- 9.3 If the L1 Comptroller needs guidance on the matter(s) raised, the L1 Comptroller may contact the CDAO.
- 9.4 If the CDAO needs guidance on the matter(s) raised, they may contact DFPCCD at FinancialPolicy-PolitiquesFinancieres@forces.gc.ca.

Appendix A – Definitions and Acronyms

Definitions

Accrued interest (intérêts courus) is interest on overdue accounts or late payment that is calculated and accrued in accordance with the Interest and Administrative Charges Regulations.

Amount used to calculate interest (montant utilisé pour le calcul des intérêts) consists of any amount owing to a department that is overdue and accrues interest compounded according to the Interest and Administrative Charges Regulations.

Debt (créance) is an amount owing to a department as a result of an overpayment or erroneous payments; or under any other Act of Parliament, or any regulation, order, contract or arrangement.

Financial Management System (système de gestion financière) is any combination of business processes (end-to-end, automated and manual), procedures, controls, data and software applications, all of which are categorized as either a departmental financial and materiel management system or program system or central system that produces financial information and related non-financial information. DND's departmental FMS includes DRMIS and would also include any future replacement of DRMIS.

Receipt (rentrées de fonds) is a payment received by the department from a debtor in relation to a debt due to the Crown

Receipt date (date de réception) is the day when the payment first arrives at a DND office or is made at a financial institution. The Receipt Date is stamped on cheques and recorded as the payment date in DRMIS.

Receivables (comptes débiteurs) are the billed (but uncollected) and unbilled or accrued financial claims arising from amounts owed to the Department for goods or services.

Waiver (dispense) is a form of debt deletion involving only the interest and administrative charges related to a debt

Write-off (radiation) is an accounting action that reduces the amount of AR regarding a debt, or a part of debt, that has been determined to be uncollectible. It does not forgive the debt or release the debtor from the obligation to pay, neither does it affect the right of the Crown to enforce the collection in the future.

Acronyms

ADM(Fin)/CFO – Assistant Deputy Minister (Finance)/Chief Financial Officer
AR – Accounts Receivable
CAF – Canadian Armed Forces
CDAO – Corporate Departmental Accounting Office
CFO – Chief Financial Officer
CRA – Canada Revenue Agency
DFA – Director Financial Accounting
DND/CF LA – Department of National Defence and Canadian Forces Legal Advisor
DFASST – Director Financial Analytics Systems Support and Training
DFO – Director Financial Operations
DFPCCD – Director Financial Policy, Controls and Community Development
DFSI – Director Financial Systems Integration
DGFOS – Director General Financial Operations and Services
DGSFG – Director General Strategic Financial Governance
DM – Deputy Minister
DND – Department of National Defence
DRMIS – Defence Resource Management Information System
FAA – Financial Administration Act
FAM – Financial Administration Manual
FM – Financial Management
FMS – Financial Management System
GL – General Ledger
L1 – Level One
NSF – Non-sufficient funds
OGD – Other Government Department
RC – Responsibility Centre
RDAO – Regional Departmental Accounting Office
RAYE – Receivables at Year End
RGDF – Receiver General Deposit Facility
SOPs – Standard Operating Procedures
TB – Treasury Board