


POLICY

	Policy:	RETURNED ITEMS		
	Department:	Corporate Services		
	Division:	Risk Management	By-Law No:	2016-58
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			Pages:	3
	Replaces:	N/A		

INDEX

1. POLICY STATEMENT	PAGE 1
2. PURPOSE	PAGE 1
3. SCOPE	PAGE 1
4. DEFINITIONS	PAGE 1
5. INTERPRETATIONS	PAGE 2
6. GENERAL CONDITIONS	PAGE 2
7. RESPONSIBILITIES AND AUTHORITIES	PAGE 3
8. REFERENCES AND RELATED DOCUMENTS	PAGE 3

1. POLICY STATEMENT

- 1.1. The Corporation of the Town of Amherstburg is committed to ensuring prompt follow up of returned items and to pass on the cost of the returned item to the customer in order to:
 - 1.1.1. Record cash disbursements completely and accurately.
 - 1.1.2. Safeguard cash and the related accounting records.

2. PURPOSE

This policy provides the parameters for the handling of returned item charges.

3. SCOPE

- 3.1. This policy applies to any and all Town employees involved in the receipt of cash collections or the accounting of collections.
- 3.2. This policy shall be reviewed every two years from the date it becomes effective and/or sooner at the discretion of the Director of Corporate Services/Treasurer and/or the CAO.

4. DEFINITIONS

- 4.1. **Chief Administrative Officer (CAO)** is the Chief Administrative Officer for the Corporation of the Town of Amherstburg, which includes the roles and responsibilities as laid out in Section 229 of the Municipal Act, 2001.

- 4.2. **Director** is the person responsible for direction and operational control of a division as defined on the Town's organizational structure.
- 4.3. **Manager** reports directly to a Director (or the CAO in some instances) and who is responsible for a department within a division of the Corporation, as defined on the Town's organizational structure.
- 4.4. **Non-Sufficient Funds (NSF)** are cheques or other payments payable to the Town that have been refused by the payer's bank due to insufficient funds, a closed account, a stopped payment, or error by the payer.
- 4.5. **Payer** means the person or company that issues a cheque in payment for an obligation to the Town of Amherstburg.
- 4.6. **Returned Items** see *Non-Sufficient Funds*.
- 4.7. **Town** is the Corporation of the Town of Amherstburg.
- 4.8. **Treasurer** is the Treasurer for the Corporation of the Town of Amherstburg, which includes the roles and responsibilities as laid out in Section 286 of the Municipal Act, 2001.

5. **INTERPRETATIONS**

- 5.1. Any reference in this Policy to any statute or any section of a statute shall, unless expressly stated, be deemed to be reference to the statute as amended, restated or re-enacted from time to time. Any references to a By-law or Town policy shall be deemed to be a reference to the most recent passed policy or By-law and any replacements thereto.

6. **GENERAL CONDITIONS**

6.1. **In the Event of a Returned Item**

- 6.1.1. The finance services staff shall adjust the payer's account to reverse the original entry made to record the receipt of the item, to ensure the returned item is shown as outstanding.
- 6.1.2. The finance services staff shall contact the payer to request new payment, by certified cheque.
- 6.1.3. The finance services staff shall advise other Finance Department staff, inclusive of financial services managers if deemed necessary.

- 6.1.4. The finance services staff shall add a service charge as outlined in the User Fee By-law to the payer's account to cover the additional bank charges and processing required.

7. RESPONSIBILITIES AND AUTHORITIES

7.1. The **Treasurer** has the authority and responsibility to:

7.1.1. To ensure that the policy is being adhered to by collection staff.

7.1.2. Investigate any potential deviations from this policy.

7.2. **Deputy Treasurer** has the authority and responsibility to:

7.2.1. Assume the roles and responsibilities of the Treasurer in their absence.

8. REFERENCES AND RELATED DOCUMENTS

8.1. Town of Amherstburg User Fee By-law