

15.3 Foreign Currency Payments

Policy Statement

It is government policy to record foreign currency payments for accounts payable transactions through Government Accounting, Department of Finance. These payment types may not be processed at the department level.

Definitions

FOREIGN CURRENCY PAYMENTS

Foreign currency payments for accounts payable are defined as payments in any currency other than Canadian dollars.

Policy Objective

The purpose of this policy is to communicate the procedures in place for processing foreign currency payments through Government Accounting for settling government accounts in currencies other than Canadian dollars.

Application

This policy applies to those who use the government's CFMS/SAP to process vendor payments in a foreign currency.

Accountability

Government Accounting is responsible for processing the request to pay in foreign currency. Departments are responsible for sending the approved invoice to Finance for payment action.

Policy Directives

All properly approved invoices that are to be paid in a currency other than Canadian or U.S. dollars must be sent to Government Accounting. Government Accounting will obtain the bank draft and make all necessary entries in CFMS/SAP to record the invoice and any foreign exchange adjustments. The original documentation will be returned to the originating department for filing.

If the invoice is in a currency not issued by the province's bank, the department must negotiate with the vendor for an acceptable alternative currency as means of payment.

All foreign drafts that are no longer required must be sent to the Government Accounting for cancellation and reimbursement of funds.

If departments feel that a wire transfer in foreign currency is required, they must make their own arrangements with the bank.

Monitoring

Government Accounting will monitor the policy's implementation, performance, and effectiveness.

Enquiries

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