

15.6 Cheque Cancellation and Stop Payment

Policy Statement

The purpose of this policy is to set government-wide standards for the handling of cheque cancellation and stop-payment requests on cheques that have been issued by the province.

Accountability

The Capital Markets Administration Division of the Department of Finance and Treasury Board is the only body that can place stop-payment requests at the banks. The Operational Accounting section of Department of Service Nova Scotia processes the cheque cancellation in SAP.

Policy Directives

STOP PAYMENT

When an issued cheque requires bank intervention to ensure that it is not cashed, these steps must be followed to place a stop payment on the cheque:

1. A complete stop-payment request must be submitted on the prescribed form ([Appendix 15-E](#)) to Capital Markets Administration by the department that originally entered the documents that produced the cheque.
2. Capital Markets Administration will confirm that the cheque is outstanding and prepare and submit the necessary documentation to the bank to formally place the stop payment order.
3. Once confirmation is received from the bank, the stop-payment request will be sent to Operational Accounting where the cheque will be cancelled in SAP.

CHEQUE CANCELLATION

When a department has possession of a cheque and needs to have that cheque cancelled, these steps must be followed:

1. Authorized requests for cheque cancellations must be submitted on the prescribed form ([Appendix 15-F](#)) to Operational Accounting by the department that originally requested the cheque.

2. The request must be accompanied by the original cheque. It must clearly state the reason for cancellation and whether a replacement cheque is to be issued.
3. Operational Accounting will cancel the cheque in SAP and either replace the cheque or reverse the original document if a replacement is not required. The posting date must be manually entered into the date field in SAP and be equal to the date on which the cheque cancellation is being done.
4. Operational Accounting will determine the appropriate account to credit for cheques that will not be replaced, based on the fiscal year and the account number upon which the original cheque was drawn.

Application

The stop payment and cheque cancellation policy applies to all those who use the government's SAP system to record its accounts payable vendor payments.

Monitoring

Operational Accounting will monitor the policy.

Enquiries

Director, Operational Accounting
Department of Service Nova Scotia
(902) 424-6626

Appendix

[Appendix 15-E](#) Stop-Payment Request Form

[Appendix 15-F](#) Cheque Cancellation Form

Approval date: **July 31, 2008**

Effective date: **July 5, 2001**

Approved by: **Executive Council**

Administrative update: **July 6, 2023**

Appendix 15-E

		Document Number		
Department of Internal Services Stop Payment Request Form				
COMPLETE ALL AREAS				
To	Manager Banking & Debt Services, Treasury Services			
From: Title		Phone		
Date		Department/Division		
		Please issue a stop payment and credit to account charged for cheque listed below or Please issue a stop payment and replacement for the cheque listed below		
<i>(If no preference selected cheque will be returned to address above)</i>		Send replacement cheque to address above or Send replacement cheque to address on cheque or Hold in Treasury Services for pickup		
Authorized by		Print Name		
		Signature		
Cheque Info		Document No.		
Payee		Cheque Number		
Vendor #		Cheque Date		
Cheque Amount	\$			
Employee	Yes	No	X	Casual
				Full Time Civil Servant
Finance Use Only				
Outstanding To		Stop Payment Issued		
Authorization by Treasury Services to replace cheque				
Received by Accounts Payable		Date Received		
Replacement Cheque Number		Replacement Cheque Date		
Replacement Cheque Amount		Replacement Document #		
Cancelled Document Number				
Per: Accounts Payable				

Appendix 15-F



Province of Nova Scotia

Return of Cheques For Cancellation

TO		Department of Internal Services	0300	Accounts Payable Section	FROM	Document Number for Cancellation	
Authorization for Cancellation		Payroll Services Section <th>DEPT</th> <td colspan="2"></td>			DEPT		
					Date		
DESCRIPTION							
Business Area	Document Number	Cheque Date DD/MM/Year	Cheque Number	Payee	Vendor Account	Amount	
Reason for Cancellation							
To be cancelled and credited back				To be cancelled and re-issued			
Acknowledge of Return of Cheques for Cancellation							
Document Number for crediting back							
Department of Internal Services - Accounts Payable					Date	Per	