

Chapter 6: Control of accountable documents

Date of Issue:

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POLICY

1. All serially numbered documents (including "emergency" disbursement cheques) whether preprinted with serial numbers or numbered locally before issue, shall be controlled by the NPPAM.
2. The RAM shall appoint the NPPAM to receive all issues of NPP accountable documents from base supply, NDHQ, other NPP Accounting Offices, or suppliers. Only the NPPAM, or appointed Accounting Clerk, will issue accountable documents to users. Users will not acquire accountable documents listed in paragraph 4 below directly from a supplier. Locally produced invoices will be controlled through the local NPP accounting office with a distinct assigned numbering system.
3. The NPPAM and users shall ensure that accountable documents held are properly secured at all times. The minimum acceptable level of security for accountable documents is a metal cabinet complete with locking bar and padlock.
4. Accountable documents presently in use include:
 - a. Form CF 601, Purchase Order and Receipt;
 - b. Form CF 602, Non-Public Funds Receipt;
 - c. Form CF 603, Merchandise Requisition;
 - d. Form CF 614, Merchandise Stocktaking Report;
 - e. Form CF 1023, Inventory Record;
 - f. Form DND 1221, NPF Invoice;
 - g. Form CF 1333, Request for Credit;
 - h. Blank cheques; and
 - i. Locally produced invoices
5. Control shall be maintained in three stages:
 - a. NPPAM holdings;
 - b. Issue of Forms (by the NPPAM)/Usage; and
 - c. Returns.

NPPAM HOLDINGS

6. Upon receipt of accountable documents, the NPPAM, or RAM if applicable, shall verify that all serial numbers purported to be in the shipment from Base Supply are, in fact included, secure the documents pending issue and record the receipt and document details in the Accountable Document Control Register (ADCR) ([Annex A](#)) and file the ADCR in the master book (binder) (all ADCR's shall be filed in the master book).

7. The RAM or his/her delegated representative shall verify the NPPAM holdings with the master book monthly. This delegated representative shall compare the Accountable Document Usage Register (ADUR) ([Annex B](#)) for each accountable document to ensure the documents are in use and that all numbers are accounted for. Any numbers not accounted for within the ADUR must be investigated immediately and the RAM notified of any missing numbers. Special attention should be given to the continuous requirement of CF 602 issued. The accountable documents will also be verified by the incoming NPPAM on handovers. Details of any discrepancies between record and actual holdings shall be reported to the Director of Accounting immediately. Quarterly, alternating between NPPAM and RAM, the Verification Control Sheet ([Annex C](#)) shall be reviewed. In addition, the incoming NPPAM on handover shall complete the Verification Control Sheet once all discrepancies have been resolved.
8. Other serialized documents (not mentioned in paragraph 4) such as entity specific gift certificates and tickets shall be maintained at the local entity level in a metal cabinet complete with locking bar and padlock. A listing of all numbers shall be maintained by the entity manager, registered with NPPAM and will be reconciled on a monthly basis using the Accountable Document Usage Register.

ISSUE OF FORMS/USAGE

GENERAL

9. Issues of forms can only be made to individuals who are authorized to collect NPP revenues in accordance with [Chapter 18](#) (Cash and Other Receipts) and shall be on a replacement basis in sufficient quantity to meet short-term requirements. At the time of issue, the NPPAM or Accounting Clerk shall brief the user on their responsibilities, obtain the user's signature in the applicable ADCR and complete an ADUR annotating the form number, title of the accountable document, receiving entity, series, inclusive numbers issued, and date of issue. In addition, the user shall sign and be provided with Instructions for the NPP Accountable Document Custodian/Users. A copy of the Instruction document can be found at [Annex D](#).
10. As completed documents are received in the accounting section, the Accounting Clerk shall annotate the "date used" in the ADUR and hasten any documents missing from a sequential range on an ongoing basis. If, on the last day of data entry at month end, documents are still outstanding, further follow up with the entity must be done and if documents are still outstanding by close of business on the 2nd day following, the matter shall be passed on to the NPPAM for action. The NPPAM shall hasten the entity Manager and copy the RAM. If no response is received within 2 further working days, the NPPAM shall notify the RAM who in turn shall hasten the entity Manager directly.
11. To deter manipulation, it is mandatory for CF 602's (Non-Public Funds Receipt's) ADUR electronic files utilized by the NPF Cashier to be password protected to ensure that the NPF Cashier cannot manipulate the ADUR file. Once an ADUR is completed it shall be printed and given to the Accounting Clerk who in turn will record/confirm the completed usage manually in the ADCR and electronically record/confirm the completed usage on the common drive by placing a copy in the appropriate "completed folder". The printed copy of the ADUR may then be disposed of.

12. **Serialized Documents received under cover of a DND 728 or any other type of document transit register.** Outlets are to submit to the NPPAM, on a daily basis, source documents under cover of a DND 728 (Document Transit and Receipt) or other document transit register. Refer to paragraph 4 for source documents. Also considered source documents, are DSRs and Cash Transmittal Slips with all applicable attachments (e.g. Credit card slips, Conditional Sales Contracts, coupons, gift certificates, etc.). The DND 728 (register) will have the serial numbers of all attached documents listed under the reference column and the description column is to be used to provide further explanation when required.
13. A file or serial number system will be set up for each outlet so that it will be intuitive to the NPP accounting office if a DND 728 (register) is missing. A serial number such as "Retail 52/18" would identify the 52nd DND 728 (register) submitted by the Retail Store in FY 18/19. A separate ADUR shall be maintained for the DND 728s and/or transfer registers for each outlet.
14. After the documents have been received and verified, the Accounting Clerk shall:
 - a. For forms CF 603 Merchandise Requisitions and DND 1221 NPF Invoices:
 - i. arrange the forms in numerical sequence;
 - ii. as per paragraph 10 above record the receipt of the serial numbers, including the DND 728 or register number, in the ADUR;
 - iii. advise the NPPAM immediately of any missing numbers;
 - iv. search the pending file for matching copies;
 - v. if the matching copy is located;
 - (a) compare and make note of any discrepancies;
 - (b) attach the white to the yellow copy; and
 - (c) pass the documents to appropriate accounting clerk and advise them of any discrepancies;
 - vi. if the matching copy is not on file
 - (a) pass the document to the appropriate accounting clerk who will process it, enter the accounting register number on it, and pass it back to the Accounting Clerk; and
 - (b) the Accounting Clerk in turn will place it on a pending file until the second copy is received.

Notes:

1. Where matching copies have not been received within one week, the clerk shall take appropriate hastening action.
 2. The Accounting Clerk shall, on a monthly basis, hasten any long outstanding Accountable Documents and advise the NPPAM of any that cannot be traced or otherwise accounted for.
15. **Documents received under cover of an NPF Cashier's Summary.** This form, with the attached forms CF 602, will be passed directly to the NPPAM by the cashier. The NPPAM shall:
 - a. as per paragraph 10 above, record the receipt of the serial numbers in the password protected ADUR;
 - b. immediately investigate any missing numbers; and
 - c. return the receipts and the summary to the Cash Receipts Clerk.

16. **Documents Received Without Covering Reports.** The stocktaking team supervisor shall deliver forms CF 614 and CF 1023 to the Accounting Clerk who shall:
- a. as per paragraph 10 above, record the receipt of the serial numbers in the ADUR;
 - b. record the return of unused forms in the ADCR and re-enter them in the ADCR (to be accounted for in the same manner as initial receipts);
 - c. advise the NPPAM immediately of any missing forms; and
 - d. pass the completed stocktaking forms to the appropriate accounting clerk.
17. **Miscellaneous documents received.** Some documents (e.g. tickets) are not designed for return to the NPPAM upon usage; in this circumstance, control shall be exercised by reconciling the cash receipts and unused tickets to the total value of tickets issued. All tickets must be controlled and issued by the NPPAM.

Note: Prices for each series/type of ticket shall not be mixed; e.g. "\$3.00 each or two for \$5.00" – to enable the reconciliation process, a separate, clearly distinguishable type/series of ticket must be used for each price point.

RETURNS

18. Upon return of unused documents, the NPPAM or Accounting Clerk shall record the unused serial numbers and acknowledge receipt in the ADCR. The unused documents shall then be re-entered in the ADCR and accounted for in the same manner as initial receipts.
19. Completed books of forms CF 601, CF 602, and CF 603 must be returned to the local NPP accounting office immediately after the book of forms is completed. The local NPP accounting office will maintain for a minimum of six years plus current year. Completed books of forms are not to be maintained at the local entity level.

LOSSES

20. At the entity level, all serially numbered documents are to be secured at all times. Users shall verify their holdings regularly and at a minimum monthly. When the loss of a controlled serial numbered document is discovered the person who has custodial responsibility for the form shall report the loss immediately to their chain of command. A copy of all submissions to senior managers and replies thereto shall be passed to the RAM directly or through the local NPPAM. Administrative investigation maybe conducted if deemed necessary in order to determine cause and prevent a repetition of the loss and/or to determine if theft or misappropriation of non-public funds is involved. Upon request, RAMs will provide assistance in determining what the size and scope of the investigation should be (**see note**). If it is believed that a criminal offense has been committed, senior leadership shall notify the military or civilian police and info the RAM. In turn, RAMs shall report all non-public funds military or civilian police investigations to the CFO.

Note: Factors to be considered in determining the size and scope of the investigation include but are not limited to:

- Expectation that a criminal offence has been committed;
- History of fraud or negligence at the entity;
- Type of form; missing CF 602's (Non-Public Funds Receipt) used/issued to record receipt of non-public funds are of serious concern compared to a missing CF 603, (Merchandise Requisition) used to record the transfer of merchandise between NPP Entities;

- Quantity of forms missing;
 - Variety of forms missing (indicative of serious control shortfalls);
 - Frequency – is there a history of loss of serial numbered forms;
 - Financial records inconsistency – are there significant inconsistencies in financial reporting such as material declines or fluctuations in reported revenues; and
- Other control shortfalls at the entity such as late or infrequent bank deposits and/or failure to submit financial source documents in a timely manner.

TRANSFER OF RESPONSIBILITY

21. Upon termination or change in position, if an individual was responsible for serialized documents, a verification of serialized documents in their possession must be done prior to handover to the new individual. The incoming individual who will be responsible for serialized documents must complete Acknowledgement of Accountable Document Forms Transfer ([Annex E](#)). In addition, the ADCR shall be annotated accordingly.

CANCELLED DOCUMENTS

22. All cancelled copies of accountable documents are to be marked CANCELLED and, the originator's copy shall remain in the book and the original and remaining copies shall be submitted to the NPPAM in the daily submission of documents.

DESTRUCTION OF SERIALLY NUMBERED FORMS

23. Serially numbered forms are continually being updated and revised. When substantial changes are made, the old form may be superseded and direction issued to destroy unused forms. A new form number will normally be assigned to the revised form. Prior to destruction, a verification of the particular form must be done and any discrepancies investigated.
24. Destruction of serially numbered forms shall be as follows:
- a. For forms that were issued through the CAF Supply System and that are to be destroyed:
 - i. completely unused books or packages will be returned to the NPPAM by the users and then returned to Base Supply for destruction in accordance with supply directives. The ADCR is to be updated accordingly;
 - ii. partially completed books will be returned to the NPPAM by the user and the NPPAM shall mark "Void" across each copy of the unused forms;
 - iii. unused individual forms will be destroyed by shredding; and
 - iv. for both partially completed books and unused individual forms, the NPPAM shall indicate on the ADCR: "Destroyed/voided by NPPAM" for the applicable serial numbers. The NPPAM shall indicate on the ADUR the forms that have been destroyed or voided and enter therein the following certification:

Certified that all copies of form _____ serial numbers from
 _____ to _____ have been voided/destroyed.

 Accounting Clerk

NPPAM

Date _____

NOTES:

1. For unused NPF cheques that are to be destroyed, the NPPAM shall:
 - a. destroy all copies by shredding all copies;
 - b. enter the above entries in the ADCR and ADUR; and
 - c. notify the National Accounting Office of the serial number of the last cheques used and the serial numbers of the destroyed cheques.
2. For other serially numbered forms (e.g. Tickets), the NPPAM shall -
 - a. destroy all copies by shredding all copies; and
 - b. enter the above entries in the ADCR and ADUR.

NPP ACCOUNTABLE DOCUMENTS RETENTION PERIODS/FORMAT

25. All NPP accountable documents must be retained for a minimum of six years plus current year. Retention periods are stated in terms of Fiscal Years (F/Y's) and commence on 1 April following the F/Y's in which the documents were actioned. All documents may be retained in either their original hard copy format or in digital format providing documents are readily accessible.

Note: Notwithstanding the above retention periods, documents subject to audit by federal or provincial authorities with respect to income tax, unemployment insurance, sales tax, etc., shall be retained for a longer period if required by federal or provincial acts or regulations.

COMPLIANCE REVIEW IN PROGRESS

26. Documents which become due for disposal while a compliance review is being conducted shall be retained until the compliance review file is closed

[Annex A](#) - Accountable Document Control Register

[Annex B](#) - Accountable Document Usage Register

[Annex C](#) - Accountable Documents Verification Control Sheet

[Annex D](#) - Instructions for the NPP Accountable Document Custodians/Users

[Annex E](#) - Acknowledgement of Accountable Document Form Transfer