



Issue Date: September 2009	Effective Date: Immediate	Responsible Agency: Office of the Comptroller General	Directive No: 502
Chapter: Cash Management			
Directive Title: BANKING ARRANGEMENTS			

1. POLICY

S. 14 of the *Financial Administration Act (FAA)* requires that all public money shall be deposited in a bank account to the credit of the Government. The financial institutions in which these accounts may be maintained have been designated under Regulation 9903 – Designating Banks Regulations of the *FAA*. It is the policy of the Government to establish controls over the set up and maintenance of these accounts to allow for their efficient operation and to prevent their misuse.

2. DIRECTIVE

The responsibility for establishing bank accounts and determining and enforcing the rules for their operation and signing authorities is hereby assigned to the Comptroller General in accordance with delegated authority and the provisions of this directive.

Separation of duties is an important element of internal control. Departments are to establish, to the extent possible, the maximum division of responsibilities throughout the activities carried out in the expenditure and disbursement process.

3. PROVISION

- 3.1. The Comptroller General must approve the establishment of, changes to and closing of, all bank accounts operated by the Government.
- 3.2. Under the authority granted by S. 12(2) of the *FAA*, the Comptroller General shall establish procedures and systems for controlling the operation of bank accounts and all other banking services that affect the disbursement, receipt, deposit, custody and movement of Government funds.
- 3.3. The Minister of Finance is the primary signing authority on all Government bank accounts that form part of the Consolidated Revenue Fund. In the



event that the signature of the Minister of Finance is unable to be placed on a cheque, the cheque may be issued with the signature of the Deputy Minister of Finance.

- 3.4. The Comptroller General may authorize additional signing authorities on all bank accounts that form part of the Consolidated Revenue Fund. This authorization must be in writing.
- 3.5. The Comptroller General shall designate, in writing, signing authorities for all Government bank accounts that do not form part of the Consolidated Revenue Fund.
- 3.6. The Deputy Minister of Finance shall notify the bank of any additions or deletions to the authorized signing officers and provide the bank with a sample of the signature.
- 3.7. When the same person is filling both positions, Comptroller General and Deputy Minister of Finance, the Minister of Finance shall notify the bank in writing, signing authorities for all bank accounts that do not form part of the Consolidated Revenue Fund.
- 3.8. Any signature required under this directive may be a facsimile, provided that the Comptroller General has approved the controls governing its use.