



Issue Date: May 2008	Effective Date: May 20, 2008	Responsible Agency: Comptroller General	Directive No: 913-1
Chapter: Accounting and Control of Revenue			
Directive Title: LOSS OF CASH OR OTHER ASSETS – WRITE-OFF OF LOSS OF PUBLIC ASSETS OR ASSETS HELD IN TRUST			

1. POLICY

Public Assets that are lost, and appear to be non-recoverable, are to be written off and charged to an appropriation of the department that was responsible for custody of the asset.

This directive does not cover the write-off of debts (see Directive 908) or the write-off of inventories (see Directive 704-4). It is also not intended to cover situations where assets are covered by insurance and the loss is by reason of fire, flood, Act of God, etc. These losses should be referred to the Risk Management Section of the Department of Finance.

2. DIRECTIVE

Losses of cash or other assets that are not recoverable must be written off by charging an appropriation in the department who had control of the asset. All write-off of assets must be in accordance with S.24 of the *Financial Administration Act (FAA)*.

Any subsequent recovery of assets that had been written off must be credited to the department that was charged with the loss and be handled in accordance with Directive 909 – Receipt and Deposit of Public Money.

3. PROVISIONS

- 3.1. Any loss due to fraud, embezzlement, misappropriation or theft or due to an offence under Part X of the *FAA* (either suspected or proven) must be dealt with under Directive 913.
- 3.2. Whenever a loss is determined not to be recoverable through insurance or other means, the employee having custody of the asset involved shall inform the Executive Finance Officer(EFO) in the department involved.

3.3. Loss Reports and Requests for Reimbursement

3.3.1. The custodian shall:

- a) prepare a loss report detailing the circumstances of the loss if the loss is an asset; or
- b) prepare a cheque requisition for reimbursement for the loss if the loss is cash.

3.3.2. If the loss of cash is of a minor nature (i.e. under \$5) and is part of a continuing cash over/under situation, then the preparation of a loss report or a request for reimbursement may be delayed until:

- a) a total loss of at least \$10 is incurred; or
- b) three months have passed.

3.3.3. All loss report must be forwarded to the Risk Management Section of Department of Finance and their responsible EFOs. All loss reports over \$20,000 must be forwarded to the Comptroller General and Financial Management Board.

3.4. The EFO described in 3.2 shall investigate the circumstances of the loss and institute procedures to eliminate or minimize future losses.

3.5. Annually, each EFO shall submit to the Office of the Comptroller General a list of all losses detailing amounts, circumstance of each loss, and corrective action undertaken.