

POLICY NAME: Cash Payment	POLICY NUMBER: 1.38	CATEGORY: Administration
RESPONSIBLE EXECUTIVE: Chief Financial Officer	APPROVAL AUTHORITY: Executive Council	EFFECTIVE DATE: August 1, 2020
NEXT FULL REVIEW DATE: July 31, 2021 or amended by FISA	REVISED:	REPLACES:

### **Purpose**

The purpose of this policy is to mitigate the risks associated with accepting cash as payment for tuition and other related fees, goods and services, and to align with anti-money laundering requirements under the *Proceed of Crime (Money Laundering) and Terrorist Financing Act*.

Coquitlam College is committed to detecting and preventing any money laundering activities and to ensuring that it does not become involved in any arrangements involving criminal or terrorist property. To this end, effective Aug 1, 2019 the College ceased to accept cash payments over \$100.00 for any fees, service or goods whatsoever.

In order to fulfil this commitment, the College has established procedures for assessing the risk of financial crime, for internal reporting of suspicious activities and for making suspicious transaction reports to the relevant agencies if necessary.

### **Scope**

This Policy applies to all employees of Coquitlam College Inc.

### **Policy Statements**

The College will ensure that adequate cash handling and record keeping practices are followed. Where risk factors are identified, the College will ensure that the identities of parents, guardians or other persons making cash payments to the School are satisfactorily verified.

### **Procedures**

The College will accept the following types of payment for tuition payments, deposits and related fees:

- Online Bill Payment
- Cheque or Bank Draft
- Interac/Debit Card on site
- Visa/MasterCard on site
- Online Credit Card payments (Visa and MasterCard)
- PayMyTuition for International Students
- GlobalPay for International Students
- Interac e-Transfer
- Cash (Maximum \$100)

The College will accept payment from the following financial institutions:

- The Bank of Montreal (BMO)
- Canadian Imperial Bank of Commerce (CIBC)
- The Bank of Nova Scotia (Scotiabank)
- Royal Bank of Canada (RBC)
- TD Canada Trust (TD)
- All cooperative credit societies, savings and credit unions incorporated under the British Columbia *Credit Union Incorporation Act*
- All banks incorporated, formed, or authorized under the *Bank Act* of Canada

### Receiving Cash Payments

The College will not accept cash payments in excess of \$100.00 from any student, parent or guardian for any purpose. All parents and guardians are encouraged to pay tuition, deposits, and supplemental fees through an alternative payment method such as online banking.

If any employee is offered funds that he or she knows or suspects are criminal property or may represent terrorist finance, or if he or she receives any unusual request to receive or transfer money, it will be reported immediately, in accordance with the Reporting section of this Policy, to Kaylene Donaldson (Reporting Officer) who will, if appropriate, contact the Financial Transactions and Reports Analysis Centre of Canada (“FINTRAC”), police or other relevant agency.

### Refund Procedures

Refunds will be issued only in accordance with the College’s refund policy as stated on our website [www.coquitlamcollege.com](http://www.coquitlamcollege.com)

Cash payments will only be refunded by cheque made payable to the student, parent or guardian of the student. All other refunds will be made to the original form of payment. If for any reason this policy cannot be followed Kaylene Donaldson should be advised and can provide authority to refund to another form of payment.

The College will not provide any refunds whatsoever in cash. If a cash refund is requested for any reason the request will be reported to the Reporting Officer.

### Suspicious Transactions

Employees will evaluate the source of funds that are paid to the College and be alert to unusual patterns of behaviour or activities that may indicate the possibility of money laundering or other terrorist financial crimes. It is not possible to produce an exhaustive list of matters that might give rise to a suspicion of money laundering or other terrorist financial crime. It is therefore important that employees use their own judgement when looking at any business relationship or transaction. Facts, context and money laundering/terrorist financing indicators need to be assessed to determine whether there are reasonable grounds to suspect that the transaction is related to the commission or attempted commission of a money laundering/terrorist financing offence.

The following are some possible money laundering/terrorist financing indicators:

- **Transactions:** The parent, guardian or payer engages in multiple transactions conducted below the reporting threshold within a short time period, makes inquiries that would indicate a desire to avoid reporting, or exhibits knowledge of reporting thresholds
- **Structures:** Payments involving complex or illogical arrangements that make it unclear who is making the payment or appear to be structured to avoid identification or reporting thresholds.
- **Third Parties:** Payment of College fees or involvement of companies, trusts, offshore entities or other third parties will no obvious relationship to the student. The parent, guardian or payer appears to be collaborating with others to avoid client identification or reporting thresholds.
- **Assets:** There are reasons to doubt the ability of a person to have a legitimate source for the funds.
- **Identity:** The parent, guardian or payer has taken steps to hide their identity or is difficult to identify. The parent, guardian or payer uses a post office box or general delivery address where other options are available. There are doubts about the honest, integrity, identity or location of the parent, guardian or payer.
- **Behaviour:** The parent, guardian or payer seems unusually anxious to complete a transaction, is unable to justify why they need to make a payment quickly, requests a cancellation, reversal or refunds of earlier transaction or makes overpayment for no good reason.
- **Documents:** Information or documentation is withheld by the parent, guardian or their representatives or appears falsified. Cash payments are made using old, smelly or extremely dirty bills.

### Reporting

Employees of the College will make a report to the Reporting Officer, as soon as reasonably possible, where they have knowledge or suspicion, or where there are reasonable grounds for having knowledge or suspicion, that another person is engaged in money laundering, or that terrorist property exists (“Suspicious Transaction Report”).

Your report should include as much detail as possible including:

- Full available details of the people, and organizations involved including yourself and other members of staff if relevant.
- Full details of transaction and nature of each person’s involvement in the transaction.
- Suspected type of money laundering activity or use of proceeds of crime with reasons for your suspicion.
- The dates of any transactions, where they were undertaken, how they were undertaken, and the likely amount of money or assets involved.
- Information on any investigation undertaken to date, including whether the suspicions have been discussed with anyone and if so on what basis.
- Whether any aspect of the transaction(s) is outstanding and requires action to progress.
- Any other information that may help the Reporting Officer judge the case for knowledge or suspicion of money laundering and to facilitate any external report.

Once you have reported your suspicions to the Reporting Officer, you will follow any instructions provided. You will not make any further enquiries unless instructed to do so by the Reporting Officer. Any further transactions or activity in respect of the person in question, whether or not it is related to the matter that gave rise to the original suspicion, should be reported to the Reporting Officer as they happen, unless and until the Reporting Officer has confirmed that no report to the FINTRAC is to be made.

The Reporting Officer will consider all Suspicious Transaction Reports and will make an external report to the FINTRAC (who will undertake any necessary investigation) as soon as is practical if he/she considers that there is knowledge, suspicion or reasonable grounds for knowledge or suspicion, that another person is engaged in money laundering, or that terrorist property exists, even if no transaction takes place (“FINTRAC Report”). ALL FINTRAC Reports will comply with FINTRAC reporting requirements.

#### Record Keeping Practices

All Suspicious Transaction Reports will be documented, either on paper or electronically. All enquiries that are made within the College in relation to any Suspicious Transaction Report should also be recorded. The College will keep details of actions taken in respect of Suspicious Transaction Reports, including details of information considered by the Reporting Officer in respect of a Suspicious Transaction Report where no external FINTRAC report is made. The College will also keep a copy of any FINTRAC Reports and associated evidence and documentation.

All information, evidence and reports with respect to Suspicious Transaction Reports, FINTRAC Reports, and identification and verification of individuals will be kept by the College for a minimum of five (5) years.

#### Cash Handling

The College has an established procedure for cash handling as follows:

- Cash received will be counted by two administrative staff members to ensure accuracy of the payment amount prior to a receipt being written and distributed to the payer.
- Cash will be stored in a locked and secure location until the funds are deposited.
- Where possible cash should be deposited daily. When this is not possible and the amounts are minimal, funds will not be held for longer than ten (10) days.
- Collection of cash, deposit preparation and reconciliation duties will be performed by separate individuals to the extent possible, to ensure the safeguarding of cash. At minimum, deposit preparation and reconciliation are to be completed by separate individuals.
- Cash receipts will be reviewed and reconciled to ledger accounts on a timely basis to ensure they have been correctly recorded. Accounting adjustments to ledgers will also be made on a timely basis.
- Cash shortages or other discrepancies should be reported immediately to Dean Tait, Director.

## **Definitions**

Assets: something having value, such as a possession or property, that is owned by a person, business or organization.

Cash Handling: refers to the process of receiving or giving money in a establishment.

Suspicious Transaction: a transaction whether or not made in cash which, to a person acting in good faith. Gives rise to a reasonable ground of suspicion that it may involve the proceeds or crime.

Third Parties: relating to a person or group beside the two primarily involved in a situation.

## **Related Documents**

BC Ministry of Education of Independent Schools

FISA BC

2.1.1 Tuition, Other Fees and Refunds

Appendix A: Suspicious Transaction Report