

15.4 Third Party Demand Payment

Policy Statement

It is the policy of the Province of Nova Scotia to comply with orders for third party demand payments from any payments being made.

Definition

THIRD PARTY DEMAND

A third party demand is a requirement for a vendor's payment to be redirected to a third party in settlement of a court order, Canada Revenue Agency (CRA) debt, or other amounts that are properly authorized.

Policy Objective

The purpose of this policy is to set government-wide standards for the management of third party demands placed upon vendors used by the province.

Application

This policy applies to all those who use the government's SAP system to process accounts payable vendor transactions.

Policy Directives

All official third party demands must be submitted to Operational Accounting. Paperwork required to be submitted includes the court order, Canada Revenue Agency request for payment redirection, or other such demand notices.

Operational Accounting will ensure that the appropriate vendor master files are blocked with instructions for payment redirection included in the text field of the master file, along with a contact name and phone number for further assistance and instruction.

Originating departments must submit copies to Operational Accounting of all invoices that they have entered in SAP for settlement of accounts under third party demands.

All payments issued under these demands will be released by Operational Accounting, and all vendors will be notified in writing or by email remittance notice that their accounts have been settled by payments redirected to third parties.

Accountability

Operational Accounting is responsible for the proper disbursement of funds under demands officially placed by third parties.

Monitoring

Operational Accounting will monitor the policy for performance and effectiveness.

Enquiries

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