



**RICHMOND
CHRISTIAN
SCHOOL**

EST. 1957

POLICY NUMBER AND NAME: 06.01.05 CASH PAYMENT POLICY – VERSION 3.0	RESPONSIBILITY	BOARD	SUPERINTENDENT	SLT
		A	I	D
SECTION: 06 – FINANCE AND ADMINISTRATION	LAST REVISION DATE: OCTOBER 19, 2022			
ADOPTED: SEPTEMBER 21, 2020	REVIEW FREQUENCY: ANNUALLY			

PREAMBLE

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 *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.

Richmond Christian School (to be henceforth known as “The School”) 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.

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

This Policy applies to all employees of Richmond Christian School.

REVIEW HISTORY		
DATE	VERSION	CHANGES
OCTOBER 25, 2021	2.0	
OCTOBER 19, 2022	3.0	POLICY REVIEWED AND ACCEPTED WITH NO MODIFICATIONS

1. POLICY DETAILS

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

2. PROCEDURES

- a. The School will accept the following payment types for tuition payments, deposits, and fees:
 - i. cheque
 - ii. pre-authorized debit
 - iii. credit card
 - iv. wire transfer
 - v. money order or bank draft
 - vi. online banking payment
- b. The School will accept payment from the following financial institutions:
 - i. The Bank of Montreal (BMO)
 - ii. Canadian Imperial Bank of Commerce (CIBC)
 - iii. The Bank of Nova Scotia (Scotiabank)
 - iv. Royal Bank of Canada (RBC)
 - v. TD Canada Trust (TD)
 - vi. All cooperative credit societies, savings and credit unions incorporated under the British Columbia *Credit Union Incorporation Act*
 - vii. All banks incorporated, formed, or authorized under the *Bank Act* of Canada.

3. RECEIVING CASH PAYMENTS

- a. The School will not accept cash payments in excess of \$1,000.00 in a single transaction¹ for any purpose. Additionally, any cash payment in excess of \$1,000.00 will require the School to verify the identity of the individual making the payment and the source of the payment. All parents

¹ For the purposes of this Policy, a single transaction includes multiple payments within a 24-hour period.

and guardians should be encouraged to pay tuition, deposits, and supplemental fees through an alternative payment method such as online banking.

- b. 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 requests to receive or transfer money, it will be reported immediately, in accordance with the Reporting section of this Policy, to the Director of Finance (the “Reporting Officer”) who will, if appropriate, contact the Financial Transactions and Reports Analysis Centre of Canada (“FINTRAC”), police, and/or other relevant agencies.

4. VERIFICATION STEPS

- a. Before entering into any transaction with a person that involves cash payments in excess of \$1,000.00, the School will take reasonable steps to verify and ascertain the identity of that person and the source of the cash.
- b. In the case of individuals, the following information will be collected:
 - i. Full legal name
 - ii. Residential address
 - iii. Date of birth
 - iv. Nature of principal business or occupation
 - v. Contact information
 - vi. Relationship to the student
 - vii. Amount and currency of funds received.
- c. The School will also seek independent verification of identity by requiring the individual to produce the originals of official documents confirming identity. Suitable documents will include (but not limited to):
 - i. passports,
 - ii. driver’s license,
 - iii. birth certificate,
 - iv. health insurance card,
 - v. or other similar records.
- d. An employee of the School will verify the individual’s identity in the physical presence of the individual, while viewing the original identification. When checking such documents, employees will ensure that the documents are current and be alerted to any signs that they might have been forged or stolen. A copy of the identification will be taken, and the date of verification recorded.

- e. The School will also seek to verify the source of the cash. The payer will provide independent confirmation of the full name and address of all financial institutions or other entities through which the payer processed the cash, such as a withdrawal receipt from financial institutions. An employee will record the date on which the money was received by the School from the payer and the date the verification was completed.

5. REFUND PROCEDURES

- a. Cash payments will be refunded by cheque made payable to the parent or guardian of the student. All other refunds will be made to the original form of payment unless otherwise approved by the Director of Finance.
- b. All requests for a refund in cash by credit card, wire transfer, cheque, etc., following a payment will require approval from the Reporting Officer.

6. SUSPICIOUS TRANSACTIONS

- a. Employees will evaluate the source of funds that are paid to the School 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 the matters that might give rise to suspicion of money laundering or other terrorist financial crime. It is therefore important that employees use their own judgment when looking at any business relationship or transaction.
- b. 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.
- c. The following are some possible indicators of money laundering/terrorist financing activities:
 - i. **Transactions:** The parent, guardian, or payor:
 - 1) engages in multiple transactions conducted below the reporting threshold amount within a short time period,
 - 2) makes inquiries that would indicate a desire to avoid reporting of transaction, or
 - 3) exhibits knowledge of reporting threshold amounts.
 - ii. **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.
 - iii. **Third parties:** Payment of school fees or involvement by companies, trusts, off-shore entities or other third parties with no obvious relationship to student. The parent, guardian or payor appears to be collaborating with others to avoid client

identification or reporting thresholds.

- iv. **Assets:** There are reasons to doubt the ability of a person to have a legitimate source for the funds.
- v. **Identity:** The parent, guardian or payor:
 - 1) has taken steps to hide their identity or is difficult to identify.
 - 2) uses a post office box or general delivery address where other options are available.
 - 3) exudes doubts about their honesty, integrity, identity or physical residential location.
- vi. **Behaviour:** The parent, guardian or payor:
 - 1) seem unusually anxious to complete a transaction,
 - 2) is unable to justify why they need to make a payment quickly,
 - 3) requests a cancellation, reversal or refund of earlier transaction,
 - 4) makes overpayment for no good reason.
- vii. **Documents:** Information or documentation is withheld by the parent, guardian or their representative or appears falsified. Cash payments are made using old, smelly or extremely dirty bills.

7. REPORTING

- a. Employees of the School will make a report to the Reporting Officer, as soon as reasonably possible, whenever they have knowledge or suspicion (or whenever 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”).
- b. Your report should include as much detail as possible, including:
 - i. Full available details of the people and organizations involved, including yourself and other members of staff (if relevant).
 - ii. Full details of transaction and nature of each person’s involvement in the transaction.
 - iii. Suspected type of money laundering activity or use of proceeds of crime, with reasons for your suspicion.
 - iv. The dates of any transactions, where they were undertaken, how they were undertaken, and the likely amount of money or assets involved.
 - v. Information on any investigation undertaken to date, including whether the suspicions have been discussed with anyone and, if so, on what basis.

- vi. Whether any aspect of the transaction(s) is outstanding and requires action to proceed.
 - vii. 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.
- c. Once you have reported your suspicions to the Reporting Officer, you will follow any instructions that are provided. You will not make any further enquiries unless instructed to by the Reporting Officer.
- d. Any further transactions or activity in respect to the person in question, whether or not it is related to the matter that gave rise to the original suspicion, must 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.
- e. The Reporting Officer will review all Suspicious Transaction Reports and will make an external report ("FINTRAC Report") to FINTRAC (who will undertake any necessary investigation) as soon as it is practicable, provided that the Reporting Officer determines that there is knowledge or 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 has taken place. All FINTRAC Reports will comply with FINTRAC reporting parameters and requirements.

8. RECORD KEEPING PRACTICES

- a. All Suspicious Transaction Reports will be documented, either on paper or electronically. All enquiries that are made within the School in relation to any Suspicious Transaction Report should also be recorded.
- b. The School will keep details of actions taken in respect to 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 School will also keep a copy of any FINTRAC Reports and associated evidence and documentation.
- c. The School will retain copies of the information the employee obtained regarding the identification and verification of individuals from whom it received cash payments in excess of \$1,000.00, together with details of all transactions, including relevant dates.
- d. All information, evidence and reports with respect to Suspicious Transaction Reports, FINTRAC Reports, and identification and verification of individuals will be kept by the School for a minimum of five years.

9. REVIEW

This Policy will be reviewed and updated as needed, but at least annually.