

Policy code # A-FN-105-001/AG-001

Chapter 39: Recurring Payments for Memberships / Dues / CANEX Credit Plan

Date of Issue:

Revision date: December 10, 2020



INTRODUCTION

1. The purpose of this policy is to outline the types of customer / membership payments (recurring or one-time) and approved methods of payment for all NPP entities.

PAYMENTS TERMS ALLOWED

2. CANEX No Interest Credit Plan - Payment terms may be 12, 24, or 36 months depending on the dollar value of the purchase using the CANEX No Interest Credit Plan and applicable form specific to CANEX. CANEX has their own policy specific to the CANEX No Interest Credit Plan including eligibility. This document can be found on the [CANEX website](#). More details on the accounting and credit validation can be found at [Annex A](#).
3. Within Base/Wing/Reserve Fund, Specialty Interest Activities (SIA), Recreation (programs and facility access), Museums, Mess and Unit Funds, membership terms include one-time payments (making membership payment in full), ongoing recurring memberships with no end date (Mess Dues), and fixed term recurring charges (e.g. gymnastics or golf membership).
4. For recurring payments for a fixed term, there are two options; repayment will be made over the same period as the event (gymnastics membership for the period Jan 20XX to June 20XX), or recovered over a period of time greater than when services are rendered (e.g. golf membership repaid from April 20XX to Jan 20X1 for a golf season between May 20XX to October 20XX).
5. Any request to extend payment terms past 30 days from the end of the service rendered shall be made in writing to the CFO through the NPP Regional Accounting Manager.
6. Due diligence is required by all outlets when extending credit as this becomes a financial pressure to the CFCF since all NPP credit sales are held by the CFCF. For clarity, the entity's share of Consolidated Bank Account (CBA) is advanced the credit sale amount, while the CFCF records the accounts receivable.

RECURRING PAYMENT METHODS ALLOWED

7. Monthly pre-authorized payment options are:
 - a. Regular Force military pay deduction;
 - b. Reserve Force military pay deduction for Units using NPP National Reserve Accounting and Revised Pay System for the Reserves (RPSR);
 - c. payroll deduction for "Staff of the Non-Public Funds, Canadian Forces";
 - d. credit card; or
 - e. direct withdrawal from customer's bank account.

PROCESSING OF PAYMENTS

8. One-time payments for memberships shall be processed directly at the outlet level by the customer initiation.
9. With the exception of payment of Mess Dues which are processed through the military pay system, all recurring membership dues initiated by the customer at the entity/outlet level shall be processed through PROPHET whether they are for a fixed or an ongoing term using the form at [Annex B](#) (Payment Deduction Authorization form for non-CANEX entities.) Once payment has been actioned through PROPHET, the customer account will be credited.

Note: Records of transactions and authorization for DMIL payments must be maintained at the local outlet and all other payment authorization and transaction records shall be maintained by the local NPP Accounting Office.

10. Recurring payments can only be processed as per the Payment Deduction Authorization unless an individual comes into the local NPP accounting office to make a payment directly.
11. Local outlets shall not process recurring payments manually by entering credit card information as this process is prohibited as per the Payment Card Industry (PCI) compliance standards.) More information on PCI Compliance and the use of customer credit cards can be found within the NPP Policy on NPP Credit Card Management.
10. Units shall provide their entities' RPSR destination number to the National Reserve Accounting Office for the recording payment in PROPHET. Details of individual payments are provided to the unit by RPSR through E-Snap report.
11. Details in regards to revenue recognition using a fixed term repayment can be found at [Annex C](#).

[Annex A](#) – CANEX No Interest Credit Plan

[Annex B](#) – Payment Deduction Authorization Form

[Annex C](#) – Revenue Recognition