



Policy

## Cash Advance Policy

Effective Date: January, 2018  
Office: Business Office

### **PURPOSE:**

This policy addresses advancing funds to faculty, staff, or students for University activities.

**REFERENCE DOCUMENTS/  
RELATED INFORMATION:** List  
any other policies or information  
that should be cross referenced.

[Cash Advance Request Form](#)  
[Cash Advance Reconciliation Form](#)  
[Lost Receipt Affidavit Form](#)

### **SCOPE:**

This policy applies to all faculty, staff, and students of the University.

**POLICY HISTORY:** Include any  
information about previous versions  
or whether this replaces an existing  
policy.

Existing Policy

**Policy:**

Advances may be appropriate to further University business under certain circumstances, including:

- Paying for travel (e.g., airfare or pre-paid lodging) for students, staff, and faculty who travel infrequently on University business
- Paying for visitor airfare
- Other University activities as pre-approved

Advances are allowed for faculty, staff, and students. However, it is preferred payment is made directly to the vendor or an individual or department credit card is used for payment. Visitors may not receive a cash advance. Advance requests for foreign expenses must be associated with a foreign event. The University does not allow expense advances for personal reasons.

**Authorizing and Issuing Funds**

Expense advances are authorized by departments and are issued to the individual who will be incurring expenses. Responsibility for the University funds remains with the individual until an accounting is made of expenditures through completion and submission of the Cash Advance Reconciliation Form.

**Amount of Expense Advances**

The amount advanced may not exceed the estimated cash required for the activity. All advances for travel must include supporting documentation detailing the estimated travel expenses.

**Procedures:**

**a. Initiating a Request**

The department initiates a request for an advance using the Cash Advance Form. This form should include the amount being requested, the purpose of the cash advance, and the proper accounting index and account numbers. This form should be properly approved in accordance with the following table:

<b>Amount of Advance Requested</b>	<b>Authorized Approver</b>
Less than \$500.00	Department manager / Department Chair
\$501.00 to \$4,999	Deans / Assistant VPs
Over \$5,000	Vice President

### **b. Timing of Request**

Approved expense advances must be received by the Accounting Department at least 10 working days before the date the funds are needed. If you are traveling internationally, it is recommended that approved expense advances are received by the Accounting Department at least 15-20 working days before the date the funds are needed to allow the recipient time to take the funds and have them converted into the appropriate foreign currency, if needed.

### **c. Delivery of Funds**

For employees, the University will deposit the funds directly to the payee's bank account. Students will be paid via check which can be sent via U.S. mail, delivered by interdepartmental mail, or picked up in the accounting office.

## **Expense Reporting**

### **a. Expense Reporting**

A Cash Advance Reconciliation Form must be submitted to the Accounting Department no later than 30 days after the completion of the activity (e.g., trip) in order to clear advances. Absent exceptional circumstances, expenses submitted more than 30 days after the date of completion may be reported as taxable income to the individual.

Receipts and supporting documentation are required to support the amount of the cash advance used. Required supporting documentation and allowable expenses should be in accordance with the University's travel expense policies (domestic or international, as applicable). Receipts and supporting documentation should be noted in English and converted to US currency, if applicable.

Approved Lost Receipt Affidavit forms are required for missing receipts.

### **b. Returning Unused Funds**

Unused funds, and funds that are no longer needed for the purpose of this advance, must be returned to the University. Any current or former University employee or student in possession of unused funds remains liable for the funds until returned in full to the University. Any employee who fails to return unused funds to the University will be subject to discipline up to and including termination.

If an advance is outstanding more than 30 days past the expected clearing date, the advance may be reported as taxable income to the individual to whom the advance was provided.

Any advance reported as personal income will be expensed to the account specified in the advance request. If the specified account is for a restricted fund, the department responsible for

the restricted account is also responsible for transferring the expense (related to the funds now considered taxable income) to an unrestricted account.

The advance recipient will not be eligible to receive any future advances if the advance was not properly cleared.