

Cash Advances Procedure

Approval Authority: Associate Vice-Principal, Finance

Date Initially Approved: January 12, 2015

Date of Last Revision: February 2017

Date of Commencement: February 2017

Purpose

The purpose of this procedure is to describe the university processes around cash advances.

General Information

Cash advances are available to cover expenditures in excess of \$1,000. A cash advance is a cash payment to an individual to cover future expenditures after all other University payment options have been examined. **Cash advances may only be requested through the University's ERS and must be repaid if a fully authorized claim for expense reimbursement does not follow within 15 days of the return from travel.**

Individuals may request a cash advance for one of the following three situations:

1. **For Travel** - a travel advance is a loan given to a claimant to cover out-of-pocket costs of approved business travel;
2. **Subject Payment Advances** - funds used to pay research subjects (see Payments to Research Study Participants Procedure); and

It is advisable to request a lesser amount than the estimated expenses as any overpayment is considered a debt owing the university and must be repaid.

Claimants may have more than one travel advance as long as they are related to separate expense reports and provided they do not have any overdue cash advances at the time the current request is processed.

Queen's University has a Corporate Travel Card (CTC) which is used for incurred expenditures related to business travel while travelling on behalf of the University. This is the preferred method of payment for full-time employees who travel regularly at Queen's. Refer to the [Corporate Travel Card page](#) on the Strategic Procurement Services website for information on and/ or to apply for a Corporate Travel Card.

Step 1: Requesting a Cash Advance

Who	How
Claimant	Cash advances are available for expenditures in excess of \$1,000. Claimants must determine and justify the amount of the cash advance required. Instructions on how to use the ERS to request a cash advance can be found here: Financial Services - Travel Advance and Expenses .
Approver	The Approver should review the request for cash advance to ensure the request is reasonable and the departmental or unit budget has adequate funds available.
Financial Services	Financial services will review the cash advance request to ensure that the information is accurate and approved. Incomplete requests for a cash advance will be returned to the claimant.

Financial Services strives to process all requests for advances within 5 business days from receipt. Incorrect or incomplete information will delay processing. The banking system may take 2-3 days to settle electronic funds transfer payments.

Step 2: Clearing/Repaying a Cash Advance

Who	How
Claimant	<p>Claimants are responsible to repay Queen's university for all amounts not fully supported by an authorized request for reimbursement.</p> <p>If a cash advance is no longer required (for example, because a trip was cancelled), claimants should immediately return the funds by providing a cheque payable to Queen's University to Financial Services. To ensure the cheque is accurately processed, claimants must fill out a Cash Advance return receipt, have it signed by Financial Services as proof of repayment and submit with the cheque. The Cash Advance Return Receipt can be found: Forms Financial Services</p> <p>If the amount of actual expenses incurred is greater than the original cash advance, claimants should submit their duly authorized request for reimbursement and request reimbursement of expenses incurred in excess of the advance. The ERS system will require that all related expenses are entered and accounted for and then prompt the claimant to apply outstanding advances to the claim.</p> <p>If the amount of actual expenses incurred is less than the original cash advance, claimants must return the unused cash advance amount to Financial Services:</p> <p>Forward a cheque, payable to Queen's University, for the excess amount to the related request for reimbursement. To ensure the cheque is accurately</p>

Who	How
Financial Services	<p>processed, claimants MUST fill out a Cash Advance return receipt, have it signed by Financial Services as proof of repayment and submit with the cheque. The Cash Advance Return Receipt can be found: Forms Financial Services. Failure to include this information may result in inaccurate processing of the payment.</p> <p>Submit related expense claim through the ERS. A copy of the Cash Advance Return Receipt signed by Financial Services should be attached as a receipt to demonstrate that the excess amount was repaid.</p> <p>Expense claims for which advances have been provided will not be processed until the related repayment has been received.</p> <p>Individuals who wish to repay cash advances in cash must submit the cash in person to Financial Services. Under no circumstances should cash be sent via inter-office mail. Claimants should attach the cash advance return receipt to their claim as proof of repayment of the excess advance.</p> <p>Submitted expense claims will be reviewed in accordance with the How to Claim an Expense Reimbursement procedure.</p>

Monitoring and follow up on outstanding cash advances

To provide effective stewardship over university assets, Financial Services monitors outstanding cash advances on a regular basis.

When an expense claim for which an advance has been provided has not been filed within the required 15 day period, Financial Services will send an e-mail to the claimant with a copy to the individual's manager/supervisor requesting the claimant to submit either an expense report or repayment of the advanced funds. **No further travel advances will be provided until the advance in question has been settled.**

Advances that have been outstanding for more than 30 days beyond the travel return date will be escalated to the claimant's Business Officer and any outstanding cash advances will be deducted from other expense claims submitted by the claimant.

Contact Officer:	Associate Director, General Accounting
Amendment Date:	January 2017
Date for Next Review:	May 2022
Related Policies, Procedures and Guidelines:	Travel and Expense Reimbursement Policy Hospitality Policy Procurement Policy Perquisite Policy Procedure – How to Claim an Expense Reimbursement Procedure – Subject Payments