

NIPISSING UNIVERSITY

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Policy Name:	Cash Advance Policy
Responsible Department:	Vice-President, Finance and Administration
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Purpose

The purpose of this policy is to describe Nipissing University's processes concerning cash advances.

A. General Information

A cash advance is a cash payment to an individual to cover future expenses after all other University payment options have been examined. Individuals may request a cash advance for one of the following three situations:

1. **For Travel** – When travelling on University business, it may not always be possible to use credit cards, particularly in remote locations. 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; or
3. **Petty Cash Advances.**

B. Definitions

“Employee(s)” refers to any person, including volunteers, agents, appointees, board members, faculty, staff and organizations eligible for reimbursement under this policy.

C. Policy

An individual may be eligible to receive advance funds for business travel or research participant payments. Once issued, the entire advance is a debt owing to Nipissing University by the claimant until the advance has been fully reconciled with Accounts Payable. **Use of a**

Nipissing University corporate credit card is required unless employee can prove that it is not possible to do so.

Normally, only Nipissing University employees are eligible to receive an advance. Exceptions for students requiring a travel advance may be permitted when a full-time employee sponsors the request, and both the claimant and the sponsoring employee have signed the request. An employee sponsoring an advance request for a student is accepting responsibility for the appropriate reconciliation requirements of the advance. All advances must be approved by a Dean, Director or Vice-President.

Claimants may request more than one travel advance if the advances are related to separate expense reports. No cash advance will be approved until all previous advances have been reconciled.

1. Requesting a Cash Advance

Claimant – Claimants must fill out Request for Cash Advance form for travel expenses or participant payments that cannot be prepaid. The form must be submitted ten or more business days prior to departure or payment date. Claimants must determine and justify the amount of the cash advance required.

[Cash Advance Request Form](#)

Approver – Director, Dean or Vice-President should review the request to ensure it is reasonable and to confirm the departmental budget has sufficient funds.

Accounts Payable - Accounts Payable will review the cash advance request to ensure that the information is accurate and approved. Incomplete requests will be returned to the claimant. Accounts Payable strives to process all requests within five business days from receipt. Incorrect or incomplete information will delay processing. Please note that it may take the banking system two to three days to settle electronic payments.

2. Clearing /Repaying a Cash Advance

Claimants are responsible for reimbursing Nipissing University for all amounts not fully supported by an authorized [Cash Advance Reconciliation report](#).

This reconciliation should be submitted within ten days of **return date or date agreed to by Approver. The report must account for the total of all advance funds received and include all supporting documentation for each expenditure.**

The claimant must return any unused funds to Accounts Receivable in a timely manner where applicable; this is a debt owing to the University. Accounts receivable will

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provide the claimant with a receipt, which should be attached to the Reconciliation as proof of payment. **Additional advances and expense claims are not eligible until all overdue Advance Reconciliations have been received and processed by Accounts Payable.**

Monitoring and follow up on outstanding cash advances:

To provide effective stewardship over University assets, the Finance Department monitors outstanding cash advances on a regular basis. On a monthly basis, the Finance Department will send an e-mail to the claimant with a copy to the approver requesting the claimant submit the reconciliation or repayment of the advanced funds.

Settlement of advances is essential to accurately reflect University expenses. The University's fiscal year ends on April 30, so it is imperative that all advances are settled before then.

The Vice President, Finance and Administration shall review this policy every three years to determine whether amendments are necessary.