

# GEORGETOWN UNIVERSITY



## FINANCIAL AFFAIRS MANUAL

Issuing Department: Administrative Services	Topic: Cash Advances	Policy # <b>FA 174-09</b>	
New √	Revised:	Supersedes Policy #	Effective Date April 22, 2009

### **100.1 POLICY**                      **Use and treatment of approved Cash Advances**

**100.2 APPLICABILITY**      This policy illustrates the use of approved Cash Advances either by University Procurement card or by Special Check

**100.3 STATEMENT**              Advances, with campus Chief Financial Officer approval, can be obtained by an employee prior to conducting University business or during business travel by either their procurement card or by special check.

### **100.4 RESPONSIBILITY**

The responsibility rests with each individual empowered by the University to conduct business or while on official University business travel, to ensure compliance with this and all related policies and procedures. It is the responsibility of departmental managers to enforce the policy within the department and chief financial officers (CFOs) or their designee(s) to enforce within his/her division. The Administrative Services division of Financial Affairs is responsible for the enforcement of the policy within the University. Repeat abuses will be forwarded to Internal Audit for review. Approved cash advances not reconciled timely and /or with missing documentation, are subject to reporting as income to the IRS. The University policy of timely reconciliation is within 30 days after the funds are advanced.

### **100.5 GUIDELINES:**

**Procurement Card** applicants must indicate on their applications if cash advances will be necessary for the cardholder. The respective campus CFO must approve this allowance on the account.

When approved cash advances are received on the procurement card, they must be reconciled timely. All receipts indicating the business purpose must be attached to the monthly departmental reconciliation of each card account. Any funds not spent must be deposited into the appropriate cost center at the Bursar's Office. Failure to account for expenditures from cash advances may result in suspension or closing of the card account. Expenses must be reconciled within fifteen (15) days after the billing cycle they are charged to. Abuses to this allowance if egregious or repetitive will be reported to the Office of Internal Audit.

Advances by **Special Check** are processed through Accounts Payable. The campus CFO must approve the special request form (APY #005) available from Mailing Services. Forms must be received by Accounts Payable before dates of departure to ensure funds are available.

Reconciliation of advanced funds must be submitted to Accounts Payable no later than thirty (30) days after the date of return. Employees with unreconciled advances will be sent reminder letters to comply up to one hundred and twenty (120) days. After this time, the unreported funds will be added as income for the calendar year in compliance with Internal Revenue Service guidelines. Additionally, future requests for advances will likely not be approved by the campus CFO.

**100.6 ENFORCEMENT:** Non compliance with this policy can result in Procurement card suspension and restitution by the employee for undocumented cash. Repeat violations will be sent to the respective CFO and Internal Audit.

**100.7 RESOURCES:** <http://financialaffairs.georgetown.edu>  
Business travel reimbursement: <http://financialaffairs.georgetown.edu>  
Allowable travel costs: <http://financialaffairs.georgetown.edu>  
Petty cash funds: <http://financialaffairs.georgetown.edu>  
Purchasing and Contracts: <http://financialaffairs.georgetown.edu/procure>

**100.8 POLICY APPROVAL:** Manager, Accounts Payable and Associate Vice President, Administrative Services. Additional review by Directors of Accounting Services, Payroll Services and Purchasing and Contracts.

**100.9 POLICY REVIEW CYCLE:** Annually.