

# Cash Advances for Travel

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The University issues cash advances to employees in support of official University business for a very limited number of business activities. Cash advances are restricted and only issued for:

- Employees that will be paying for all or some business-related expenses for a group consisting of two or more students and/or athletes.
- Destinations such that service providers do not honor the University charge/credit cards.
- Cash advances are issued to the employee as an individual, not the department they represent.
- Faculty advisors may not share the cash advance. Faculty advisors are individually responsible for the funds provided.

Cash advances are limited to \$10-15 per day, per person. The University does NOT provide cash advances for airfare. Cash advances are not issued for \$1,000 or less. Employees are responsible for submitting receipts accounting for cash advances within 15-30 days of the conclusion of travel. Also, any unspent cash advance funds must be returned to the University within 15-30 days of the conclusion of travel.

## Non-Compliance

If expenditures are not properly substantiated or any unspent monies are not returned with the 30-day time limit, approvers may choose to reject all, or any portion of the expenses submitted and request that the cash advance be paid back to the University. In these cases, the outstanding amount will be added to the employee's taxable wages and reported on Form W-2.

## Reconciling a Cash Advance

Employees accounting for a cash advance must complete the Cash Advance Reconciliation worksheet to document their expenditures. This must be done within 15-30 days of the return date. The employee's signature is required on the worksheet. Receipts and other support documentation must be attached to this worksheet and submitted to the department preparer for processing. Failure to submit the reconciliation within 15-30 days will be subject to rejection. Failure to submit receipts will cause the expenses to be rejected. If cash advanced expenses are rejected the amount will be reported as taxable income, reportable on the employee's year end Form W-2.

If the cash advance issued is greater than the amount spent, then the employee must refund the appropriate amount back to the University. If the amount spent is greater than the cash advance, appropriate receipts and expense reimbursement requests should be submitted to Chrome River.

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*This policy has been established to provide the circumstances upon which the University will advance cash to employees. This policy establishes the necessary controls, accountability, compliance with applicable federal and state laws, and administrative efficiency. This policy is designed to comply with the accountable plan rules of the Internal Revenue Service (IRS) and the U.S. Treasury Department.*