

OCCIDENTAL COLLEGE CASH ADVANCE POLICY

Last Updated: July 2012

PURPOSE

This policy establishes Occidental College's cash advance policy for payment of Occidental College business expenses.

CASH ADVANCE POLICY

- Only EMPLOYEES of the College may be given a cash advance. A student in the Work-Study Program (i.e. a student worker) is NOT considered an employee eligible for a cash advance. NO cash advances will be given to any student.
- The individual to whom the check will be paid must sign his or her own Cash Advance Request Form. An advance request made on behalf of another employee(s) will not be processed. If the requestor cannot sign the request form due to being physically away from the College, s/he may send an email to the person requesting the cash advance on their behalf to attach to the cash advance request form. The email must include the amount to be requested.
- The person other than the one requesting the cash advance with appropriate signature authority over the fund's budget must approve cash advance requests. If this is an operating budget, the advance requestor's supervisor with appropriate signature authority must approve.
- A Cash Advance Request Form must be used for all cash advance requests. This form must include all pertinent information required on the form such as employee's name, department, fund and organization code numbers, business purpose, and expected clearing date of the cash advance. (See Cash Advance Request Form.)
- Approved cash advance request forms should be submitted to Accounts Payable ("A/P"). Checks will be processed according to A/P's check processing schedule. Requests submitted by noon on Tuesday will be ready by Friday. Please pick up your cash advance check from the A/P office.
- Cash advance requests must be for anticipated expenses over \$100. These expenses should be estimated accurately and completely.
- General Policy:
 - An advance **will not** be given more than 30 days prior to the time the employee has the expense. For example, if an employee will be traveling on June 30th, the advance shall not be given prior to May 30th.
 - Employees adequately account for their expenses within 45 days after the expenses are paid or incurred. For instance, if you travel for college business from June 30th to July 2nd, you should account for these travel expenses, i.e. clear your advance, by August 16th.
- Policy for Airline Travel
 - An advance **will not** be given more than 60 days prior to the airline travel.

NOTE: The Business Office strongly recommends that advances be cleared within 30 days after completion of event. In our experience, we have found that the longer an advance is outstanding, the more likely receipts will be lost, and therefore funds will need to be returned to the College.

- Advances should not be used for department's petty cash needs. If your department requires petty cash, you should request the establishment of a revolving petty cash fund from the Business Office. Refer to the Departmental Petty Cash Policy for more details.
- Clearing a cash advance means submitting an Employee Expense Reimbursement Form (obtained through the Accounts Payable office) with appropriate original expense receipts attached and a Banner Cashiering receipt from the Business Office for any amount left unspent to A/P. Do not return unspent cash to A/P.
- Per IRS regulations, outstanding advances over 60 days from the date expenses are paid or incurred are subject to income tax withholding and payment of social security, Medicare, and FUTA taxes for the first payroll period following the end of the 60 day period. The outstanding advances will be charged to the employee's departmental budget as salary expense accordingly.
- An employee may have only one cash advance outstanding per person and per event. Under an extraordinary circumstance where a second cash advance is needed by the same employee, an approval signature from Controller or Vice President for Finance and Administration is required in addition to employee's department head.

- The College reserves the right to withhold advance privileges from any employee who fails to abide by College policy.
- Employees who utilize a cash advance should note, that by signing the Cash Advance Request form, they understand the amount of the advance will be reported to the IRS on their W-2 as taxable compensation, if the advance is not settled as outlined above.

CONTACT INFORMATION

For questions regarding cash advances, please contact Arlyne Lariosa, Senior Accountant, at x1418.

For status of payment, please call Jane Sia, Accounts Payable Manager, at x2848

OCCIDENTAL COLLEGE
CASH ADVANCE REQUEST FORM

Send completed form to Accounts Payable (AGC Building – lower level)

PRINT NAME: _____ OXY ID _____
 LAST FIRST

DEPARTMENT: _____ EXTENSION: _____

Purpose of Cash
Advance: _____

Check one: Normal course of business _____ Training _____ Recruitment _____

Event Date: _____ Expected Advance Clearing Date: _____

Cash Advance Amount Approved: \$ _____

Charge to FOAPAL: (FUND) _____ -- (ORGN) _____ -- (ACCT) 3328

Employee signature: _____ Date: _____

Dept. head approval signature:

