CASH ADVANCE REQUEST PROCESS

Introduction/Overview

An advance payment is available to eligible travelers for travel expenses when specific circumstances would cause undue financial hardship.

A cash advance must not be used to front payments for travel expenses for employees (e.g., individual airfare) that are accommodated by other university procurement methods. A PCard is the preferred payment tool for an employee traveler to pay for travel-related expenses (excluding airfare which can be prepaid by the university). Visit the PCard Office for an application, policy and resources.

Travelers will need to refer to Travel Policy to understand the criteria and requirements with requesting a cash advance. Upon approval of the spend authorization, a direct deposit payment will be made to the HR bank account for the total amount requested. The Cost Center Manager is responsible for approving all travel cash advances and can make any edits as necessary. Upon submission, a cash advance alert will follow the Spend Authorization throughout the approval process. The Service Center can review the cash advance and can stop payment or request repayment if necessary.

Roles/Intended Audience

All employees. Expense Data Entry Specialist, Cost Center Managers and Service Centers

Process

1) A Spend Authorization is submitted requesting a cash advance for one or more spend authorization lines.

Once a Spend Authorization has an Expense Report posted against it (e.g. airfare or registration prepay on PCard), it cannot be edited and resubmitted to request a cash advance closer to the departure date.

2) A Cost Center Manager recognizes a cash advance has been requested on a Spend Authorization during the approval process by the alert message. Based on the traveler's role at the university, below are allowable scenarios:
    a. Ohio State student traveling on behalf of the university – 100% of the total estimated cost, including airfare, can be advanced.

        Example: Carmen is traveling to District of Columbia (Washington D.C.) for 5 days. Here are her estimated costs:

        Airfare: $100
        Lodging: $360
        Per Diem: $380
        Trip Estimated Total: $840; eligible for 100%
        Every expense line can be checked requesting that amount for the cash advance.

    b. Ohio State faculty or staff leading students – 100% of the total estimated cost minus costs covered by other university methods can be advanced.

        Example: Professor Buckeye is taking a group of students to London, England to study architecture. Here are the estimated costs:

        Airfare: $1200 (not eligible for cash advance)
        Lodging: $1,000
        Per Diem: $300
        Ground Transportation: $100
        Museum admission: $400
        Trip Estimated Total: $3,000; eligible for 100% minus airfare ($1,200) = $1,800 eligible.
        Every expense line (except airfare) can be checked requesting that amount for the cash advance.

    c. Ohio State faculty and staff traveling internationally – 80% of the total estimated cost minus the costs covered by other university methods can be advanced

        Example: Dr. Brutus is traveling internationally to Rome, Italy for 10 days. Here are her estimated costs:

        Airfare: $1,300 (not eligible for cash advance)
        Lodging: $1,200
        Per Diem: $1,620
        Ground Transportation: $45

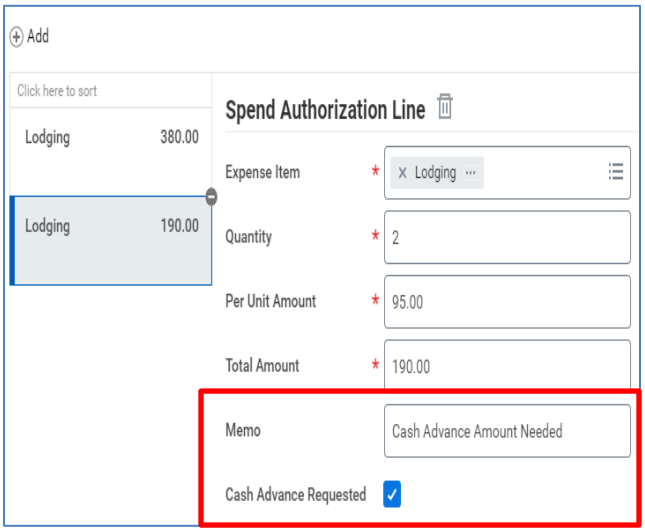
Railway - $200

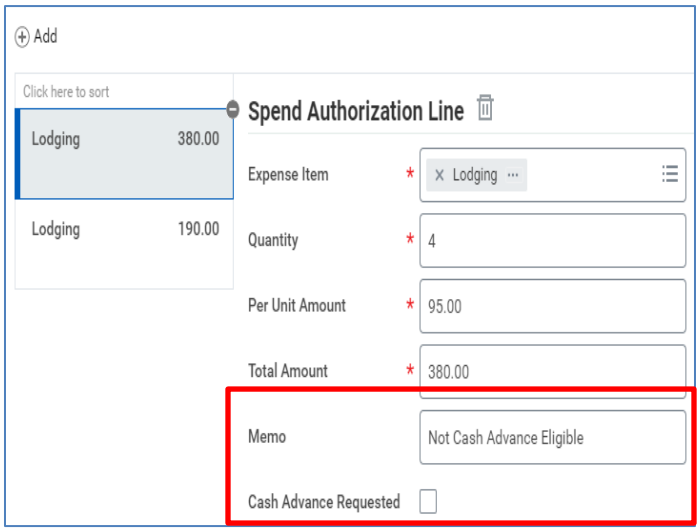
Trip Estimated Total: $4,365 – eligible for 80% minus airfare ($1,300) = $2,452 eligible.

Every expense line (except airfare) can be checked requesting that amount for the cash advance.

The Cost Center Manager is responsible for making sure the correct amount of the cash advance adheres to policy. If not, the Spend Authorization can be sent back for correction or they can directly edit the request. Once they approve the Spend Authorization, no other step is needed to kick off the payment process.

To reduce the requested amount, an additional expense line can be added for the same expense category and the amount can be decreased for the correct cash advance amount.





(If a third-party is paying for the flight, the traveler should just check as many spend authorization lines as possible to get as close to 80% of the estimated costs as possible).

For Spend Authorizations that include the Grant worktag, the process will not be different. The funds requested with the cash advance will be encumbered but will not hit the Grant fund until the Expense Report is approved. For more information on the accounting documentation, contact the Office of Sponsored Programs.

3) The Service Center role will receive a notification in their Workday inbox to review the Spend Authorization and cash advance. The notification will remain visible in the inbox until the submit button is clicked and it is completed. The approval process will not be held up if this To-Do step is not completed.

If the cash advance request is approved in error, Accounts Payable can be contacted to stop the payment if the settlement run is not completed or the traveler can be requested to return the funds.

4) Once the Spend Authorization is approved, the traveler can view the cash advance payment information in the Spend Authorization Details section under the Payment tab.

5) Once the trip is complete, the traveler will enter an Expense Report by documenting each expense and uploading the appropriate receipt. The Expense Report should contain receipts that add up to the total of the cash advance.

Note: Per policy, All cash advances must be reconciled and substantiated within 30 days of completion of the trip by the traveler.

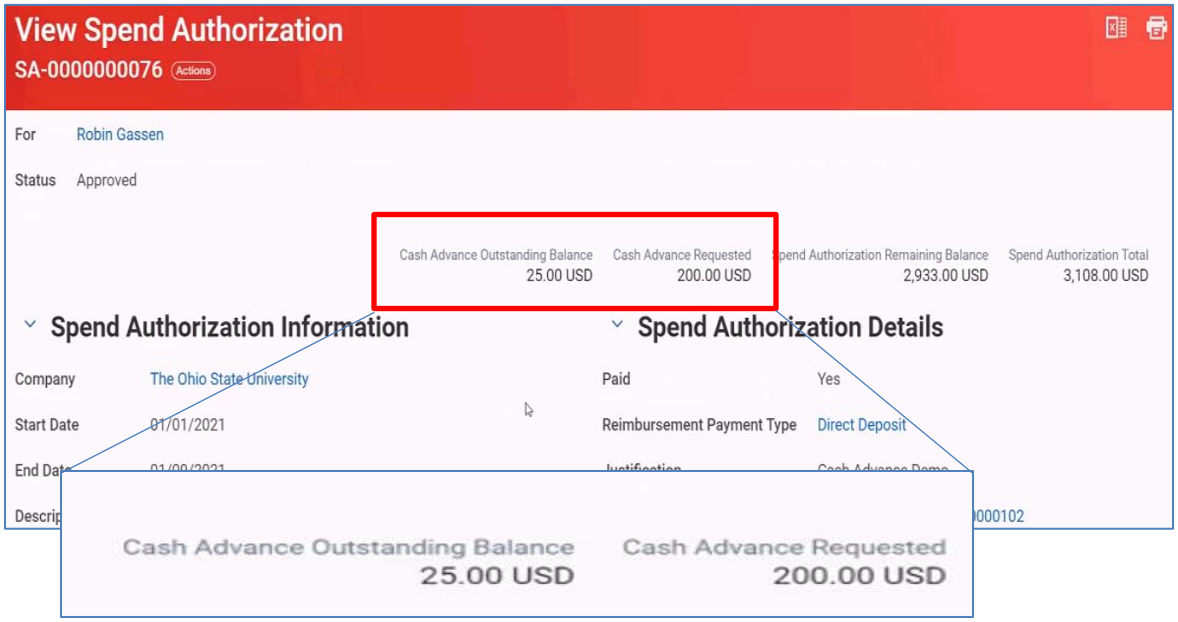
6) During the approval process, the Service Center Representative can see in the header that the traveler is not receiving a reimbursement and the field indicates a zero-dollar amount ($0.00).

There is no indication from the Spend Authorization that there was a cash advance for these expenses other than the reimbursement will be $0. The Service Center will be responsible for managing the reconciliation of cash advances with the use of the "**Find Cash Advances"** report in Workday-see step 8 below for details.

7) If there are left-over unused funds, the Spend Authorization will update that there is a "Cash Advance Outstanding Balance" in the header when the Expense Report is approved. The traveler would be expected to write a check to the university for repayment.

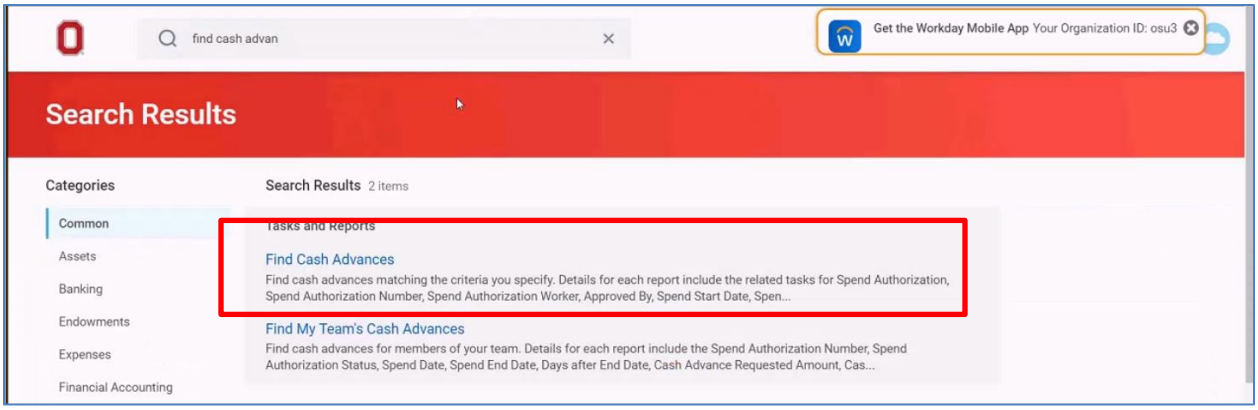
This now becomes a Customer Account process instead of an Expense Process. Those assigned the Customer Payment/Deposit Specialist role and can record cash sales in Workday will initiate the deposit. There is no direct tie-back to the Spend Authorization other than the SA# and traveler's name if entered in the memo field of the deposit.

For example: If a $200 cash advance was given and only $175 Expense Report was approved, the traveler would owe the university $25. The header field in the Spend Authorization titled **"Cash Advance Outstanding Balance"** will be populated with that amount.

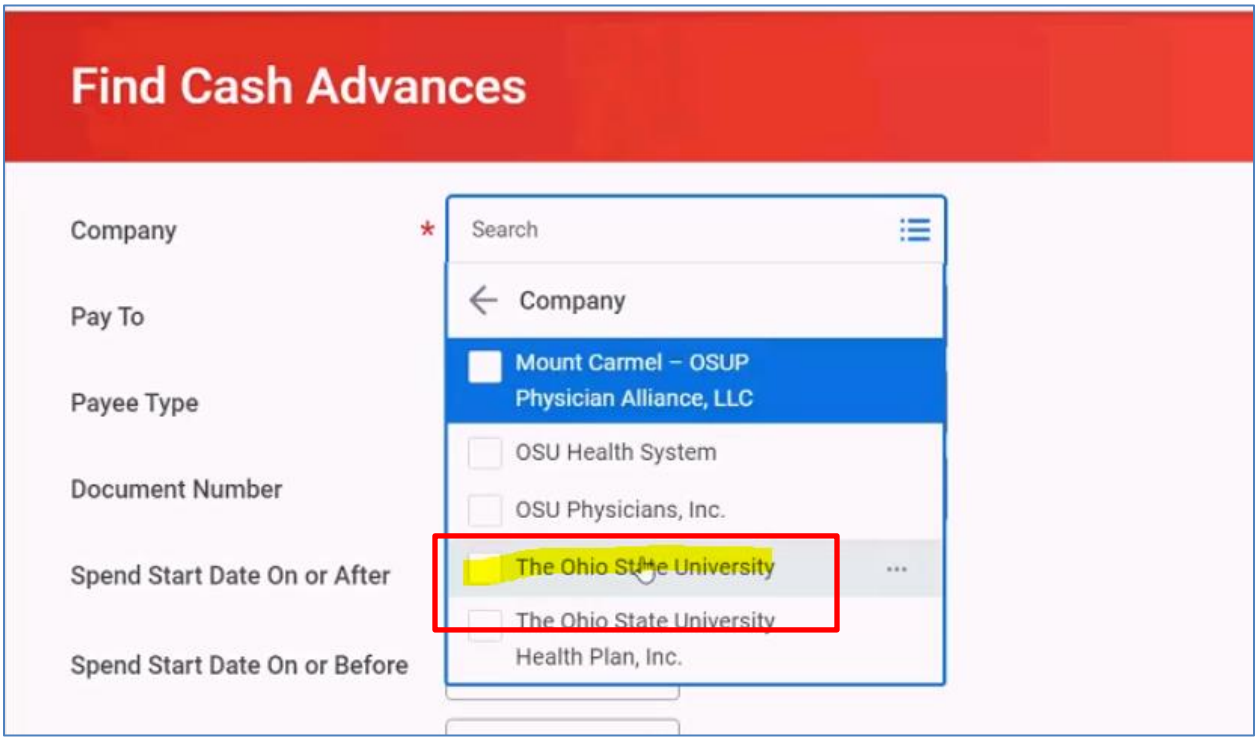


8) Although there is no direct tie-back to the Spend Authorization, the Service Center representative can run the **"Find Cash Advances"** report to see a list of all cash advances and the related outstanding balance. However, the report will not update when a deposit is completed.

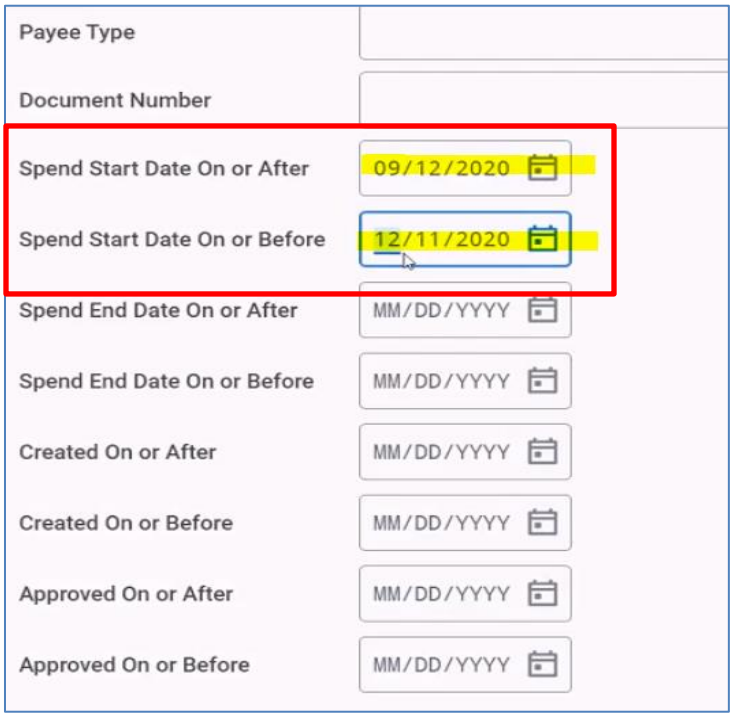
- Type "**Find Cash Advances"** in the search field and hit enter.



- Enter **"The Ohio State University"** for the company field

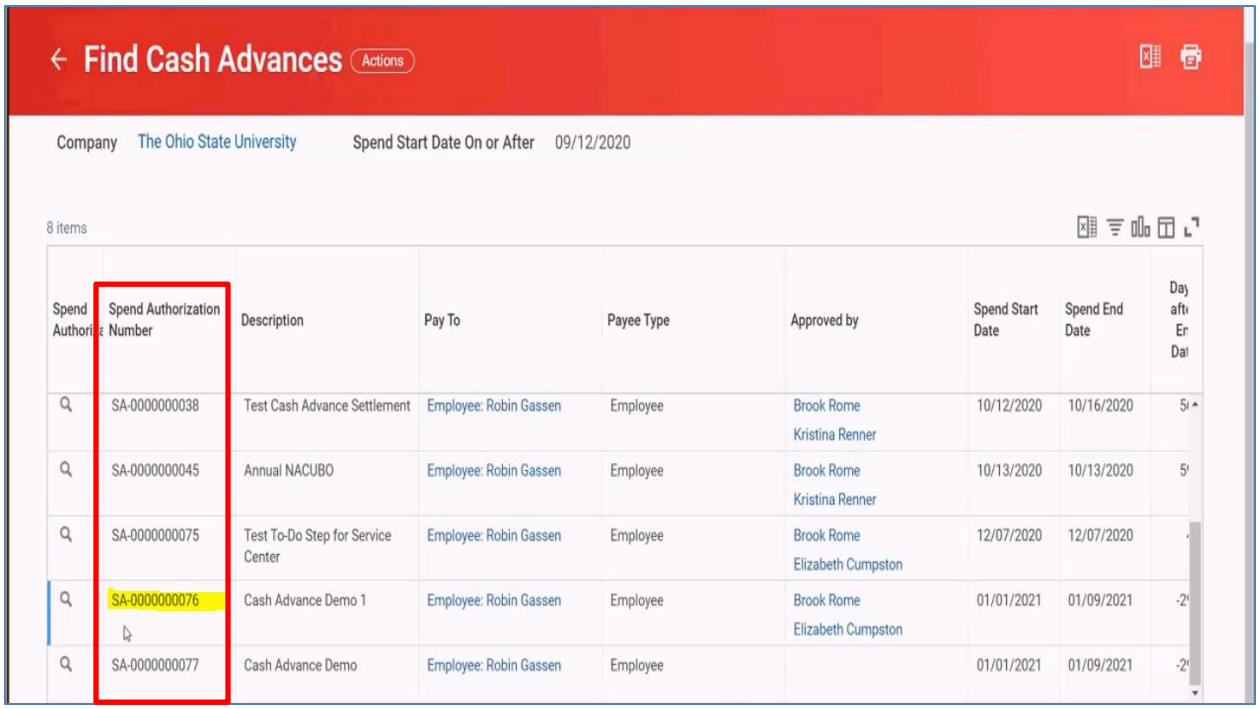


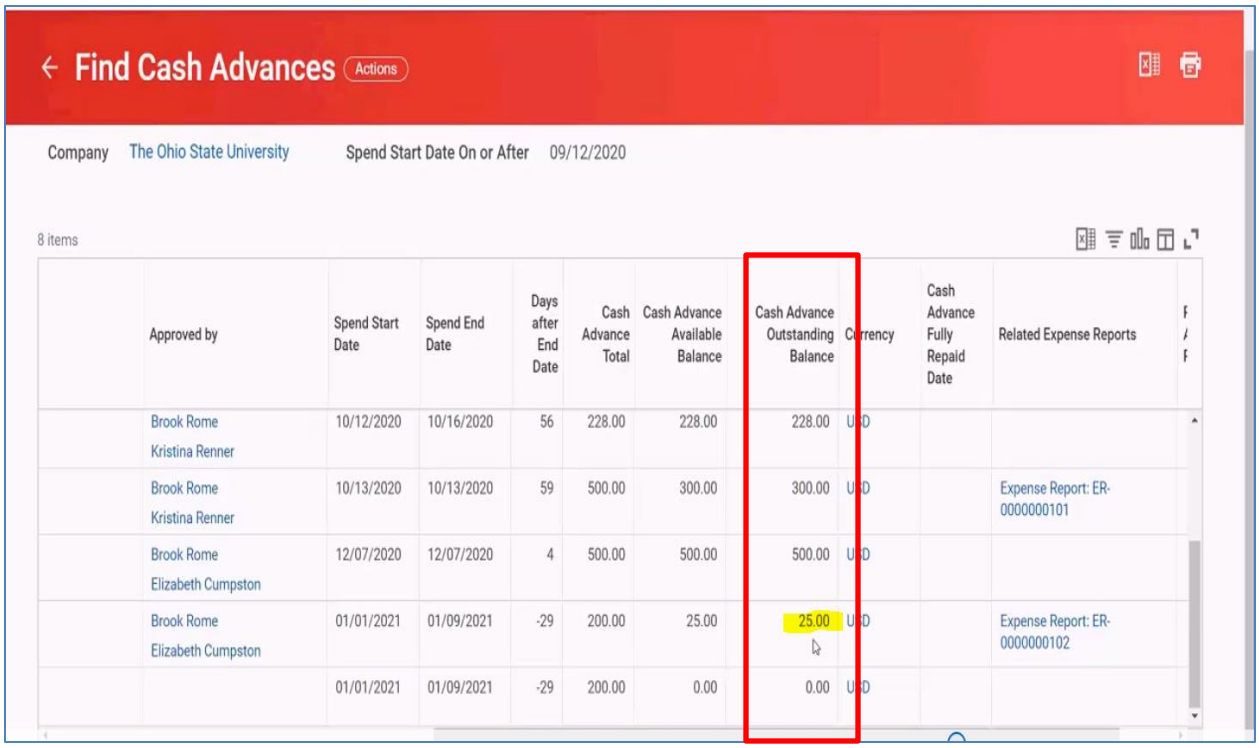
- Enter the Spend Start Dates.



- Click **"OK"** at the bottom of the page to run the report.

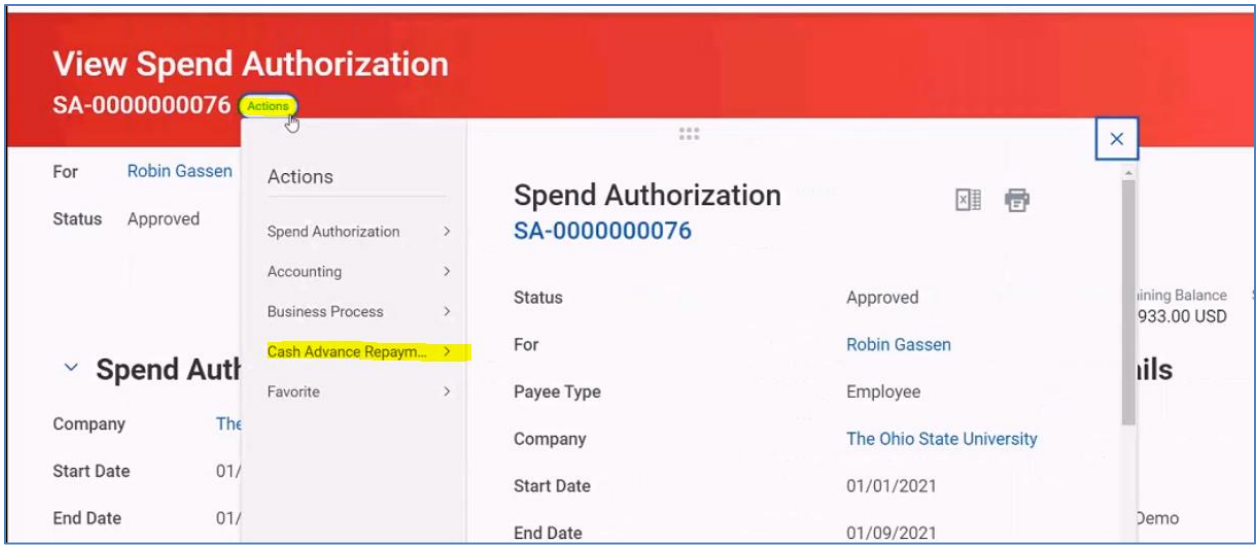
- Find the SA# in the report and review the **Outstanding Balance** column at the far right of the report.

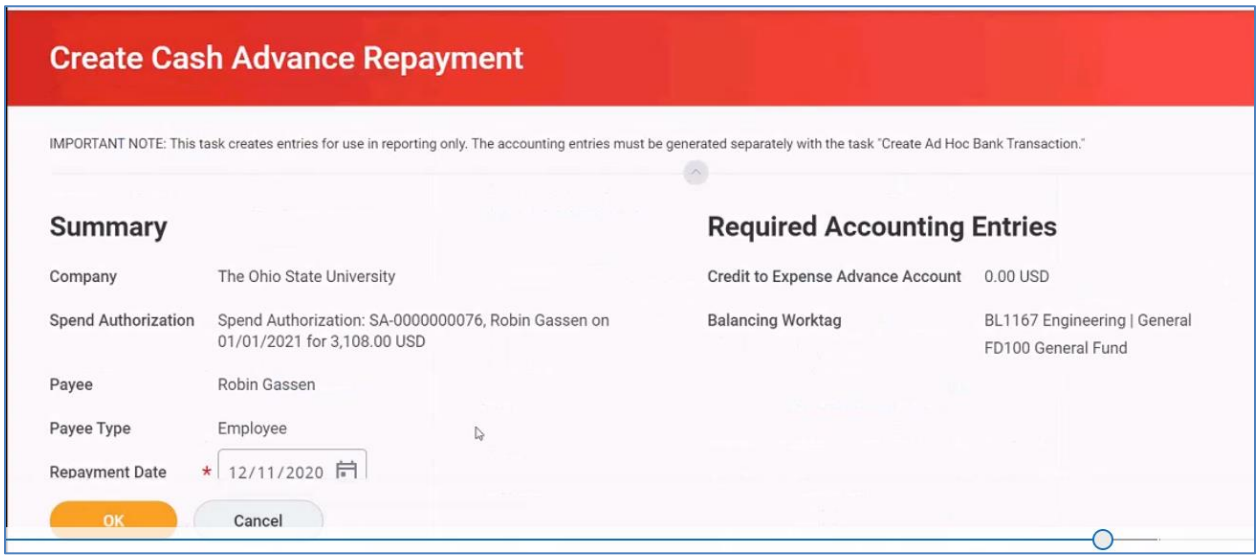




9) When the deposit is complete, the Service Center can relieve the cash advance so the Spend Authorization can be updated. The Expense Advance Repayment Specialist is paired with the service center roles.

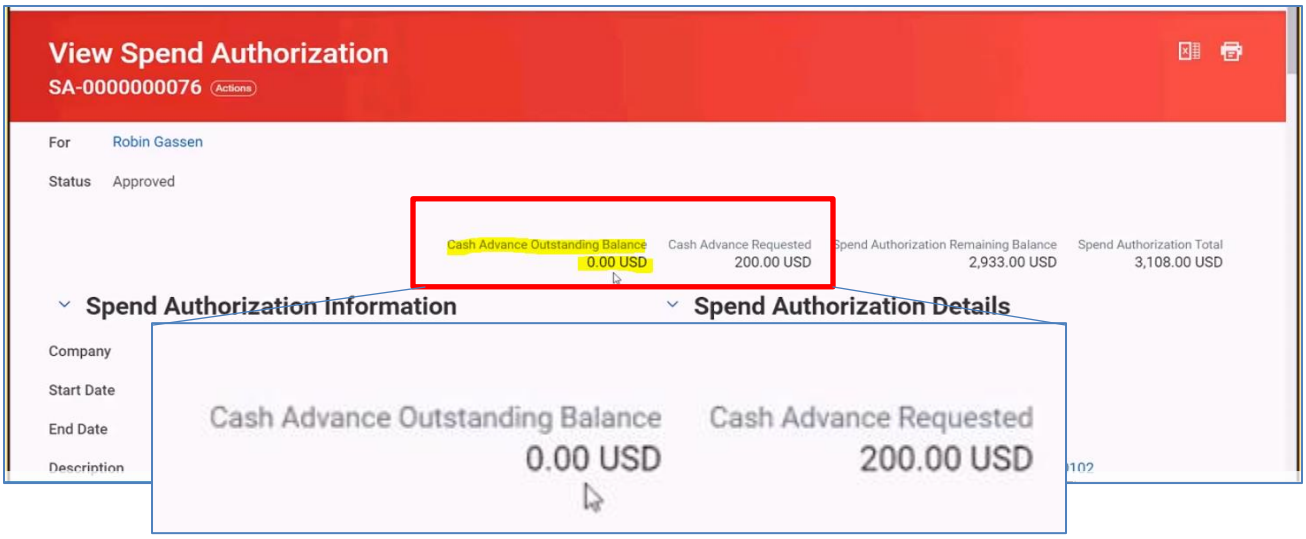
- Right click on the **"Related Action"** button in the first column of the report titled Spend Authorization with the magnifying glass.
- Click on the **"Actions"** button, slide down the menu to **"Cash Advance Repayment"** option and click **"Create".**





- Enter the following information in the required fields:
  - Repayment Date – Today's date
  - Repayment Amount – the amount of the check
  - Currency – USD (US dollar)
  - Payment Reference – Cash Sale Number from the deposit (e.g.: CS - 00000015)
  - Memo – this is an open field for Service Center use
- Click the **"Ok"** button
- Click the **"Done"** button

10) Now if you review the Spend Authorization header, the "Cash Advance Outstanding Balance" is zero.



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