Employee Cash Advance Procedures

Employee cash advances, for non-travel purposes, are typically used for change funds. Employee cash advances can only be requested by permanent employees (OPS employees/graduate students are unable to request Employee Cash Advances). The employee requesting the funds is considered the advance holder. The advance holder is fully responsible for the funds and is required to always keep cash advances safe and secure.

All employee cash advances are subject to audit by the Controller's Office. The amount of cash on hand plus receipts/supporting documentation of funds spent should always equal the total amount of the advance. Advance holders who fail to follow *Employee Cash Advance Procedures*, including returning funds by the advance due date, are subject to payroll deduction for the advance amount.

If an advance holder of a permanent cash advance needs to be changed, please contact Accounts Payable at CTL-AccountsPayable@fsu.edu. If a change of advance holder is needed for a temporary cash advance, closing the existing advance and opening a cash advance in the new advance holder's name would be required.

Types

There are two types of (non-travel) employee cash advances:

1. **Permanent Advance** – used for change funds. These advances do not have an end date. *Change funds* are used to make changes generally for customers who are using cash to purchase a good or service from the university. No expenditures or disbursements can be made from a change fund. As a result, the balance of a change fund will always remain the same.

2. **Temporary Advance** – used for human subject incentive payments and other temporary cash needs. These advances must be closed out within 6 months from the issue date, or 60 days after the sponsored project ends, whichever comes first.
   All human subject incentive payments should be processed using a temporary cash advance. If extenuating circumstances arise that do not allow adequate time to process a cash advance, you must contact your Sponsored Research Grants Accounting Coordinator prior to any funds being disbursed. An approved IRB protocol must be in place to receive a cash advance for human subject incentive payments. Non-resident aliens must be paid through Payroll. They cannot be paid by an employee cash advance.

Two advances per person per funding source are allowed in order to avoid overlap and ease of burden when closing out prior cash advances. Any advances over two must be justified and approved by exception. Contact your SRA Grants Accounting Coordinator for C&G funds or the Controller's office for non-C&G funds to request approval.

Documenting Expenditures

The advance holder is responsible for ensuring that all expenditures from a cash advance are documented appropriately. Receipts/supporting documentation are required for all expenditures, regardless of the amount of the transaction. If advances are used for human subject incentive payments, a log of recipients must be provided. If the recipients are confidential per the IRB protocol, a de-identifiable log must be provided with the PI maintaining the "crosswalk" for the recipients' names in their confidential grant file. The Human Subjects Incentive Payment Log template *Human Subject Log* is available for both identifiable and confidential recipients. If other items are purchased for distribution to subjects, a receipt for the purchase of the items as well as the recipient log is required.

Process for Requesting Employee Cash Advances

Requests for employee advances are processed by Accounts Payable using the OMNI ePRF (Electronic Payment Request Form) system.

To request an employee cash advance, an employee must receive a supplier ID in OMNI (this is different from an employee ID). **This process is only completed the first time an employee receives a non-travel employee advance.** To request a Supplier ID, complete the *Employee Cash Advance Supplier Setup Request Form* and submit electronically. The vendor team in Accounts Payable will notify the department once the employee's supplier ID has been established in OMNI, and then the ePRF process can begin.

Open an Employee Cash Advance

To request a new cash advance, complete the appropriate *Request for Employee Advance Form* (Temporary or Permanent). After completing the form, submit an ePRF and attach the form as supporting documentation.

The ePRF number generated during this process will serve as the Cash Advance ID. Use this ID number for all related transactions and communications.

Once the ePRF is fully approved, a check will be issued to the advance holder. The advance holder will be notified when the check is ready for pickup at the Accounts Payable Office (University Center A, Suite 5607).

For step-by-step guidance, refer to the *How to Open an ePRF Cash Advance* job aid.

Replenish an Employee Cash Advance

During the life of a cash advance, the advance holder may replenish funds that have been spent to restore the advance to its original balance. When requesting an advance, employees should consider how easily funds can be replenished.

All expenditures must be supported with documentation and attached to the ePRF. For step-by-step instructions, refer to the *How to Replenish an ePRF Cash Advance* job aid.

Partial Replenish/Close of an Employee Cash Advance

If an advance holder needs to replenish only a portion of expended funds, they may complete a partial replenishment or partial closure of the advance. Any unreplenished funds will be deducted from the total outstanding cash advance balance.

An advance holder may also submit supporting documentation for expended funds without requesting reimbursement. In this case, the cash advance can be partially closed (see FAQ for an example).

All supporting documentation for expenditures must be attached to the ePRF. For step-by-step guidance, refer to the *How to Reduce and Partially Close an ePRF Cash Advance* job aid.

Close an Employee Cash Advance

Once all funds have been expended and no replenishment is needed, or the advance has expired, the advance holder must close the cash advance.

If funds remain, the advance holder must complete a *Departmental Deposit Form* using either the Permanent Advance (168300) or Temporary Advance (168400) account code. Do not use expense (7XXXXX) or revenue (6XXXXX) account codes to return unspent funds.

The completed deposit form and payment may be placed in the drop box outside the Office of Student Finance at A1500 University Center. If drop-off is not possible, mail the payment to:

Florida State University Auxiliary Accounts Receivable
P.O. Box 3062397
Tallahassee, FL 32306-2397

For additional guidance on submitting an ePRF for cash advances, refer to the Employee Cash Advance resources on the Controller’s Office website.

FAQs

1. **Do cash advances encumber on a budget?**

   No. Cash advances do not encumber funds on a budget, so departments must account for the outstanding cash on their reconciliation. Cash advances can be viewed on the Departmental Ledger in BI under "Other Assets."

2. **Can I turn in unused gift cards I purchased on a cash advance?**

   No. The Controller's Office cannot accept gift cards to close out a cash advance. If the PI has future human subject incentive payments to make, a new cash advance can be opened to "buy" the unused gift cards.

   For example, if a PI opens a cash advance for $500 and has $100 remaining in gift cards at closeout, the PI can return supporting documentation for the $400 disbursed and $100 cash to the Controller's Office. Then, open a new cash advance for >$100 and disburse the gift cards as part of the second cash advance. The original $500 receipt for the purchase of the gift cards will need to be included with supporting documentation for both cash advances, and the amount applied to each cash advance should be noted.

3. **What types of payments does the university accept to close out employee advances?**

   Cash, check, or money order

4. **What account code do I use when I return unspent funds to the Controller's Office?**

   - 168300 – permanent advances or 168400 – temporary advances
   - Expense (7XXXXX) or Revenue (6XXXXX) account codes should NEVER be used for unspent funds.

5. **What account code do I use when turning in receipts for a cash advance?**

   The expense (7XXXXX) account code that most closely associates with the purpose of the cash advance should be used. For example, 740355 is for human subject participant incentive payments.

6. **What if I don't have enough time to request a cash advance for my human subject incentive payments?**

Contact your SRA Grants Accounting Coordinator immediately. Repeated failure to follow the cash advance procedures for incentive payments may result in payments being denied and/or the employee not being reimbursed.

7. How do I determine how much cash I need to request?

The amount of cash requested should be reasonable based on the timeline for disbursing funds. For example, if you plan to disburse $1,000 per month for 6 months, you don't necessarily need $6,000. The first month can be replenished after it is disbursed to reuse for future disbursements. Generally, the cash should not exceed your immediate need for disbursement (30-60 days).

8. Can I request an extension on my cash advance?

On rare occasions, a cash advance may be considered for an extension. The Advance Holder must have a detailed plan for how the remaining funds will be spent within 30 days of the expiration date for an extension to be considered. Contact your SRA Grants Accounting Coordinator for C&G funds or the Controller's office for non-C&G funds to request an extension.

9. How often should I turn in receipts for my cash advance?

Cash advances should be reconciled monthly, with funds either being replenished or the cash advance partially closed if additional funds are not needed.

10. What does it mean to partially replenish/close a cash advance?

If an Advance Holder has disbursed a $500 cash advance and they only want to replenish $300 for their remaining payments, they can partially replenish/close the advance. In this example, $300.00 would be partially replenished. The $200.00 would be partially closed on a separate voucher. [See "How to Partially Close an ePRF Cash Advance" job aid]. After these vouchers have gone through, the overall advance balance would be reduced from $500.00 to $300.00.

11. Can a cash advance check be made payable to a supplier? (e.g., Target, Walmart)

Yes, in cases where a check payable directly to the supplier is needed (ex. Target Gift Cards) a cash advance check can be made payable to the Omni Supplier. Refer to the How to Open a Cash Advance to a Supplier job aid for more information.

Please note that the third-party check must be signed and picked up by the advance holder only.

12. Can a cash advance be mailed?

No, every cash advance requires "special handling" when inputting the ePRF to state the name and phone number of the custodian. The assigned advance holder or designee will be called by Accounts Payable when the check is ready, and the custodian must sign and pick up the check in person in the Accounts Payable office (University Center A; Suite 5607.