

SECTION: Finance	
TOPIC: Accountable Advance Procedure	
EFFECTIVE DATE: March 15, 1990	REPLACES:
RECONFIRMED DATE:	
REVISION DATE: October 17, 1991 May 20, 1993 November 14, 2013	ARCHIVED:
Original signed by President + CEO 	

INTENT:

As a publicly funded institution, the Alberta College of Design + Art (the “College”) is accountable for the prudent and effective stewardship of College funds. While employees are encouraged to use College issued procurement cards for expenses in the normal course of operating, the College recognizes it may need to provide an advance loan to an employee to be used in the execution of business. The purpose of this procedure is to document the principles and guidelines to providing these loans to employees.

DEFINITION:

Accountable Advance means a loan provided to a person in the employ of the College to be used for expenses incurred in the execution of approved business.

SCOPE:

This Procedure applies to all Accountable Advances issued by the College. All accountable advances are repayable in full upon completion of College business.

PRINCIPLES:

- All applications for advances must be approved by the applicant’s authorized signing authority. Applications must be submitted using the *Request for Accountable Advance Form* and if associated with travel or professional development must attach a copy of the associated approved travel authority/ professional development form.
- Finance evaluates the request for all accountable advances and upon approval signs off on the application and begins processing. Finance ensures the employee is correctly set up and processes the payment to the employee who will be responsible for the funds.

Finance ensures if an employee will be leaving the employ of the company any accountable advance has been retrieved, reconciled and balanced. The remaining portion of any advance is deducted from the applicant’s final pay.
- Typically an advance is used when an employee requires an advance for a specific business need, such as a business trip. A trip advance must be discharged upon return from the trip

by submitting an expense claim and any unspent balance of the advance returned immediately upon completion.

Where possible, employees are encouraged to use departmental P Cards for expenses relating to other business transactions or process costs using the Expense Claim procedure.

4. A trip advance will normally consist of daily per diems, meal per diems, and taxi or shuttle per diems. It is expected other charges such as airfares, hotels, conference or convention fees, or hospitality costs will be charged to departmental P Cards.

Employees are encouraged to use departmental P Cards for prepaid amounts such as airfare, hotel, convention, or conference fees. In the case of hotels, arrangements can be made to pay for room charges with a departmental P Card or by Purchase Order. A trip advance shall not exceed the net approved cost of the trip.

5. Advances proposed for other business transactions will require review on a case by case basis and are subject to the final approval of the Director of Financial Operations. Amounts in excess of employee's semi-monthly pay will not normally be approved.
6. Where expenses are incurred but not expressly authorized by the approved travel authority, the employee's Expenditure Officer shall determine if the expense falls within the intent of the travel authority and the amount of any application to the Accountable Advance. Where maximum amounts are set within the Travel Procedure the amounts will not be increased. Amounts determined to fall outside of the approved travel authority will not be applied to the accountable advance.

PROCEDURES:

1. Applicant completes a Request for Accountable Advance form.
2. Obtain signing authority approval and signature on Request for Accountable Advance form.
3. Expenditure Officer ensures the amount requested is reasonable and consistent with this procedure. The signing authority confirms the travel authority has been approved prior to signing the Request for Accountable Advance form.
4. Send completed, signed, and approved application to Finance.
5. Obtain Director of Financial Operations approval and signature on Request for Accountable Advance form.
6. At the conclusion of the trip, the applicant completes an expense claim for the expenses and submits a cheque for the difference between the accountable advance and the expense claim if applicable. The expense claim form is approved by the signing authority and forwarded to Finance for processing.
7. Where an advance has been granted for other business transactions, the applicant also completes an expense claim for the expenses and submits a cheque for the difference between the accountable advance and the expense claim if applicable.
8. Financial Operations will monitor outstanding advances.
9. Advance reconciliations must be submitted within 30 days of the conclusion of the trip or business transaction.



REFERENCES:

Purchasing Procedure 200.03.03

Travel and Expense Procedure 200.05.01

Hosting and Related Business Expense Procedure 200.20.01