



CalPolyPomona

Philanthropic
Foundation

POLICIES AND PROCEDURES

Subject: Advances/Non-Receipted

Policy No. 304

Date: 07/2019

GENERAL INFORMATION

The Accounts Payable Dept. processes authorized requests for advance payment submitted on a Disbursement Voucher with the description “advance payment” and a brief explanation of the purpose for the advance and how the expenditure benefits the educational mission of the University or Foundation.

For the use of Public Relations Expenditure refer to 301 Public Relations Expenditures.

All expenditures must be supported with the original receipt(s) once the funds have been used.

REQUESTING ADVANCE PAYMENT

The Disbursement Voucher form is required to process payment for Advances. The form should be signed by the authorized signer and be charged to object code 1130 (Advances/Non-Receipted) with the description “advance payment” filled in and a brief explanation of the purpose for the advance.

Amounts in excess of \$3,000 require two (2) signatures from the authorized signer or their supervisor (or their designees) for restricted Campus and Scholarship programs.

Advance payment for services cannot be issued without a completed [Vendor Data Record](#) form on file.

The amount of the advance should be a close estimate of the cost of the planned expense. The requester is to obtain exact pricing and/or quotes from the vendor specifying the vendor's name and address on the support documentation.

Accounts Payable processes advance payments within 5 to 7 working days after receiving the request for payment. All checks will be mailed unless it is specified on the disbursement

voucher that it is to be held for pickup. Once the requester is notified that a check is ready, it will be held for pickup for two working days, after which time it will be mailed to the address on the check.

CLEARING ADVANCE PAYMENT

Within seven (7) working days after the event or purchase, the requester must immediately submit the original receipt(s) for the amount spent (for public relation type expenses provide a list of attendees if applicable). Any unused amount must be deposited with the Foundation Cashier. The deposit will credit the original project charged, using object code 1130 (Advances/Non-Receipted). The Cashier will give a copy of the cash receipt issued for the deposit to the Accounts Payable Dept.

If the amount of the advance was less than the actual expense, the requester must submit the original receipt(s) showing the amount paid in advance and the balance due, along with an original Disbursement Voucher with original signature approval(s).

Accounts Payable will process payment of the balance due to the vendor, or reimbursement to a campus employee for the amount in excess of the advance paid out-of-pocket.

Additional advance requests may be withheld if previous advances have not been cleared or have not been cleared in a timely manner.

RECORDING AND RECONCILING ADVANCES

Each month the Accounts Payable Department processes Journal Entries to clear Advances/Non-Receipted and to expense purchases to the appropriate object code once the original receipts are received.

An account analysis spreadsheet is maintained and updated monthly for all outstanding advances. Each month the Accounts Payable Department reconciles Advances/Non-Receipted report to the GL balance (1130) of each project.

Departments should review their monthly reports to ensure that the advances are expensed to correct object codes and the amounts are correct. Departments are responsible for identifying any errors and notifying the Accounts Payable Dept. to initiate corrective action.

FOLLOW-UP OF OUTSTANDING ADVANCES

After an advance check is issued, an email reminder will be sent to the Disbursement Voucher originator, indicating the date the receipts must be submitted to clear the advance. If receipts have not been submitted within seven (7) working days after the event or purchase, a second e-mail reminder will be sent to the disbursement voucher originator with a carbon copy to their immediate supervisor and the General Business Manager, with Second Request indicated on it.

The General Business Manager will review open items monthly and determine additional action to be taken in consultation with the Chief Financial Officer.

For grant accounts, the Grants Manager will also be informed of any outstanding advances that are not clearing in a timely manner.