Advances for Business Trips

Wherever possible, hotel bills, travel tickets and other costs associated with trips and conferences should be requisitioned through the SIPR system in advance of the date of travel. This then allows the University to arrange payment directly with the supplier minimising the need for staff to personally fund and reclaim the expenditure.

The University can, if necessary, provide an advance to a member of staff travelling on business. The process for this is outlined below.

The advance should be limited to the amount of actual anticipated expenditure.

Money advanced is taken out at the employee’s own risk. No liability for loss or theft falls upon the University. Insurance advice can be obtained from Financial Services if required. The amount of cash carried should therefore be minimised and staff are advised that once reaching their destination they should make use of safety deposit facilities in banks, hotels etc. if available.

Authorisation Levels

<table>
<thead>
<tr>
<th>Value of Advance</th>
<th>Authorisation Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;£500</td>
<td>Budget Holder/Faculty Accountant or nominee</td>
</tr>
<tr>
<td>£500 - £1,000</td>
<td>Budget Holder/Faculty Accountant or nominee and central finance</td>
</tr>
<tr>
<td>£1,000</td>
<td>Budget Holder/Faculty Finance Manager or Dean and central finance</td>
</tr>
</tbody>
</table>

Requesting a Travel Advance

Advance <£500

Where an advance of less than £500 is required by an individual travelling on University business an “Advance Request & Risk Assessment Form” should be completed, signed and sent to the faculty finance office. The faculty finance office will then access the request, obtain authority from the account budget holder and if there are any issues discuss these with the originator until resolved. At that point a manual Travel & Subsistence [T&S] form for travel or Authority for Payment [AP] form for non-travel will be completed by the faculty finance office.

If the originator has chosen for the advance to be paid directly into their bank account then the authorised T&S or AP form will be send to payroll for processing. If the originator has chosen for the advance to be paid in cash then once the paperwork is authorised they will be contacted and asked to come to the faculty finance office and collect the top copy of the paperwork. This can then be taken to the cash office in the Ziff building and the cash collected.

In signing an “Advance Request & Risk Assessment Form” employees authorise the University to recover any un-cleared advances by deduction from salary six weeks after the agreed return date.

The Faculty Finance Office should ensure that all advances previously made to the individual have been repaid and that the request for the new advance is justified.
To allow adequate time to process the claim the forms should be sent to the Faculty Finance Office at least ten working days prior to the money being needed.

**Advance >£500**

Where an advance of more than £500 is required by an individual travelling on University business an “Advance Request & Risk Assessment Form” should be completed, signed and sent to the faculty finance office. The faculty finance office will then access the request, obtain authority from the account budget holder and if there are any issues discuss these with the originator until resolved. At that point a manual Travel & Subsistence [T&S] form for travel or Authority for Payment [AP] form for non-travel will be completed.

If the originator has chosen for the advance to be paid directly into their bank account then the authorised form will be send to payroll for processing. If the originator has chosen for the advance to be paid in cash then approval from central finance will be sought before processing the paperwork. Once emailed approval from central finance has been received and the paperwork authorised the originator will be contacted and asked to come to the faculty finance office and collect the top copy of the paperwork. This can then be taken to the cash office in the Ziff building and the cash collected.

In signing an “Advance Request & Risk Assessment Form” employees authorise the University to recover any un-cleared advances by deduction from salary six weeks after the agreed return date.

The Faculty Finance Office should ensure that all advances previously made to the individual have been repaid and that the request for the new advance is justified.

To allow adequate time to process the claim the forms should be sent to the Faculty Finance Office at least ten working days prior to the money being needed.

**Approval of Travel Advances at Faculty Level**

The Faculty Accountant or nominee is responsible for checking that:

1. the costs of the advance are justified & any risks are understood by the originator and processes are put in place to minimise the risk;
2. the form has been signed by the claimant;
3. authorisation has been obtained by the budget holder and where necessary, the Head of School or Dean of Faculty;
4. the claimant has no previous advance still outstanding (see ‘Monitoring of Travel Advances at Faculty Level’ below).
5. If the advance is >£500 the approval has been received from central finance
6. the nominated budget has the funds available.

**Monitoring of Travel Advances at Faculty Level**

A copy of each advance request [Travel & Subsistence form or Authority for Payment form along with the “Request for Advance and Risk Assessment and any other related emails/papers] should be filed in the Faculty Office as ‘Outstanding’.

On receipt of a new advance request the Faculty Accountant or nominee should check the file to ensure that the individual requesting the advance does not already have an outstanding advance.
No further advances can be made while an advance is outstanding unless prior agreement has been reached with the Dean of Faculty/Head of School.

To ensure that all advances are completed and accurately recorded and that the advances are repaid promptly, each month the Faculty Finance Office should undertake a reconciliation between the travel advances posted on SAP and the Advance Requests held on file. Any discrepancies and/or outstanding balances should be investigated and resolved immediately. This reconciliation should be reviewed by the Faculty Accountant and signed and dated as evidence of this.

**Running the Monthly Travel Advances SAP Report:**

Access SAP.

In top left hand box enter the transaction code: Y_DEV_60000006

This will bring up the initial screen for the report ‘PCtr: cost element report: Selection’

Fill in the initial screen as follows:

**Fiscal Year:** Current financial year (i.e. for 2007/08 put 2008)

**From Period:** First month of interest (e.g. August =1, July =12)

**To Period:** Last month of interest (e.g. August =1, July =12)

**Version:** 0 (plan actual version)

**Profit Centre Group:** CO-FA-ESSL (will detail all advances posted to a School or Area within ESSL);

**Or value(s):** 55040 (Travel Advances g/l code)

Run the report by clicking on the clock on the left hand side of the lower tool bar.

Against the g/l code 55040, highlight the value in the ‘Actual’ column and double click.

In the ‘Select report’ box that appears, highlight ‘Actual Line Items’ and click on the green arrow.

This will bring up the screen ‘Profit Centre:Actual Line Items’ which details all the individual transactions on a line by line basis. Further detail of an individual item can be obtained by double clicking on the value.

Click on ‘List’ on the main toolbar and select print to print a hard copy of the report.

This report should be used as the basis for the reconciliation detailed below.
**Undertaking the Monthly Reconciliation**

Using the SAP report detailed above and the file of Travel approval Forms:

1. Each item on the SAP report should be agreed to an advance papers held on file. The report should be annotated to show this.
2. Each advance request held on file should be agreed, by reviewing the report, as entered on SAP. The SAP reference document number should be written on the advance request.
3. Any items on the SAP report for which there is no advance request should be immediately investigated and an advance request & supporting paperwork obtained.
4. Any advance request for which no SAP entry is apparent should be investigated and resolved to ensure that the correct account is being charged in a timely manner.
5. Any advances still outstanding six weeks after the anticipated return travel date should be investigated and repayment sought.
6. Any discrepancies between an advance and the repayment should be investigated and resolved as appropriate.

All discrepancies and investigations should be clearly documented on the face of the reconciliation.

The reconciliation should be reviewed by the Faculty Accountant and signed and dated as evidence of this. The reconciliation should be filed on the front of the ‘Travel Approval Forms’ file and retained for 6 years.

**Completion/Processing of Final Claim on Return from Travel**

Receipts, invoices or vouchers should be obtained for all expenditure undertaken whilst on business. Where this is not possible, a signature should be obtained from the recipient or an explanation provided of the reason for the expense. The University reserves the right to reject the refund application where receipts are not provided and it is considered that the claim is unjustified or unreasonable. All the circumstances will be taken into account.

Within six weeks of the return from the trip or incurring the expenditure (or three weeks of the financial year end, 31st July), **individual claimants** should complete either a ‘Travel or Subsistence – Overseas claim’ form or a ‘Travel and Subsistence – UK claim’ form in the normal way. The value of the advance should be deducted from the total re-claimed on the Travel and Subsistence Expenses Form by providing details of the advance in the appropriate box ‘Deduct Advance Previously Received’. **The expenditure, as detailed on the travel and subsistence form, should always be charged to the same account against which the advance was made.**

Where traveller’s cheques or foreign currency have been returned to the cash office, this should be noted on the face of the travel and subsistence form and the cash office receipt referenced and attached to the form.

The expenditure receipts should be referenced and attached to the travel and subsistence claim form which should be submitted, with the claimants retained copy of the associated Advance Request attached.

The ‘Travel and Subsistence’ form plus receipts should then be sent to the faculty finance office for.
The faculty finance office will carry out the necessary checks, obtain authorisation and send the top copy to Payroll for processing. Any reimbursement or repayment due will be processed through the individual's salary.

The Faculty copy of the Advance Request should be removed from the ‘Outstanding Advances’ file and attached to the Faculty copy of the Travel and Subsistence claim form. These should be retained for 3 complete tax years.

Currency Conversion

Reimbursement of expense payments to staff will always be in sterling. The rate of exchange to be used will be the rate as stated at [http://www.leeds.ac.uk/finance/index.html](http://www.leeds.ac.uk/finance/index.html)