

SAVANNAH STATE UNIVERSITY

TRAVEL CASH ADVANCE

Policy & Procedures (Effective 6/1/2008)

Introduction

Savannah State University encourages the use of personal credit for employee travel and is committed to timely employee reimbursement of expenses incurred on official university travel provided that the submission of the employee travel expense statement is timely, accurate, and complete. However, recognizing the burden this may put on some employees cash travel advances will be provided for official employee travel with proper approval by the immediate supervisor and budget unit head. The purpose of travel advances is to minimize the financial burden on employees while traveling on behalf of the state. This objective can be accomplished either by the issuance of corporate charge cards or by cash advances to the employees (BOR Procedure 4.9.2). Due to the inherent limitations on control of corporate charge cards, which are subject to state spending provisions, Savannah State University encourages the use of personal credit when it does not put a financial burden on the employee. When a travel reimbursement request is appropriately submitted, the Department of Fiscal Affairs will issue a check within *15 business days*.

Policy

Travel regulations, as developed and approved by the Board of Regents (BOR), are published and distributed periodically to various operating units as part of its Business Procedures Manual, Volume 3A, and constitute the office Policy of the Board governing travel by University System employees (BR Minutes, 1980-81, pp. 55-59).

The Business Procedures Manual of the BOR, as a general provision, authorizes the payment of travel advances to employees of all state agencies, commissions, and authorities according to OCGA 45-7-25 and 47-7-26.

The designated personnel within the Division of Fiscal Affairs are authorized to advance state funds to employees traveling on behalf of the state. Funds may be advanced for anticipated subsistence (meals and lodging), and other transportation cost that are reimbursable under these travel regulations (see BOR Business Procedures manual for detail). The amount of the Travel Cash Advance will be based on the approved Authorization to Travel form. Travel advances should be limited to per diem for meals and any anticipated authorized reimbursement of miscellaneous business expenses. When possible, checks should be issued directly to the hotel/motel for accommodations. Travel advances are not required by state law or by these regulations, but are left to the discretion of each institution (BOR Procedure 4.9.4). Therefore, the Division of Fiscal Affairs will adjust any travel advance request that does not follow this policy as outlined.

Procedure

Advances are not provided for expenses (such as registration fees) that can be charged on a University direct billing (paid by University check), credit plan, P-Card, or corporate card. Departments are encouraged to book air travel with the Purchasing Office via the P-Card. Advances are not to be provided more than 3 working days prior to the beginning of the trip without written justification or in certain situations, and are subject to the guidelines outlined below.

Prerequisite to Travel Cash Advance: Travel Authority Request Form

Employee completes this form and submits to his/her supervisor for approval with necessary attached documentation (i.e. travel itinerary, anticipated lodging, etc...). The supervisor approves or disapproves the form. If the supervisor approves the form, the form is then forwarded to Budget Unit Head for approval, if supervisor is not the Budget Unit Head. Otherwise, the form is forwarded to either the Business Office or to Title III dependent upon the funding source identified. Once the Authorization to travel form has all externally required signatures, the form is received in the Business Office (the Division of Fiscal Affairs) for processing. For authorization to travel forms requiring flight reservation, a copy of the form is forwarded to the Purchasing/Procurement Office. The original copy of the Authorization to Travel with all the required signatures and approvals is returned to the employee.

Note: If foreign travel is involved, additional approval is required by the Office of the President.

Receiving a Travel Advance

Travel advances must be requested using the Travel Cash Advance Authorization Form. The form is available on the Fiscal Affairs website at <http://www.savannahstate.edu/fiscal-affairs/comptroller-forms.shtml>. The form must be completed and signed by the employee traveling and submitted to the immediate supervisor and the department budget unit head for approval.

Travel advances cannot be made for items that are prepaid or billed directly to the University. Travel advance request must be submitted in sufficient time to allow the Office of Fiscal Affairs 7-10 business days to process the request.

The Internal Revenue Service (IRS) requires that the expense must be incurred within 30 days of the issuance of the advance. The University has elected to issue travel cash advances to employees no more than 3 working days in advance of the travel departure date and is expected to be used only for the approved trip and related expenses within the 30 days time frame stipulated by the IRS. For continuous travel (consecutive trips), the

travel cash advance may be issued for each trip prior to departure to the first trip of the continuous travel.

When the employee picks up his/her travel cash advance, the employee must, in the presence of Fiscal Affairs staff, sign the Travel Cash Advance Authorization form verifying the receipt of the travel cash advance (BOR Procedure 4.9.5). The employee must also sign or have a signed Travel Cash Advance Policy & Procedure agreement on file with the Department of Fiscal Affairs. This agreement stipulates that the employee receiving the advance has received, reviewed, and understands all Travel policy and procedure, travel cash advance policy and procedure, and agrees to abide by all written rules, regulations, and policies of the Board of Regents (BOR), the University System of Georgia (USG), the State of Georgia, and the Internal Revenue Service (IRS) regarding travel cash advances.

All employees are fully responsible for funds advanced to them and shall account for the funds in accordance with the statewide travel regulations. Employees are liable for any advanced funds that are lost or stolen (BOR Procedure 4.9.7).

Repaying a Travel Advance

Travel advances must be repaid no more than 30 calendar days after the completion of the travel, except in certain situations (i.e. when multiple advances have been received for continuous travel or consecutive travel – in which case, the 30 day time period starts upon the completion of the ending travel date of the last trip).

In the event of cancellation or indefinite postponement of authorized travel, any cash advances made shall be refunded immediately.

Failure to Repay

Employees that do not adhere to the 30 calendar day repayment requirement will receive notification from the Comptroller's Office stating such and collection action will commence. (The approving official will be copied on the email notification.)

For Advances not cleared or the expenses unsubstantiated within 30 days of the return date of the trip, the Comptroller, with information received from the Accounts Payable Supervisor, will approve and authorize on behalf of the University the deduction of the amount of the advance not cleared or substantiated from the employee's pay check. Further, once payroll deduction has been initiated, no payments will be accepted in the Bursar's Office to prevent the possibility of double payment. **If payroll deduction is required for a traveler, no future travel advances will be granted.** The employee will have to use personal credit or funds to pay for the travel and get reimbursed from the University after the travel documentation is substantiated.

A report of those individuals requiring payroll deduction for repayment will be provided promptly to the respective Vice President for their information, and to University Legal

Counsel for legal prosecution. Again, violation of the Travel Cash Advance Policy is subject to progressive discipline action for willful violation of written rules, regulations or policies.

House Bill 1113, effective 5/14/2008, clearly states, “It shall be unlawful for any person to use any travel advance received from public funds, for nongovernmental purposes or to submit or approve, knowingly or through willful and wanton neglect, a fraudulent request to the state for reimbursement of expenses.” It is, thus, assumed that failure on the part of the employee to clear or substantiate a travel cash advance within the allotted 30 day clearance period denotes that all or a portion of the funds advanced were used for inappropriate, nongovernmental purposes.

The penalties for misuse and/or failed clearance of a travel cash advance are as follows:

- Misdemeanor of a high and aggravated nature for amounts less than \$500 punishable by no more than 12 months imprisonment and a fine not to exceed \$5000.
- Felony prosecution for aggregate amounts of \$500 or greater punishable by no more than 20 years imprisonment and a fine not to exceed \$50,000 or triple the amount of such unlawful expenditures, which ever is greater.
- Subject to immediate termination of state employment and shall owe restitution equal to the amount of such misappropriated travel advances or fraudulent reimbursements, plus interest to be assessed at a rate of 12 percent per annum to be calculated from the date each misappropriated travel advance or fraudulent reimbursement payment was made.

Reimbursement of Over Expenditure

When the actual travel expenditures reported on the travel expense statement exceed the amount of the cash advance, the employee shall be reimbursed for the additional travel costs incurred.

Department Budget Unit Heads

It is the responsibility of the department heads or authorized delegates to review and approve the reimbursement of over expenditures to ensure that the requested amount is reasonable and expended properly.

Note: Negligence on the part of approvers will subject the approver and reviewers to the same penalties previously mentioned in this document.