

## Processing of Non-Travel Advances and Recording in FAMIS

The purpose of a non-travel advance is to facilitate the procurement of goods when the purchase order or Procurement processes will not suffice. Every effort will be made to avoid the issuance of a non-travel advance.

1. To initiate the Non-Travel Advance process, an employee must submit a properly completed and approved electronic purchase requisition and Travel/Non-Travel Advance Request forms to the Purchasing Office. The department manager must sign and acknowledge that he/she will be responsible for ensuring that all cash and receipts are submitted within five (5) working days of expenditure. The responsible person must acknowledge he/she will expend the funds only for official purposes, that he/she will submit all cash/receipts immediately upon return to work and that he/she understands he/she is personally liable for the funds.
2. To be eligible for a non-travel advance, the purchase must meet the following conditions:
  - a. Vendor will not accept a purchase order nor a Procurement Card and an alternate vendor that accepts the Procurement Card cannot be found, or
  - b. The department does not yet have a Procurement Card (but has applied for one) or Purchase is not allowed with the Procurement Card
3. In Purchasing, the buyer processing the requisition verifies whether the eligibility criteria are met for the non-travel advance. The back-up person is the Purchasing Agent. The turnaround time for the non-travel advance is 24 hours to 3 days (same as processing time purchasing limits):
  - a). The Purchasing Office will verify whether the vendor will accept a purchase order or a Procurement Card; The department manager must sign and acknowledge that he/she will be responsible for ensuring that all cash and receipts are submitted within five (5) working days of expenditure. The responsible person must acknowledge he/she will expend the funds only for official purposes, that he/she will submit all cash/receipts immediately upon return to work and that he/she understands he/she is personally liable for the funds.
  - b). The Purchasing Office will verify that the department does not have a Procurement Card (but has applied for one).

If the two criteria are not met (the vendor accepts a purchase order and Procurement Card and department has a Procurement Card), the buyer issues the Purchase Order to the vendor and notifies the department that the non-travel advance will not be processed. (The back-up person for this process is the Purchasing Agent.)

If the criteria are met (vendor will not accept a purchase order nor a Procurement Card—and department has a Procurement Card), the Manager of Procurement approves the non-travel advance request and forwards it to the Vice President for Business Affairs for review and approval. Copies of supporting documentation accompanying the NTA are maintained by Purchasing in the purchase order file.

4. The Vice President for Business Affairs reviews and approves all requests for non-travel advances and forwards to Treasury Services Offices to check for clearance of outstanding advances and invoice set-up.
5. The Senior Staff Accountant in Cash Management (backup is Sr. Staff Accountant in Accounts Receivable) verifies that the employee requesting the advance has cleared all

prior advances before processing request. If a prior advance is outstanding, the department is notified via e-mail that it must be cleared before the new advance request is processed.

6. If department does not clear outstanding advance within five business days of notification by Treasury Services, the NTA is not approved and the Sr. Staff Accountant in Cash Management (backup is Sr. Staff Accountant in Accounts Receivable) will return the forms to Procurement Services for cancellation of purchase order.
7. If no outstanding NTA exists, the Senior Staff Accountant in the Cash Management Section will approve the NTA and prepares a check request form debiting clearing account 0-30004-1312 (backup is Sr. Staff Accountant in Accounts Receivable). Form is forwarded to Manager of Treasury Services for approval.
8. The approved NTA is forwarded to the Accounting Assistant in Treasury Services (back up is Staff Accountant) to initiate the recording of the advance in FAMIS. The Accounting Assistant will set up the invoice by crediting 0-30004-1312 (the clearing account) and setting up the receivable in 0-30004-1300. (Account Control 1300 is the system maintained account control for accounts receivable). The NTA receivable (invoice) will be set up in the requestor's name with a due date set at ten (10) days after the check date. All NTA invoices will be set up with a sequential number and begin with the letter N. A log of the invoice numbers is maintained in the accounts receivable section by the Accounting Assistant (backup is Staff Accountant).
9. Copies of supporting documentation is filed by invoice number and maintained by the Accounting Assistant (backup is Staff Accountant).
10. Accounts receivable forwards NTA request to the Data Entry Supervisor for FAMIS vouchering and check processing (backups are the data entry clerks). The entry is posted against the NTA clearing account #0-30004-1312.
11. Once the check is printed, the responsible person signs for the check at the Cashier's window of Treasury Services.
12. The responsible person makes the purchase.
13. Any residual cash from the advanced is turned in and receipted at the Cashier's window. Unexpended cash will be receipted to the "N" prefix Accounts Receivable invoice related to the purchase.
14. The responsible person then prepares, signs, and submits a purchase voucher and turns in all original expense receipts and cashier's receipt (if applicable) with copy of Non Travel Advance form and Purchase Order to the receptionist of the Procurement Services. The receptionist logs and records in FAMIS the document as an incoming receipt/invoice and forwards to the A/P clerks for processing.
15. The accounts payable clerk verifies expenditures, codes, and creates voucher in FAMIS, with PVAMU as the alternate vendor and the requesting person or vendor as the primary vendor (this will result in the check being made payable to PVAMU to offset the receivable account). The expense will be posted against the designated departmental account and the purchase order liquidated.
16. The accounts payable clerk forwards copies of receipts and voucher screen print to Cash Management when check has processed.
17. The check will be deposited to "N" prefix Accounts Receivable invoice related to this purchase in order to clear the advance.
18. If the original expense receipts for this purchase exceed the advance amount, a check is cut payable to the individual for this difference. The expense is posted to FAMIS expense account.

19. Should the original expense receipts be less than the advance amount and any residual cash is not deposited at the Cashier's Window when alternate vendor voucher form is processed, the Manager of Treasury Services will draft a notification to the individual and route it through the Vice President for Business Affairs with a copy to the responsible person's department manager. This notification will require that the advance be cleared within five (5) working days.
20. The Senior Staff Accountant in Treasury Services reconciles account #0-30004 on a monthly basis to ensure that all advances issued have been properly coded and billed through FAMIS. The reconciliation is reviewed and approved by the Manager of Treasury Services.
21. The penalties for failing to clear non-travel advances within the required ten (10) business days are as follows:
  - a. Employee is no longer eligible to receive advances until prior advances are cleared.
  - b. Employee's department is no longer eligible to receive advances until prior advances of employee are cleared.
  - c. Employee's travel reimbursement checks will be held until the prior advances are cleared.