

## 1. Objective

This document sets out the procedures for handling cash advancement to users. The procedures described below helps ensure that cash advancement is only allowed under special circumstances and supporting documents for cash advancement can be received timely in order to minimize the risk of cash misappropriation.

## 2. Operating Procedures

2.1 Users may request a cash advancement, initially without the support of original invoices/receipts, by raising a Request for Reimbursement (RR) to FO for the following cases:

- a) trip and related expenses;
- b) honorarium/service fee;
- c) purchases on COD terms; or
- d) as a one-off petty cash float to meet expenses incidental to the organization of activities such as an exhibition or a ceremony.

2.2 The responsible FO colleague will perform budget clearance on the relevant RR after making sure that the RR has been properly authorized by the budget controller.

2.3 After the budget clearance of the relevant RR has been completed, the responsible FO colleague will raise a Cash Advancement Reply Slip (**Appendix A**) and assign a Cash Advancement Log No. to it for the relevant RR. A due date for returning the original documents will be set at one month from the event end date. The event end date may mean the end date of a trip, the date when the honorarium is paid, the date when the goods are delivered or the date when an activity ends. For example, if the trip ends on the 15<sup>th</sup> of April, the due date is the 14<sup>th</sup> of May. Users may request a longer period for returning the original invoices/receipts by providing justifications, e.g. due to leave/other commitment of the user.

2.4 When the cheque/cash is ready, FO will dispatch the cheque/cash together with the Cash Advancement Reply Slip to users. Users need to collect original invoices/receipts from suppliers when making payments, and have to deposit unused cash, if any, into the University's bank account.