

EX.020.202 – RECONCILING CASH ADVANCES

Purpose	• To identify the purpose of reconciling cash advances. • To identify how employees apply a cash advance to an expense report. • To identify how an employee can return a cash advance that was not used. • To identify which process updates expense tables to indicate that cash advances are reconciled against corresponding expense reports. • To reconcile a cash advance.
Description	The Advance Reconciliation process should be run to update expense tables to indicate that cash advances are reconciled against corresponding expense reports. By reconciling cash advances, the institution should be correctly reimbursing an employee for the right amount. When an employee uses a cash advance for business purposes and submits an expense report, the advance offsets some or all the expenses the employee submits on the expense report. If cash advances are not reconciled, the institution may incorrectly reimburse more than the expense that the employee incurred. When employees prepare expense reports, they designate the associated Cash Advance ID from a link on the Expense Report Entry page. The Apply Cash Advance(s) link opens a page where they select one or more cash advance IDs to apply the entire amount or a portion of a cash advance to their expense reports. The selected cash advance items become part of the expense report calculations that determine how much to reimburse the employees. To reconcile the cash advance to an expense report, the expense report must be already approved and paid (if applicable). Expenses tracks the remaining balance due to the organization and identifies on the Reconcile Cash Advance Report page the Expense Report IDs that employees applied the cash advance amounts to. If an employee received a cash advance but did not take the planned business trip or did not use the entire portion of the cash advance, the employee can write a personal check to the institution to offset the balance due to the organization. Expense

	Administrators enter payments received from employees on the Reconcile Cash Advance Report page. To reconcile a cash advance, the cash advance must have a status of 'Paid,' and the total due to the company is greater than \$0. When reconciling a cash advance, Expenses changes the status to Reconciled.
Security Role	BOR_EX_CASH_ADV_ADMIN, BOR_EX_PROCESSING
Dependencies/Constraints	None
Additional Information	None

Procedure

Below are step-by-step instructions on how to reconcile a cash advance.

For this topic, reconcile Cash Advance 0000000009. The employee only used \$560 of the \$1,000 advance. He has provided you with a check for \$440 to make up the difference. Let us see how to reconcile and then post the liabilities.

Step	Action
1.	Click the NavBar icon.
2.	Click the Menu link.
3.	Click the Travel and Expenses link.
4.	Click the Manage Accounting link.
5.	Click the Reconcile Cash Advance link.
6.	Click the Search button. The system navigates to the Reconcile Cash Advance Report page.
7.	Compare the cash advance against a submitted expense report to correctly reimburse the employee.
8.	Click an entry in the Advance ID column for the cash advance to reconcile.

Step	Action
9.	Verify the Accounting Date field automatically populates with today's date. The Accounting Date is the date the accounting entries associated with the Cash Advance will be generated in the Post Liabilities Application engine. Expense Administrators can manually update this date if the liabilities need to reflect a different date.
10.	Determine if the cash advance is associated with an expense report. Then follow one of the options below: Option 1: Associated with an Expense Report: the Associated Expense Reports section displays the Report ID, Creation Date, Report Status, and Amount Applied. To reconcile the cash advance, the expense report must be in the Paid status. Option 2: Not Associated with an Expense Report: the Expense Administrator can still reconcile the Cash Advance. This might occur if an employee received a Cash Advance but did not take the planned business trip or did not use all of the cash advance. In such a case, the Cash Advance can be reconciled by the employee writing a personal check to the institution for the total displayed in the Due Company field.
11.	Enter check numbers and check amounts when the employee submit checks for unused Cash Advance funds. If there is more than one check payment, the additional check information can be added by adding additional rows. Enter "Check 2075" in the Number field.
12.	Enter " 440 " in the Amount field.
13.	Click the Update Totals button.
14.	Click the Reconcile button. Note: The Reconcile button validates that the amounts in the Applied to Expense Reports and Payments Received fields equals the amount in the Advance Amount field. If these amounts are not equal, an error message displays. If the amounts are equal, the Cash Advance status is set to Reconciled.

Step	Action
15.	Decision: Select from the options listed below: - Exit Reconcile Cash Advances Go to step Error! Reference source not found. on page 4 - Post Advance Reconciliation Entries Go to step Error! Reference source not found. on page 4
16.	Verify the Status changed to " Reconciled ".
17.	Verify the Payments Received field is updated with the amount paid.
18.	End of Procedure. The remaining steps apply to other paths.
19.	Click the Travel and Expenses link.
20.	Click the Process Expenses link.
21.	Click the Expense Processing link.
22.	If you already have an existing Run Control, you can search for it in the Find an Existing Value tab. For this example, we will add a new run control.
23.	Click the Add a New Value tab.
24.	Enter " Post_Reconciled_Advances " in the Run Control ID field.
25.	Click the Add button.
26.	Click the Save button because this is a new run control.
27.	Click the Refresh button to populate this page with transactions waiting to be processed.
28.	Verify that there is one cash advance in the Post Liabilities row.
29.	The Post Liabilities process creates rows in the EX_ACCTG_LINE table for the journal generator to send to General Ledger to post liabilities. The Post Liabilities process generates accounting entries for expense reports, cash advances, and reconciled cash advances. The system adds accounting entries for expenses and for cash advances that the user reconciled on the Cash Advance Reconciliation page.
30.	Click the Post Liabilities checkbox.
31.	Click the Advance Reconciliation checkbox.
32.	The Advance Reconciliation process should be run to update expense tables to indicate that cash advances are reconciled against corresponding expense reports.
33.	Click the Run button.

Step	Action
34.	Click the Select checkbox for EX_TRAN_PRCs if it was not already selected.
35.	Click the OK button.
36.	Click the Report Manager link.
37.	Click the Administration tab.
38.	Ensure that the process has a Status of “ Posted .” Users may need to click the Refresh button several times for the status to be updated.