

TREASURER'S DIRECTIONS

PART 5 - FUNDS MANAGEMENT

Section 6 - Advances

Authorities: *Financial Management Act*

Section

3. Interpretation
13. Duties of Accountable Officers
27. Official bank accounts
31. Lending

Defined Terms - *Refer to Part 1 Section 2*

- Accountable Officer
- acquit
- advance
- advance bank account
- Agency
- public money
- standing advance

OVERVIEW

Advances of public money are made for a number of reasons including advances to employees to allow them to carry out their functions and for administrative ease in the acquisition of minor supplies. Advances are required to be appropriately acquitted.

STATEMENT OF INTENT

- 5.6.1 This Section provides a framework and minimum control requirements relating to the approval and acquittal of advances and the regular examination of standing advances.

REQUIREMENTS FOR ACCOUNTING AND PROPERTY MANUALS - *refer to part 3 section 1*

5.6.2 Accountable Officers are responsible for incorporating in their Agency's accounting and property manual, procedures and appropriate controls relating to:

- approval, recording, use, review, adjustment and acquittal of advances;
- appointment (and relief) of employees and agents to record, use, review, adjust, reimburse, reconcile and secure standing advances;
- security of personnel and standing advances; and
- independent random checks of standing advances on a timely basis.

APPROVAL OF ADVANCES

5.6.3 Accountable Officers may approve an advance or establish a standing advance for official purposes.

ADVANCE BANK ACCOUNTS

5.6.4 Significant standing advances shall be operated through advance bank accounts.

USE OF ADVANCES

5.6.5 An advance shall only be used for the purpose for which it was approved.

ACQUITTAL OF ADVANCES

5.6.6 An employee to whom an advance is made shall acquit that advance within a period specified by the Accountable Officer.

EXAMINATION OF STANDING ADVANCES

5.6.7 Independent random checks of standing advances shall be conducted on a timely basis.