

The University can advance cash for activities related to a sponsored project utilizing unrestricted University funds. Cash advances may be used for study subject compensation, extended fieldwork in remote locations, certain travel expenses, collaborating institutions requiring advanced payment, and other exceptional circumstances.

Cash advances should not be used to pay a vendor/supplier/consultant- these transactions should be processed and paid via campus voucher. Cash advances are to be made only for business expenses incurred by, or on behalf of, an employee in their capacity as such. This guidance provides detailed steps to request and reconcile a cash advance related to sponsored research.

See [OSR Operating Standard 500.14 - Cash Advances](#) for more information. The UNC Finance Division's [Policies and Procedures Manual](#) should be followed for requesting and reconciling cash advances for non-sponsored activities.

EXPECTATIONS OF CASH MANAGEMENT

- All advances for **domestic** use must be **reconciled within 60 days after receipt** of the advance unless required sooner for reporting purposes.
- All advances for **foreign** use must be **reconciled within 90 days after receipt** of the advance unless required sooner for reporting purposes.
- A project may request a third advance if the other advances are in compliance with this operating standard.
- Advances to a third-party institution or University foreign facility should not exceed two (2) months of that institution's operating cash required for the project.
- **Advances must be reconciled in a timely manner after the end date of the project as required by the reporting requirements of the agreement** and [Office of Sponsored Research \(OSR\)](#)

REQUESTING A CASH ADVANCE

Transaction Creation

- Create a campus voucher requesting the amount of the Cash Advance using account code 559510
- Complete and attach the following documents to the transaction:
 - 1.1f - [Application for the Advancement of Funds](#) UNC Finance Form 307.1.1f
 - 1.2f - [Cash Advance Agreement](#) UNC Finance Form 307.1.2f
 - 1.3f - [Request for Advance for Purchase of Gift Cards](#), *if applicable*, UNC Finance Form 307.1.3f
 - 1.4f - [Outgoing Domestic Wire Transfer Form](#), *if applicable*, UNC Finance Form 730.1.2f*
- 3. Submit this voucher for approval

***Note:** *If this advance is for an outgoing foreign wire transfer, complete UNC Finance Form 730.1.1f - [Outgoing Foreign Wire Transfer in Foreign Currency Form](#) and submit it with all supporting documentation to OSR for approval. [Accounting Services](#) will create the voucher.*

Approval Process

- Assigned OSR Pre-Audit Technician receives Cash Advance request via voucher within ConnectCarolina
- The request is reviewed for completeness and allowability on the project by the assigned Sponsored Project Specialist

- OSR Pre-Audit Technician approves or rejects the request, the transaction will be subject to rejection without all required documents
- If approved, the request is submitted to [UNC Disbursement Services](#) for approval and processing
- Payment is submitted to the Cash Advance recipient by Accounting Services

RECONCILING A CASH ADVANCE

Transaction Creation

- Create reconciling journal moving expenses from account code 559510 to the appropriate account code for the type of expense
- Expenses for which the cash advance is utilized must be incurred within the award's period of performance
- Complete and attach the following documents to the journal transaction:
 - 1.1d - [Cash Advance Settlement Cover Sheet](#) UNC Finance Related Data 307.1.1rd
 - Copy of Cash Advance Voucher and Settlement Inquiry Screen
 - Copy of all relevant receipts, invoices, or other expense documentation*
 - 1.4f - [Reconciliation of Cash Advance for Study Subjects](#), if applicable, Finance Form 307.1.4f
- If there is an unspent balance, you may send a reimbursement check directly to OSR and note the project it is for.
Cash or gift cards will not be accepted.
- **Submit journal for OSR Pre-Audit approval with sufficient time to meet reconciliation deadline, including month-end deadlines.**

**Note: Additional documentation which sufficiently supports the allowability of the expenses in the reconciliation, including study logs, if applicable, may be provided in lieu of required documentation in rare cases, subject to OSR Pre-Audit approval.*

Approval Process

- OSR Pre-Audit Technician reviews the journal documentation for completeness and allowability, the transaction will be subject to rejection without all required documents
- OSR Pre-Audit Technician approves or rejects the reconciliation journal, if rejected the advance may be reconciled to non-sponsored funds