Employee Repayments of Cash Advances and Personal Credit Card Expenses

Workday Security Role(s): Expense Advance Repayment Specialist (EARS)

Initiator(s): Employee as Self, Cash Sale Deposit Specialist, Expense Advance Repayment Specialist

Approver(s): No approvals in this process

The Expense Advance Repayment Specialist (EARS) is responsible for managing employee receivables generated from expenses by:

- unused cash advance balances
- personal expenses charged to purchasing cards

Employees can pay back these amounts by:

- Payroll deduction
- Cash or check
- Automatic reduction of subsequent expense report (this option is only available for personal P-Card expenses)

Both types of receivables are recorded in account **1307:Accounts Receivable – Advance.** The EARS is responsible for reconciling this account monthly and following up on balances more than 30 days old.

Generating Receivables

Employee receivables are automatically generated when:

- The final expense report for a cash advance is fully approved and a balance remains
- An expense report with a personal P-Card expense is fully approved **and** the expense report does not contain more out-of-pocket expenses than personal expenses. If the expense report contains enough out-of-pocket expenses to cover the personal P-Card expense, the reimbursement will be reduced accordingly, and no action is necessary by the EARS.

Once the expense report is submitted, the cardholder/traveler will receive a questionnaire asking how they intend to pay the University back.

- If payroll deduction is chosen, the EARS will receive a to-do step prompting them to report the amount to payroll.

- If cash/check or deduction of next expense report is chosen, no immediate action is taken by the EARS. If those items are still outstanding after 30 days, the EARS can report them to payroll as a deduction. The EARS will see these items when they do their monthly reconciliation.

Employees can see their owed balances in their expenses hub.

Expense Balance Owed
Personal charges that you incurred on your corporate card and need to repay

$14.99
You Owe

View My Owed Balances

Cash Advance Balance Owed
The cash advance balance that you haven't yet expensed or repaid

$440.00
You Owe

View My Cash Advances

EARS Responsibilities for Payback Options

Reporting to Payroll

When employee chooses to have amount deducted from payroll:

- EARS receives inbox task (to-do step) after the expense report is fully approved
- Review cardholder/traveler's outstanding expense reports. Ensure the amount owed is not being taken out of an in-progress expense report.
- Report the amount to payroll via email or EIB provided by payroll.
- Include the proper worktags
- Unused cash advance balances use the worktags from the original spend authorization. Use the **Find Spend Authorizations** report to find this information.
- Personal P-Card expenses always use **PG000031654 – FD0001 – FN0100 – CC005807**. This funding string can be used by all companies.
- Clear the receivable (see next section).
- Click "Submit" on the to-do task.

When an outstanding item is over 30 days old (this is typically discovered during reconciliation):

- EARS may report these items to payroll.

- Follow instructions from previous step.
- **Always** notify the cardholder/traveler when reporting old items to payroll.

Paying back by Cash or Check

When payment is received by cash or check, EARS receives a to-do step in their inbox instructing them to clear the receivable (see next section). Once this is done, EARS clicks "Submit" on the to-do step to complete the process.

Deducted from next Expense Report

No action is required from the EARS. This is automatically done when possible.

Clearing the Receivable

The payment options detailed above will complete the *accounting* process, but the EARS must still clear the balance from the cardholder/traveler's profile. This step must be taken whenever:

- The EARS reports an expense to payroll
- The EARS receives a to-do step notifying them a cash/check payment has been received

This step is not required when the balance is taken out of the cardholder/traveler's next expense report; Workday clears the receivable automatically. Failure to clear receivables properly will result in reconciliation errors and potential duplicate deductions.

Clear Unused Cash Advance Receivable

- Run the **Find Cash Advances** report. Find the applicable cash advance.

- Using the related actions, select Cash Advance Repayment then Create

- Enter the following information:

- Date – date payment was received

- Repayment amount

- Payment type – cash or check

- Payment Reference – check number, if known

- Memo – any other pertinent notes

- Click OK

Clear Personal Credit Card Expense Receivable

- Run the task **Create Expense Receivable Repayment**.

- Search by employee and click OK. You can only proceed by selecting an employee who currently has an outstanding personal expense amount due.

- Enter the following information:

- Repayment date – date the University received the repayment

- Repayment amount

- Payment type

- Payment reference – check number

- Memo – any other pertinent information
- Click OK.

Reconcile Account 1307:Accounts Receivable - Advance

The EARS is responsible for reconciling account 1307 monthly. The ledger balance in this account should match what is reported as outstanding cash advances and personal items. In addition to monitoring the overall balance, the EARS must ensure payroll deductions and cash/check deposits use the proper worktags.

Find Cash Advances

Use this report to find outstanding cash advances.

- Ensure the date fields are open far enough to capture all future trips and any old, outstanding items.
- Use the *Cash Advance Outstanding Balance* column to filter out items with $0 balances. Once this filter is set, **note the total amount** for all outstanding cash advances. This number is used to reconcile to the general ledger.
- The *Days after End Date* column can be filtered/sorted to see items more than 30 days outstanding.
- This report can also be used to find repayments of old cash advance balances.

Credit Card Personal Charges

Use this report to find outstanding personal P-Card expenses.

- Filter by status of *Approved* and payment status of *Unpaid* to see outstanding items. Once these filters are set, **note the total amount** for all outstanding items. This number is used to reconcile to the general ledger.
- The filters can be adjusted to view previously repaid items or personal items which are on unsubmitted or in-process expense reports.

Ledger Reports

The **Find Journal Lines – Flattened** and **Ledger Detail** reports can be used to see the balance in this account 1307. Pay close attention to *journal sources***:**

- **Cash Advance Payment -** Payment of cash advance when spend authorization is approved. Typically a debit.
- **Customer Cash Sale** - Cash/check deposits for either cash advance or personal expense repayments. Typically a credit.

- **Expense Report**

- Reductions in cash advances from expense reports. Typically a credit (negative expense report amounts would result in debits).

- Personal expenses when expense report is approved. Typically a debit.

- **Non-Salary Cost Transfer** - EARS should be aware of all transfer activity on this account. Transfers are necessary to fix errors.

- **Payroll Actual Accrual** – Items deducted from payroll. Typically a credit.

- **Any Other Journal Source** – Typically indicates an error. Contact initiator of transaction for resolution.

Cash advances and personal expenses should be the only activity on this ledger account. Resolve any unexpected activity by contacting the source transaction initiators and approvers. Accounting adjustments may be necessary.

Reconciliation Responsibilities

The balance in account 1307 as shown in the ledger and journal line reports should tie out to the combined balances from Find Cash Advances and Credit Card Personal Charges. Common causes of errors:

- EARS does not clear a receivable. The Find Cash Advances/Credit Card Personal Charges balance would be higher than the ledger balance.

- Cash/check deposit is coded incorrectly. Transfer would be necessary to move deposit to correct account. Incorrect coding could result in misstatement of revenues.

Worktag Balancing

Personal expenses and related repayments should always use **PG000031654 – FD0001 – FN0100 – CC005807.** This should be the only activity on this program. Cash/check deposits for personal expenses will default to this funding when the proper revenue category is used. EARS should use this funding when reporting all personal expense deductions to payroll.

Cash advances and related repayments should always use the **funding from the original spend authorization**. Expense reports linked to spend authorizations will properly account for this, even if the funding is not the same for both. Cash Sale Deposit Specialists will have access to spend authorizations but may reach out to EARS for confirmation. EARS should ensure proper funding is communicated to payroll for all deductions.

The **Find Journal Lines – Flattened** is the best report to review worktag balancing.