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| Issue Date: Feb 2008 | Effective Date: Feb 5, 2008 | Responsible Agency: Office of the Comptroller General | Directive No: 817 |
| Chapter: Control of Expenditures | | | |
| Directive Title: ACCOUNTABLE ADVANCES | | | |

1. POLICY

The recipient of an accountable advance must account for all expenditures and must reimburse the GN for any unexpended or unaccounted for portion of the advanced funds on or before the specified date. An accountable advance must be issued under *S.54* of the *Financial Administration Act (FAA)*, which deals with accountable advances, and must be administered in accordance with *S.55* and *S.56* of the *FAA* which deal with interest, and receipt of refund or repayment respectively.

2. DIRECTIVES

The Comptroller General may issue accountable advances. The accounting for and repayment of accountable advances must be administered in accordance with the directives in the 817 series.

3. PROVISIONS

3.1. Issue of accountable advances

- a) Petty cash funds (which are temporary accountable advances) must be administered in accordance with FAM Directive 817-2.
- b) Temporary advances for duty travel must be administered in accordance with FAM Directive 817-3.
- c) Contributions must be recorded as accountable advances and administered in accordance with FAM Directive 817-4.
- d) Advances to a third party agency must be approved by the Comptroller General or delegates and recorded as accountable advances.
- e) In exceptional circumstances, advances may be made under a pending agreement for a contribution, block funding or grant; the Minister or delegates may authorize the transfer before the agreement is signed.

Section 49 of the *FAA* outlines the disbursement control, which must be followed before the disbursement of the advance is made.

- 3.2. *S. 54(3)* of the *FAA* outlines the accounting for accountable advances.
- a) Due to differing rules for different types of accountable advances, the monitoring and administration of accountable advances is addressed separately in each of the directives referenced in section 3.1 of this directive.
 - b) Deputy Heads or delegates shall ensure that each accountable advance issued by their departments are properly authorized, issued, tracked, and recovered when required.
 - c) Deputy Heads or delegates shall provide such reports and certifications as required by the Comptroller General or delegate to monitor the outstanding accountable advances.

3.3. Repayment

- a) The Comptroller General or delegate under *S. 54(3)* of the *FAA* may, at any time, by written notice to the recipient of an accountable advance, demand an accounting of the advance and request repayment of any portion of the advance not accounted for in accordance with the directives. The recipient must comply with such a notice.
- b) An accountable advance or any part thereof not accounted for must be repaid in full by the recipient.
- c) An accountable advance that has not been repaid within 30 days of the notice to repay will be invoiced and may be subject to interest charges, set-off and collection. Refer to Regulation 9913, Interest Rate Regulations and Directive 915 Interest on Money Owing to the Government.
- d) An accountable advance that has not been invoiced after the payment due date must be justified by the Executive Finance Officer (EFO) of the issuing department in writing to the Comptroller General explaining the circumstances that prevent an invoice being generated.
- e) If a refund or accounting has not been received and set-off is unavailable, the file must be transferred expeditiously for collection in accordance with Directive 908, Collection of Outstanding Receivables.
- f) The EFO of the issuing department shall verify that the recipient fulfills its obligations as stipulated in this directive under which the accountable advance is issued.