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# Guideline on Accountable Advances

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## 1. Effective date

This guideline takes effect on October 1, 2009.

## 2. Context

2.1 The purpose of this guideline is to reference the specific legal and policy instruments and information related to accountable advances, such as interest charges, debt write-off and accounting that are available to departmental officials.

2.2 This guideline supports the [Directive on Accountable Advances](#) (hereafter the Directive) and Accountable Advances Regulations (hereafter the Regulations).

2.3 Though this guideline complements the Directive and the Regulations, it does not present new mandatory requirements; rather, it reflects an existing obligation under an act, regulation, policy, directive, standard or other authority.

## 3. Definitions

Definitions for accountable advances, standing advances, petty cash funds and other terms used in this guideline are included in the Accountable Advances Regulations.

## 4. Transactions deemed not to be accountable advances

This section identifies a number of transactions that are not subject to or covered by the Directive or the Regulations, namely the following:

- Advance contract payments, which are governed by the Government Contracts Regulations;
- Advance contributions payments, which are governed by the Directive on Transfer Payments; and
- Prepaid real property transactions, which are governed by the Federal Real Property and Federal Immovables Act or its related regulations.
- All of the above transactions are processed according to the Directive on Payment Requisitioning and Cheque Control

## 5. Various legal and policy instruments affecting accountable advances

This section identifies a number of limitations and requirements under various acts, regulations, policies, directives, standards and collective agreements that may affect accountable advances.

5.1 Detailed requirements pertaining to the following items are specified in the Accountable Advances Regulations and are to be adhered to:

- Purposes for which accountable advances may or may not be issued;
- Limits to the amount of petty cash funds and to the individual expense amount from petty cash funds;
- Time limits and the form of accounting;
- Authority for recovery according to subsection 38(2) of the Financial Administration Act;
- Reporting requirements; and
- Other requirements, such as record keeping.

5.2 Interest charges on advances that are not settled within the time period specified in the Accountable Advances Regulations and charges to be levied when a dishonoured instrument is received as reimbursement of an accountable advance are specified in the Interest and Administrative Charges Regulations.

5.3 The Debt Write-off Regulations, 1994 specify that the approval of the Treasury Board is required to write off any accountable advance.

5.4 Certain types of accountable advances, when applicable to the department, are governed by specific legal and policy instruments. Those advances and the corresponding instrument to which their issuance is subject are as follows:

5.4.1 Travel advances are covered in the Travel Directive;

5.4.2 Relocation advances are covered in the Integrated Relocation Directive;

5.4.3 Vacation travel assistance, non-elective medical or dental treatment, relocation, compassionate travel and bereavement travel are covered in the Isolated Posts and Government Housing Directive;

5.4.4 Medical and dental expenses, security deposits, public utilities and other advances are covered in the Foreign Service Directives;

5.4.5 Vacation pay advances are covered in collective agreements;

5.4.6 Emergency salary advances are covered in the Directive on Terms and Conditions of Employment;

5.4.7 Medical advances to locally-engaged staff are covered in the Locally-Engaged Staff Terms and Conditions Regulations;

5.4.8 Travel and moving advances to members of the Canadian Forces are covered in the Accountable Travel and Moving Advance Regulations (Canadian Forces);

5.4.9 Education and travel advances to members of the Canadian Forces for travel and education of dependants are covered in the Accountable Education and Travel Advance Regulations (Dependants of Members of the Canadian Forces);

5.4.10 Travel and moving advances to members of the Canadian Forces for travel and moving of dependants are covered in the Accountable Travel and Moving Advance Regulations (Dependants of Members of the Canadian Forces);

5.4.11 The loss of traveller's cheques received as travel advances is covered in the Directive on Travel Cards and Traveller Cheques; and

5.4.12 The conditions under which recovery of a lost accountable advance can be waived are covered in subsections 6.1.5, 6.1.6 and 6.1.7 of the Directive on Losses of Money or Property.

5.5 Accountable advances are recorded and coded according to instructions contained in Section 3.2.3 of the Financial Information Strategy (FIS) Accounting Manual and in the **Government-wide Chart of Accounts for Canada**.

5.6 Petty cash and change funds are to be safeguarded at all times according to the Policy on Government Security and its related standards and as advised by the departmental security officer.

5.7 Accountable advances are to be reported at year-end in accordance with Chapter 14, "Year End Timetable and Procedures," and Chapter 15, "Public Accounts Instructions," of the Receiver General Manual.

## 6. References

### 6.1 Other relevant legislation and

- Financial Administration Act sections 2, 7, 38 and 78 and subsection 76(4)
- Accountable Advances Regulations
- Debt Write-off Regulations, 1994
- Interest and Administrative Charges Regulations
- Receipt and Deposit of Public Money Regulations, 1997
- Accountable Travel and Moving Advance Regulations (Canadian Forces)
- Accountable Education and Travel Advance Regulations (Dependants of Members of the Canadian Forces)
- Accountable Travel and Moving Advance Regulations (Dependants of Members of the Canadian Forces)

### 6.2 Related policy instruments and publications

- Directive on Losses of Money and Property
- Directive on Receipt, Deposit and Recording of Money
- Directive on Terms and Conditions of Employment
- Contracting Policy

- Travel Directive
- Integrated Relocation Directive
- Isolated Post and Government Housing Directive
- Foreign Service Directives
- Locally-Engaged Staff Terms and Conditions Regulations
- Collective Agreements
- Financial Information Strategy (FIS) Accounting Manual
- Government-wide Chart of Accounts for Canada

## 7. Enquiries

Please direct enquiries about this guideline to your departmental headquarters. For interpretation of this guideline, departmental headquarters should contact:

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