

OREGON ACCOUNTING MANUAL

DAS DEPARTMENT OF ADMINISTRATIVE SERVICES STATEWIDE POLICY	NUMBER 45.25.00	SUPERSEDES 45.25.00.PO 45.25.00.PR Dated 03/04/2003
	EFFECTIVE DATE MM/DD/YYYY	PAGE NUMBER Pages 1 of 3
Division Chief Financial Office	REFERENCE/AUTHORITY ORS 292.033 ORS 292.036 ORS 293.330 Applicable Collective Bargaining Agreements	
Policy Owner Office of the State Controller Oregon Statewide Payroll Services (OSPS)		
SUBJECT Salary Advances	APPROVED SIGNATURE	

PURPOSE

This policy provides guidance on advances of regular **salary or wages**.

APPLICABILITY

This policy applies to all state agencies that are subject to the Oregon Accounting Manual (OAM), as outlined in **OAM 01.05.00 Introduction: Scope and Applicability**. If any provisions of OAM policies or procedures conflict with bargaining agreements, the provisions of bargaining agreements would supersede OAM guidance.

FORMS/EXHIBITS/INSTRUCTIONS

None.

DEFINITIONS

Regular salary advance: Any portion of the accrued salary or wages payable to an officer or employee who has filed a written request for the approval of such advance with the administrative head of the state agency by which the employee is employed.

Refer to **OAM 65.00.00 Glossary** for definitions.

EXCLUSIONS AND SPECIAL SITUATIONS

None.

POLICY

101. Salary advances in Oregon state government are provided to state employees under **ORS 292.033** and various collective bargaining agreements as a means to provide employees with access to earned compensation in emergency situations. Providing salary advances is administratively costly and will be allowed only in financial emergency situations. If provisions of this policy conflict with provisions of a state approved collective bargaining agreement, the bargaining agreement will prevail.
102. An emergency situation is defined as an unusual, unforeseen event or unavoidable condition that requires immediate financial resources by the employee. Emergencies include, but are not limited to the following circumstances:
 - a. Death in family necessitating unforeseen expenditures or travel.
 - b. Major car repair such as engine, transmission, or catastrophic failure (not to be confused with minor repairs, maintenance, tires, etc.).
 - c. Theft of cash representing major portion of most recent pay.
 - d. Automobile accident leading to loss of vehicle use.
 - e. Accident or sickness (self or family) requiring immediate substantial cash outlays.
 - f. Destruction or major damage to home requiring immediate substantial cash outlays.
 - g. New employee lack of funds (maximum – 1 draw).
 - h. Unreimbursed moving expenses due to transfer or promotion. This does not include personal moving situations such as purchasing a home or renting a different residence.
103. Management's responsibility in approving pay advances should include collecting appropriate documentation and assessment of the request for conformance with emergency situations, labor agreements, and with Oregon law.
104. Unless otherwise determined by the agency, it is not the responsibility of agency payroll officers to approve, disapprove, or enforce good management practices and the application of labor agreements with respect to pay advances. Payroll officers merely process the approved transaction.
105. Payroll advances are not to be authorized or issued as short-term loans of state funds for frivolous purposes. It is management's responsibility to appropriately safeguard state assets balanced against the need for making prudent use of payroll cash advances to state employees for legitimate emergency situations authorized by law or labor agreement.
106. Payroll advances are prohibited as a method of distributing earned compensation in advance of holidays, vacations, or other notable events.

PROCEDURES

Processing Through Agency Revolving Fund

107. Agencies having their own procedure for preparing salary advances by issuing revolving fund checks:
 - a. Issue internal procedures governing salary advances in accordance with 45.25.00 and applicable collective bargaining agreements.
 - b. Accept and pay requests for salary advance per agency procedures.
 - c. Make the necessary entry in Workday Payroll System when creating the off-cycle payment to ensure the salary advance is deducted from the employee's next regular payday.

Processing Through Workday Help Desk

108. Agencies who request Workday Oregon Division to prepare salary advance payments must properly authorize those individuals who are permitted to approve pay requests.
 - a. Provide Workday Help Desk with a completed and signed form 75.45.01.FO, Authorized Signatures. An agency administrator must sign the form. The administrator may designate an alternate to approve on their behalf. The designee may authorize and change subordinate signers on subsequent form submissions.
 - b. Each time a subordinate signer must be added, deleted, or changed, a new Authorized Signatures form is required. The administrator's designee may approve these changes.
 - c. Payroll advances will not be issued without a valid Authorized Signatures form on file with Workday Help Desk, nor will payment requests be accepted by Workday Help Desk from any person who is not an authorized signer.
109. Salary advances are ordered as follows:
 - a. The requesting employee completes and submits to the agency form 75.45.02.FO, Request for Payroll Advance, specifying the dollar amount of the requested advance. The employee must sign the request.
 - b. The request must be signed by the employee's supervisor and approved by an authorized agency signer.
 - c. The agency must review the request and verify that the reason for the request is in line with the provisions of any prevailing collective bargaining agreement or with this policy.
 - d. The agency must review to ensure that the dollar amount of the request does not exceed the maximum 60% of wages due as of the date of request taking into consideration any active involuntary withholding orders.
 - e. The request is made to Workday Help Desk, and it will be processed and payment issued from the next available daily off-cycle check run.