

3-7 Advance Payment

1. Advance Payment

Advance Payment may be used in the following instances.

[Budget Settlement and Accounting Regulations (Excerpt)]

(Advance Payment)

Article 23 Advance Payment may be used to settle expenses, as prescribed separately, in cases where non-use of Advance Payment would impede work such as educational research, etc.

However, in cases where credit card payment is accepted, a corporate credit card shall be used instead of Advance Payment.

Advance Payment is not a procurement method to enable easy purchase from stores or websites. Unless there is a specific reason or urgency requiring Advance Payment, all employees must conform to the purchase request procedures prescribed by the University.

The following section explains reimbursement procedures for Advance Payment, and provides details of how main examples shall be handled.

(1) Scope of Advance Payment

Advance Payment may be used when non-use would impede work such as educational research, and the contract amount for one contract is less than 500,000 yen. (bank / post office handling charges may also be requested when Advance Payment was made by bank / post office transfer. Indicate the handling charges on the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form" (Attached Form 12), and attach the receipt as proof.).

However, Advance Payment cannot be used for suppliers that allow credit purchases (sale of goods by deferred payment). Additionally, goods whose contract amount for one contract exceeds 500,000 yen, or goods stipulated in the "Items that Cannot be Ordered by Faculty" of "5-6 Purchase Request Procedures, Order Placement by One Faculty Member" cannot be purchased using Advance Payment.

(2) Request Procedures

The person who made the said Advance Payment shall attach an official receipt or receipt that indicates the details of the purchase, itemized details issued by the supplier (such as receipt for attachment to a sales slip), and the Purchase Request Document to request reimbursement (procure an official receipt containing the name of the requester and date.).

(3) Request Period

Requests shall be made without delay after payment when the Advance Payment was made by cash or bank transfer. When Advance Payment was made by corporate credit card, submit the related documents to the department in charge of contracts so that the request settlement can be

processed without delay after payment.

However, in cases where the request is delayed for more than one month due to an overseas business trip or lengthy sick leave, etc., the applicant shall indicate such details in the remarks column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form".

(4) Examples of the Main Documents to Attach and Supplemental Notes Written on the Reimbursement Request

(i) Academic society attendance fees, annual fees and other membership fees

A. Academic society attendance fees:

1. Official receipt or document that contains an itemization of the payment amount (the date held, location, event outline that indicates the payment destination)

* If the evidential document is not Japanese (when the document is written in English from an overseas academic society, etc.), attach a Japanese translation (of the sections indicating the date held, location, payment destination, and an itemization of the attendance fees).

2. When attendance at the academic society is in order to obtain credit, please indicate this in the remarks column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form". (This is used as the standard for tax classification and for judging the account title for appropriation of liabilities.)

3. If the official receipt from payment of attendance fees, etc., does not indicate whether the said payment is for a full member or non-member (student member), write this classification in the remarks column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form". (This is used as the standard for tax classification and for judging the account title for appropriation of liabilities.)

B. Academic society annual fees: Official receipt or document that contains and itemization of the payment amount

(ii) The cost of purchase of goods and the provision of services during a business trip including transportation costs rent-a-car / ferry fees, highway / toll road tolls, gasoline etc.

1. Official receipts, travel order (request) list (copy), rent-a-car application forms, account statement, delivery slip, etc.
2. Unless the transportation fee was charged according to a travel order, attach documentation that indicates use during the course of employment, or indicate the reasons in the remarks column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form". (Example: Request for a business trip from a different organization, etc.)

(iii) The cost of purchase of goods and the provision of services

Official receipts (receipts and receipts for attachment to a sales slip are also acceptable), delivery slip, tangible materials (repair) report, etc.

* If the name of the product is written in a general manner on the official receipt (Example:

supplies, products, meals, etc.), attach an itemization confirming details of the product names and quantity.

(5) Point Cards, Coupon Mail, and Electronic Money, etc.

Do not present or use point cards, coupon mail, or electronic money, etc., that are registered to an individual for payment of Advance Payments.

When making purchases at a store (including website) that operates a point system, attach documentation indicating whether or not points are accrued.

If the said point card, etc. is used by mistake, an amount equivalent to the accrued (including automatically accrued points) and used points shall be deducted from the total invoice amount. Therefore, indicate the equivalent amount and reasons in the remarks column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form".

However, this does not apply to points that do not have an immediate value applied (=points that cannot immediately be used in the same way as cash).

Example) JR Tower Square Card (points cannot be used until five hundred points are accumulated)

(6) Advance Payment for Other Persons (Beneficiaries)

When Advance Payment is made for another person (beneficiary), the beneficiary must submit an application form separately due to the name difference on the official receipt. Attach this to the invoice (similarly, attach the aforementioned application compiled by each beneficiary when Advance Payment is made for multiple beneficiaries.).

(7) Payment of Academic Society Registration Fees from Scientific Research Grants (Ministry of Education, Culture, Sports, Science and Technology, Japan Society for the Promotion of Science)

When advanced registration (payment) is required in the previous financial year to attend a society meeting held in the following financial year

Continuing Theme

(Budget from Grant): Requests for payment can be made from scientific research grants which apply to the following financial year. However, if registration is required a number of months in advance, it is understood that the request shall comply with the purposes of the said academic research grant.

(Standard Budget): If the continuation of the budget for the following financial year is fixed, requests can be made for the appropriate financial year (financial year in which the Advance Payment was made).

New Theme: As expenses cannot be accrued for newly adopted research themes, if registration for attendance at an academic society is required before receipt of the informal notification, handle the payment as an expense outside the academic research grant.

2. Main Examples of Advance Payment and Handling Procedures

- (1) Cases when meal costs (banquet, lunch, reception, dinner etc.) and lodging costs etc. are included in academic society attendance fees

- (i) Cases when meal costs / lodging costs are itemized

The invoice amount shall be the attendance fees minus said meal / lodging costs.

- (ii) Cases when meal costs / lodging costs are not itemized

Confirm the appropriate cost itemization from the academic society administration bureau, and subtract the appropriate amount from the attendance fees if said costs can be confirmed. If said itemization of costs cannot be confirmed even after contacting the aforementioned administration bureau, indicate such on the attached forms.

If the costs cannot be itemized, the travel expenses need to be adjusted (daily allowance, accommodation charges). Therefore, indicate such on the travel order (request) list (copy).

- (iii) Cases when the full total including meal costs must be paid to attend, irrespective of whether or not there is an itemization of meal costs, and the faculty has indicated they will not intend the social gathering

Indicate the intent to be absent from the social gathering in the attached documents, and pay the full cost. Also, in such cases, adjustments shall not be made for travel expenses.

However, if the faculty member shall attend the social gathering etc., when the costs are itemized, the invoice amount shall be the total minus the costs applicable to those stipulated in the preceding paragraph (i). If the costs are not itemized, the rule stipulated in the preceding paragraph (ii) shall apply, and such details shall be indicated on the attached documents.

Furthermore, if the costs cannot be itemized, the travel expenses (daily allowance, accommodation charges) need to be adjusted. Therefore, indicate such details on the travel order (request) list (copy).

(Please take care to indicate the request is for attendance at an academic society on the travel order (request) list (copy).)

- * When invoicing for bank transfer charges of itemized costs (that include private expenses), the invoice amount shall be for bank transfer of the attendance fees only.

- (2) Cases when paying academic society attendance fees by Advance Payment or corporate credit card, and the name of the academic society administration bureau and payment destination are different

(when the collection of the academic society attendance fees is consigned to a travel agency, etc.)

Attach documents that indicate collection of the said attendance fees has been consigned to a third party.

- (3) Cases when payments are made in a foreign currency (cash)

When requesting reimbursement of Advance Payment, the person who made the Advance Payment shall calculate the Japanese Yen amount based on the exchange rate on the website

indicated below, and shall invoice in Japanese Yen.

However, if the person who made the Advance Payment has not calculated the rate, the department in charge of contracts shall calculate using the rate on the date that the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form" is received.

(Procedure)

- (i) Consult the following website on the date when the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form" is compiled
"Bloomberg" website "Exchange Rate Calculation"
<http://www.bloomberg.co.jp/tools/calculators/currency.html>
- (ii) Select the foreign currency used to make the Advance Payment from the "Standard Currency" pull down menu
- (iii) Select "Japanese Yen (JPY)" from the "Foreign Currency (Currency Conversion) pull down menu
- (iv) Enter the foreign currency amount in "Amount"
- (v) Click "Convert"
- (vi) The converted Yen amount appears below and to the left of "Convert". Write this amount in the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form" (any Yen decimals shall be rounded down)
- (vii) Print out the conversion results window and attach it to the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form".

* Contact the department in charge of contracts if the appropriate currency is not available on the said website.

(If multiple Advance Payments have been made in the same foreign currency, convert the total foreign currency amount into Japanese Yen, and attach the conversion for the total amount.)

The documents that must be attached are stipulated below.

- (i) Official receipt and Japanese translation thereof (including the itemization and quantity).
- (ii) For Advance Payments for the use of a vehicle owned by an individual, it is common that official receipts do not include the required information. Therefore, official receipt forms can be compiled here in advance and signed by the said individual.

For details, see Attached Form 13 "Example Receipt Form for Payment to an Individual Overseas". (Limited to countries or regions where there is no rent-a-car system.)

However, in such cases, the received amount and date must be written by the individual receiving payment in addition to their signature.

* Be sure to research the validity (cost of living in the local area) of the payment price sufficiently.

(Please also attached related evidential documents pertaining to the validity of the costs as required.)

Furthermore, if part of the Advance Payment in foreign currency is for public expenditure,

calculate on a proportional distribution basis as prescribed below.

Total Japanese Yen amount x Foreign currency amount for public expenditure / Foreign
currency total (decimals rounded down)

- (4) Cases when there are rental charges for conference rooms, etc.

Attach documents that indicate the details of the meeting (meeting topic, meeting outline, pamphlet and list of attendees) and list of rental charges.

- (5) Cases when there are tuition fees for lectures, etc.

Attach official receipts and lecture outline.

- (6) Cases when the name on the evidential documents differs from the name on the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form" and Purchase Request Form because of changes to the family name due to marriage, etc.

Indicate this fact on the invoice name column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form".

(Example: Hanako Yamada (Sato))

- (7) Cases when the amount on the credit card statement differs from the foreign currency evidence documentation

A rate conversion is required in order to judge the validity of the amount. The department in charge of contracts shall use the "OANDA" website (<http://www.oanda.com/>) to confirm the applied rate.

- (8) Cases when lodging cost (hotel charges) is included in the attendance fees for an overseas academic society

Normally, reimbursement for Advance Payment cannot be made because lodging costs must be invoiced as a travel expense. However, if the lodging cost amount is not indicated (not itemized), make the appropriate adjustments for travel expenses when requesting reimbursement for the total Advance Payment.

- (9) Cases when there is advance payment of travel expenses such as taxi fares, etc.

Indicate the reasons why such transport needed to be used in the remarks column of the "Advance Payment Reimbursement and Corporate Credit Card Settlement Form". However, please note that said expenses cannot be invoiced when travel expenses are provided. (Taxi use must be approved in advance in the travel order (request) list before use.)

* Be careful not to request double for local transportation when such costs are already included in travel expenses (daily allowance).

(10) Vaccinations / Immunizations

Indicate reasons why the charges should not be paid by the individual in the remarks column.

(Example: The risk of contagion from XX during XX operations / research is extremely high, etc.)

* However, vaccinations / immunizations that are required for overseas travel expenses (when vaccination certificates are required on entry to the country) shall be invoiced as a travel expense (miscellaneous travel expense).

(11) When use of a private credit card is unavoidable

In principal, a corporate credit card shall be used. However, if a credit card registered to an individual is used because the person does not possess a corporate credit card, submit the official receipts and the original credit card statement. (Submitting copies may result in dual payment.)

However, please note that if revolving payment or payment by installments was used, reimbursement for Advance Payment cannot be made until the payments are completed in full.

(12) In the following examples and cases which are not directly related to work for the University, payment shall not be authorized, neither as Advance Payment nor public expenditure.

- (i) Membership fees or publication fees for alumni associations
- (ii) Membership fees that should be paid by the individual (such as for medical associations and pharmacist associations, etc.)
- (iii) Optional donations (when paying annual fees, etc.)
- (iv) Telegram charges that should be paid by the individual (celebrations, condolences, etc.)
- (v) Personal gifts purchased during business trips
- (vi) Reunion / party costs
- (vii) Other costs that are not directly related to education or research, etc.

* There are individual rules in addition to the aforementioned rules that are applied according to the type of expense. In such cases, confirm how the said expense should be handled, and handle it appropriately.

Example) Bank transfer charges cannot be paid, Advance Payment cannot be made before payment is received, etc.

As Advance Payment is just one of the ordering methods that can be used by faculty etc., please refer to the Accounting Operation Standards (Accounting Manual) in “5-6 Purchase Request Procedures” for instruction on basic rules on ordering and the attached documents here that are not stipulated in this section.

Furthermore, as Advance Payment is a procurement method in which it is particularly difficult to inspect purchased goods and confirm the completion of services paid for, it can be assumed that auditing organizations, etc., will suspect the illegal use of research grants if there are any inadequacies or discrepancies in submitted documents. Therefore, said documents should be submitted without delay, and

additional documentation that is not indicated in the aforementioned examples should also be submitted immediately if required.