

UNFPA

Policy Title	Policy and Procedures for Salary Advances
Document Identifier	PPM/SALARY-ADV/2025
Previous title (if any)	
Policy objective	The objective of this policy is to set out parameters for the administration of salary advance requests for staff members at UNFPA
Target audience	All staff members
Risk control matrix	Control activities that are part of the process are detailed in the Risk Control Matrix
Checklist	N/A
Effective date	25 March 2025
Revision history	Issued: 25 March 2025
Mandatory review date	25 March 2028
Policy owner unit	Division for Human Resources
Approval	<a href="#">Link to signed approval template</a>

**Policy for Salary Advances****I. Purpose**

1. The purpose of this policy is to set out the conditions and criteria under which UNFPA may extend additional monies to meet the needs of staff members in the event of exceptional and unexpected situations.
2. This policy implements United Nations Staff Rule 3.14.

**II. Policy**

3. The Division for Human Resources may advance payment of a staff member's salary under specific circumstances and conditions defined in this policy.
4. This policy outlines UNFPA's rationale for providing a salary advance, identifies control actions to mitigate potential risks related to the process, and establishes the following:
  - a. Applicability
  - b. General Conditions
  - c. Types of salary advance
  - d. Unauthorized requests
  - e. Approval authority

**A. Applicability**

5. UNFPA staff members holding permanent, continuing, fixed-term, and temporary appointments, may request, and UNFPA may grant, a salary advance in accordance with the conditions described below. This includes staff members in all categories, i.e., staff members in the international professional, national professional officer, and general service categories. This policy does not apply to affiliate personnel (consultants, local service contract holders, interns, and volunteers).<sup>1</sup>
6. Unless specified otherwise, the terms and conditions related to salary advances apply to all staff members listed above.

**B. General Conditions**

7. This policy applies to a UNFPA staff member holding a permanent, continuing, fixed-term, or temporary appointment under the [United Nations Staff Regulations and Staff Rules](#).
8. Staff compensation, including salary, benefits, and allowances is designed to provide for the normal living requirements of staff members and their dependents. When exceptional

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<sup>1</sup> UNFPA supports affiliate personnel in humanitarian emergency situations through remuneration advances. The conditions under which remuneration advances may be granted to consultants or local service contract holders are addressed in the respective policy for each contract modality.

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and unexpected situations occur and additional monies are needed, staff members should normally approach available lending institutions such as banks or local credit unions, including the United Nations Federal Credit Union (UNFCU) for all personal financial needs prior to seeking a salary advance.

9. The staff member requesting a salary advance must explain, in detail, the exceptional and unexpected situation for which funds are needed and attach supporting documentation. When applying for and accepting the advance, the staff member understands that, if separated from service, any outstanding balance that exceeds the final emoluments due must be paid immediately and in full prior to separation.

#### ***Currency of salary advances***

10. Locally recruited staff members can only receive salary advances in the currency in which their salary is paid.
11. Internationally recruited staff members can receive salary advances in the local currency of their duty station or in United States Dollars (USD). When an advance is requested in a currency other than the USD, the amount of that advance will be converted to USD at the official United Nations Operational Rate of Exchange (UNORE)<sup>2</sup>.

#### ***Recovery of salary advances***

12. Salary advances for locally recruited staff members shall be recovered in the same currency in which their salary is paid. Salary advances for internationally recruited staff members shall be recovered in USD.
13. The Division for Human Resources (DHR) shall recover salary advances in full through regular payroll deductions.
14. Recovery begins with the first payday after the advance has been given unless otherwise stipulated at the time of approval.
15. Unless otherwise specified, salary advances are recovered at a fixed monthly rate of up to a maximum of 11 consecutive pay periods, but not extending beyond the expiration date of the staff member's appointment.

#### ***Concurrent salary advances***

16. No new advances may be granted while a previous advance or any part thereof is outstanding, except:
  - a. for advances for major medical expenses pending reimbursement by a United Nations health insurance scheme as indicated in paragraph 17(f and g); or

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<sup>2</sup> <https://treasury.un.org/operationalrates/OperationalRates.php>

- b. for advances exceptionally approved in specific emergency situations and indicated in paragraph 17(j).

### C. Types of Salary Advance

17. Salary advances may be requested for the following reasons:

- a. *Expenses related to a staff member's initial appointment to a new duty station:* Where a staff member has not yet been enrolled in active payroll in Quantum Human Capital Management (HCM), a one-time initial appointment advance may be granted by the staff member's Human Resources Business Partner. Should a duplicate payment be disbursed, DHR will recover the duplicate payment in full in the next payroll.
- b. *Non-receipt of salary:* When a staff member does not receive a regular salary due to banking or other technical issues or a partial first-month salary due to the timing of payroll processing, an advance may be granted in the amount due. Should a duplicate salary be disbursed, DHR will recover the duplicate payment in full in the next payroll.
- c. *Expenses related to a staff member's reassignment:* When an internationally recruited staff member is reassigned to a new UNFPA duty station, an advance may be granted in an amount not exceeding two (2) months of net salary and may be given up to two (2) months before staff members are reassigned at their new duty station. DHR will recover these advances over a period not exceeding six (6) months.
- d. *Official Travel:* In duty stations where cash payments are required, staff members may request that their salary be paid in advance to enable cash payments that are due during the staff member's official travel. Staff members are required to submit a copy of their approved travel authorization. Advances may not exceed the amount that would fall due for salary payment during the anticipated period of absence. DHR will recover these advances in full in the next payroll.
- e. *Delay of final salary upon separation:* Where a staff member separates from service and final settlement of pay cannot be made at the time of departure under the [United Nations Staff Regulations and Staff Rules](#) 3.15 (a) (ii), an advance not exceeding 80 percent of the estimated final net payments due may be granted. DHR will recover the advance from the final settlement payment.
- f. *Medical expenses covered by health insurance:* A staff member may, exceptionally, request a salary advance for major and unforeseen medical expenses incurred by them or a dependent recognized by UNFPA.
  - i. Request for such advances will be considered only if

1. the staff members, including the named dependent, are enrolled in an official United Nations health insurance scheme,
  2. direct billing/payment facility is not available between the health provider and the insurance company, and
  3. the bills are required to be paid prior to receipt of insurance payment.
- ii. Advances for medical expenses can be granted concurrently with an existing salary advance.
  - iii. The advance for medical expenses must be settled through the applicable insurance scheme or by the staff member within four (4) months from when the advance is granted in accordance with the [UNDP Medical Insurance Plan Rules](#).
- g. *Medical expenses not covered by health insurance:* It is expected that most medical expenses will be covered by a United Nations health insurance scheme. However, if a staff member or a dependent recognized by UNFPA, incurs major medical expenses that are beyond the limits of the health insurance scheme and is faced with undue financial hardship, a salary advance may be considered under the provisions for personal emergency salary advances below.
- i. The advance may not exceed the lowest of
    1. two months' net pay, or
    2. the amount of the hospital bill.
  - ii. Advances for medical expenses can be granted concurrently with an existing salary advance.
  - iii. The advance for medical expenses must be settled by the staff member within four (4) months from when the advance is granted in accordance with the [UNDP Medical Insurance Plan Rules](#).
- h. *Prepayment of rent:* When an internationally recruited staff member is required to pay three or more months' rent in advance to secure accommodation as stipulated in the lease agreement, a salary advance for rent may be granted. The request for a salary advance must specify the amount of the rent, the number of months for which the lease agreement indicates it is to be prepaid, and the amount and currency of the advance requested. The number of months of advance must be in line with the normal practice for rental properties in the duty station as confirmed by the head of unit.<sup>3</sup>

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<sup>3</sup> The head of unit refers to the representative, division director, regional or sub regional director, country representative or director, or head of office in countries without a UNFPA representative. This task can be undertaken by the delegated officer as appropriate.

- i. The amount of the advance covers only rent; it does not cover security deposits (generally returned to the tenant at the end of the lease), agents' fees, or recurring costs such as electricity, water, or other utilities where these are paid separately from rent.
  - ii. The amount of the advance will be recovered either within the term of the lease for which the advance was requested, within the staff member's current contract period, or within 24 months, whichever comes first.
  - iii. Advances for pre-payment of rent are not authorized for staff members assigned to Group I duty stations<sup>4</sup> under the post-adjustment system.
- i. *Advances for purchase of a private vehicle:* Internationally recruited staff members from grades P-1 to P-4 may be granted a salary advance for the purchase of a private automobile of up to US\$7,500.00 or the local currency equivalent at the prevailing UNORE.
- i. The requests for advance for this purpose will be considered, one-time only, within six months of initial appointment or reassignment. The head of unit must certify that the vehicle is necessary in connection with the staff member's assignment.
  - ii. The request for advance must specify the amount, currency, and bank account to which the advance should be paid. Advances for the purchase of a private automobile are granted on the understanding that the staff member intends to keep the vehicle for at least two years or for the duration of the assignment, whichever is shorter.
  - iii. Advances for the purchase of a private vehicle are not authorized for staff members assigned to Group 1 duty stations under the post-adjustment system.
  - iv. Staff members on temporary appointments are not eligible for this type of advance.
- j. *Emergencies:*
- i. Bulk Emergency Advances to groups of staff members – Salary advances may be exceptionally approved to groups of staff members, in specific emergency situations in accordance with the conditions and procedures

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<sup>4</sup> For purposes of post adjustment, the International Civil Service Commission has classified duty stations into two groups: group I and group II, taking into consideration criteria related to the relative strength and convertibility of the local currency ("hard currency" versus "soft currency") and general stability of local economic conditions. The category of group I duty stations includes member states of the European Union, headquarters duty stations (so classified for post adjustment purposes) and other developed countries in Europe, North America, and some parts of Asia.

specified at the time of approval. The recovery period shall not exceed six (6) months. Bulk salary advances may be proposed by the head of unit to respond to an emergency situation in a duty station.

- ii. Personal Emergency Advance – Staff members may be granted a salary advance for personal emergencies of up to two (2) months to meet genuine urgent, non-recurring needs. These requests will be considered on the merit of each individual case, including evidence provided, and granted, based on the best judgment of the delegated authority. Advances will be recovered in a period not exceeding six (6) months or shorter if the contract is shorter. Situations that may be considered for advances for personal emergencies include:

1. major expenses to repair a private residence damaged by natural or human-caused disasters (e.g. fire, flooding, etc.).
2. major expenses related to undertaking security-related measures (fences, alarm systems, etc.) on a staff member's primary residence based on written recommendation of the UNFPA security officer or United Nations Department for Safety and Security and submission of a vendor invoice or estimate;
3. crimes causing serious financial loss evidenced by an official police report or an insurance claim, to the staff member and/or dependent as recognized by UNFPA;
4. funeral expenses in the event of death of an immediate family member;<sup>5</sup>

18. Only one personal emergency salary advance may be granted during any 12 month period.

#### **D. Unauthorized requests**

19. Salary advances shall not be authorized for purposes outside those covered by this policy. These include but are not limited to the following:
- a. social events such as wedding parties;
  - b. expenses for tuition and related school fees;
  - c. purchase of a house or land;
  - d. construction of houses, buildings, or extensions of existing premises;
  - e. renovation or repair of houses or buildings caused by normal wear and tear; and
  - f. payment of personal debts, bank loans, or mortgages.

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<sup>5</sup> Spouse/partner, children, parents and siblings.

**E. Approval Authority**

20. The approval authority for requests for salary advances outlined above in para 17 a-i, j(ii) both at headquarters and from outside headquarters is delegated to the respective Human Resources Business Partner (HRBP).
21. The approval authority for concurrent salary advances and bulk emergency advances in all duty stations rests solely with the Director, DHR.

**III. Procedures**

22. The requesting staff member must submit their request for salary advance through Quantum.
  - a. For a concurrent salary advance, a staff member must submit their request to the Director, DHR through their respective HRBP.
  - b. For Bulk Emergency salary advances, the head of unit must submit the salary advance request to the Director, DHR through their respective HRBP.
23. Staff members must ensure that supporting documentation is attached to the application for salary advance.
24. The respective HRBP must evaluate a staff member's eligibility and communicate the decision in writing to the staff member.
25. HRBPs must define the recovery period for any salary advance they approve, in accordance with this policy.
26. The global payroll administrator sets up a recovery schedule.<sup>6</sup>
27. The finance focal point must process the salary advance after DHR approval is granted, document the disbursement details and finalize the salary advance.
28. Staff members are required to pay back the salary advance within the agreed recovery period and normally through payroll deductions.
29. HRPBs must monitor salary advances to ensure they are recovered within the specified recovery period.
30. The HRBP must document any irregularities in salary advance processes and report the same to the Office of Audit and Investigation Services.

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<sup>6</sup> UNDP or other entity.



**IV. Other**

No other content available.

**V. Process Overview Flowchart(s)**

No overview flow chart is applicable

**VI. Risk Control Matrix**

Risk Description	First Line of Defense Controls			First Line of Defense Controls		
	Control Activity Description	Reference (Policy section, paragraph or Control #)	Who performs	Control Activity Description	Reference (Policy section, paragraph or Control #)	Who performs
Misuse of salary advances	Review the written justification for salary advance request to ensure compliance	Paragraph 24	HRBP	Concurrent salary advances require exceptional authorization	Paragraph 21	Director, DHR
Failure to recover salary advances within the designated period	Salary advances are deducted from salary in installments as per agreement	Paragraphs 12-15	Director, DHR (as delegated to payroll team GPS/BES)	Review recovery status and report any deviations	Paragraphs 29 - 30	HRBP