PETTY CASH VOUCHER SYSTEM PCS INSTALLATION AND OPERATING INSTRUCTIONS

*Keep these instructions for reference and training new personnel.

STARTA-SYSTEM® CONTENTS

System package includes 250 or 500 Vouchers attached to Journal/File Folders. There are 25 Vouchers per Journal/File Folder. Package also includes 25 Employee Advance Ledgers.

TIPS FOR YOUR VOUCHER SYSTEM

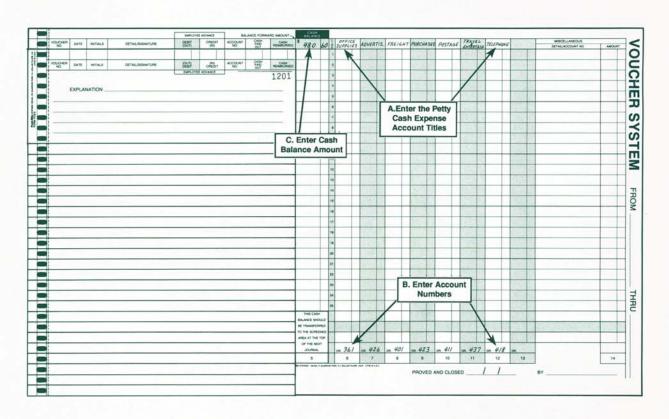
- Attach any supporting documents (Receipts, invoices, etc.) to the voucher, as this provides a better audit trail.
- Never destroy a voucher. Write "Void" across the front and file as usual.
- For complete control, be sure the employee receiving the cash advance signs the voucher slip.

PREPARING THE JOURNAL

 On the journal, in the spaces provided at the top of columns 6-13, enter the most frequently used petty cash expense account titles. (See A of illustration 1)

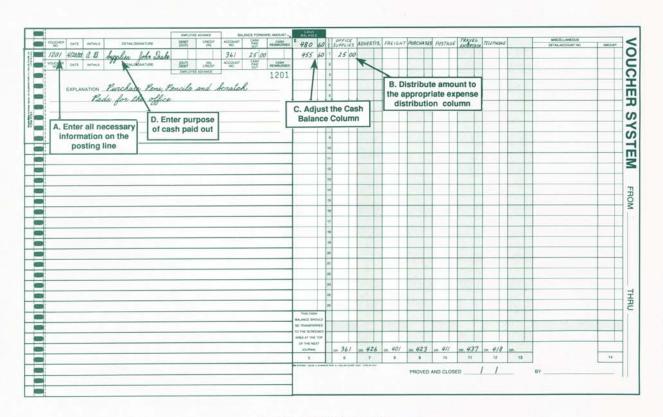
NOTE: Column 14 - Miscellaneous, is used for expense account entries other than the preheaded accounts in columns 6-13.

- At the bottom of the journal, in columns 1-13, enter the appropriate account numbers. (See B of illustration 1)
- Enter your current Cash Balance amount in the green shaded box that reads Balance Forward Amount. (See C of illustration 1)



POSTING THE PETTY CASH VOUCHER

- Beginning at the left, enter the Voucher Number, Date, Initials of the person preparing the voucher, the appropriate account number(s) and the amount of cash paid out. (See A of illustration 2)
- Distribute the amount of cash paid out to the appropriate expense distribution column. (See B of illustration 2)
- Adjust the Cash Balance column by deducting the amount of cash paid out in this entry from the previous Cash Balance. (See C of illustration 2)
- In the Detail/Signature column enter the detail of the transaction. Any further explanation of the transaction should be entered in the Explanation section of the voucher. (See D of illustration 2)
- Remove the voucher by tearing along the perforation and file the voucher.



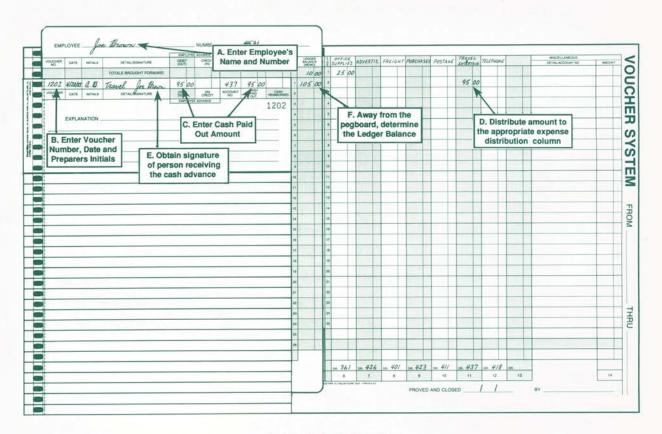
RECORDING EMPLOYEE ADVANCES:

- 1. Enter the employee's name and number at the top of the ledger card. (See A of illustration 3)
- Slide the ledger card under the vouchers until it rests against the pegs. The top voucher, the first available line on the ledger and the first available line on the journal should all align.
- On the top voucher, enter the voucher number, today's date and the initials of the person preparing the voucher. (See B of illustration 3)
- Enter the amount of cash advanced in both the "Employee Advance-Debit (Out)" column and the "Cash Paid Out" column. (See C of illustration 3)
- Distribute the Cash Paid Out amount to the appropriate expense distribution column. (See D of illustration 3)

6. The person receiving the cash advance should sign their name in the Detail/Signature column. (See E of illustration 3)

REMOVE THE LEDGER CARD

- On the ledger card determine the Ledger Balance by adding the cash paid out amount to any previous balance. (See F of illustration 3)
 - **NOTE:** If cash is reimbursed to the fund the balance column will be reduced by this amount.
- On the journal, adjust the Cash Balance by deducting the amount of cash paid out from the previous Cash Balance.
- Remove the voucher at the perforation and file.



ENTRIES AFTER ADVANCE EXPENSES ARE KNOWN

 If using ledgers with the system, insert the appropriate ledger and align it as described in Recording Employee Advances step 2. On the top voucher, enter the voucher number, today's date, the initials of the person preparing the voucher, the signature of the employee who received the advance, and the appropriate account number (if any).

ENTRY IF EXPENSES EQUAL ADVANCE

2. If the total amount of expenses incurred equals the exact amount of the cash advance (advance - expenses = zero), complete step 1 above. Next, the "Employee Advance Credit (In)" account should be credited for the TOTAL AMOUNT of the cash advance. Distribute the total expenses to the proper expense account(s) in the expense distribution columns (columns 6-14). To make this entry, total expenses must equal the cash advance.

ENTRY IF EXPENSES WERE LESS THAN ADVANCES

3. If the total amount of expenses incurred were less than the cash advance made, and the employee reimburses the fund for the difference (cash advanced - expenses = difference), complete step 1 above. Next, the "Employee Advance Credit (In)" account should be credited for the TOTAL AMOUNT of the cash advance. Distribute the total expenses to the proper expense account(s) in columns 6-14. The difference in amounts between the cash advance and the expenses is the sum of money the employee is returning to the petty cash fund. This difference is the amount entered in the "Cash Reimbursed" column.

ENTRY IF EXPENSES WERE GREATER THAT ADVANCES

4. If the total amount of expenses incurred were greater than the cash advance made, and the petty cash fund pays the employee the difference (cash advance - expenses = difference), complete step 1 above. Next, the "Employee Advance Credit (In)" account should be credited for the TOTAL AMOUNT of the cash advance. Distribute the total expenses to the proper expense account(s) in columns 6-14. The difference in amounts between the expenses and the advance is the amount of money to be given to the employee by the petty cash fund. The amount owed (and paid) to the employee is entered in the "Cash Paid Out" column (expenses - cash advance = amount owed employee).

ENTRY FOR DEPOSITING CASH INTO THE PETTY CASH FUND

- 1. Enter the voucher number, today's date, the initials of the person preparing the voucher, and the signature of the person making the deposit, in the appropriate spaces.
- 2. In the "Cash Reimbursed" column 4, enter the amount of the cash being added to the petty cash fund, and also enter this amount into column 14 or other appropriately titled column.
- 3. Remove the voucher by tearing along the perforations at the left edge, and file the voucher.
- 4. In the "Cash Balance" column 5, add the amount of the cash deposit to the previous Cash Balance. This amount is the new total of the petty cash fund and is entered in the "Cash Balance" column as the current Cash Balance.