AR326

Accounts Receivable – Funds Receipt

Instructor Led Training

Rev 11/10/2026

Revision History

Revision Date	Summary of Changes
11/10/2026	Updated to reflect the Cardinal system upgrades.
3/1/2025	Updated screenshots on pages 27 and 37 based on the Tech Upgrade changes to the Search pages.

Welcome to Cardinal Training

This training teaches you how to use Cardinal. It does not replace Commonwealth and/or Agency policy.

Training Resources

- Instructor Led & Online content
- Job Aid
- Cardinal Website > Learning

Cardinal Reports Catalog

- Cardinal Website > Resources

Security Handbook

- Security roles list and descriptions
- Cardinal Website > Resources

Welcome to Cardinal Training

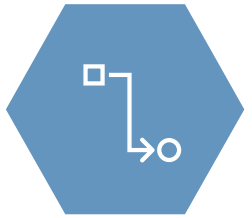
This course includes the following topics:



Explain the AR Funds Receipt Overview



Create a Deposit

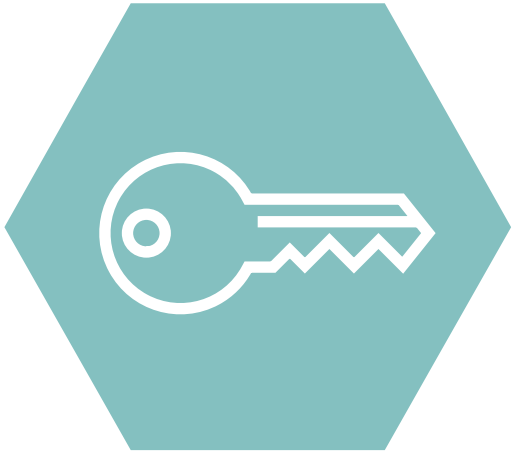


Process a Deposit



Finalize a Deposit

Lesson 1 Objectives - Accounts Receivable Introduction



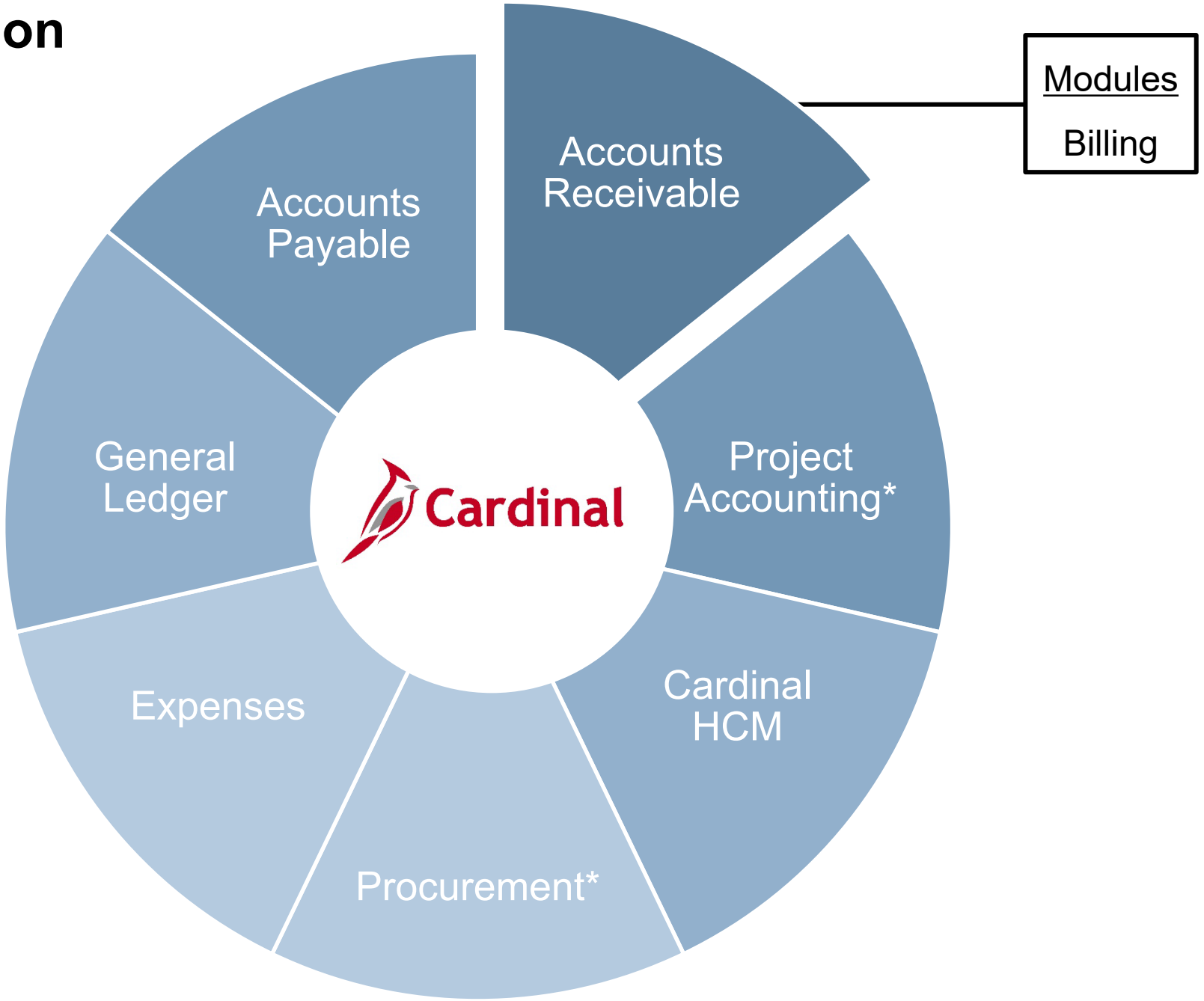
- Key Concepts
- Accounts Receivable Process for Online and Interfacing Agencies

Introduction

The Funds Receipt module is part of the Accounts Receivable (AR) functional area in Cardinal.

Funds receipt is used to enter, process and finalize payments and fund transfers in Cardinal.

All state agencies use Funds Receipts, but currently only VDOT uses the Billing module. The commonwealth will continue to assess business needs to determine if additional functionality needs to be added.

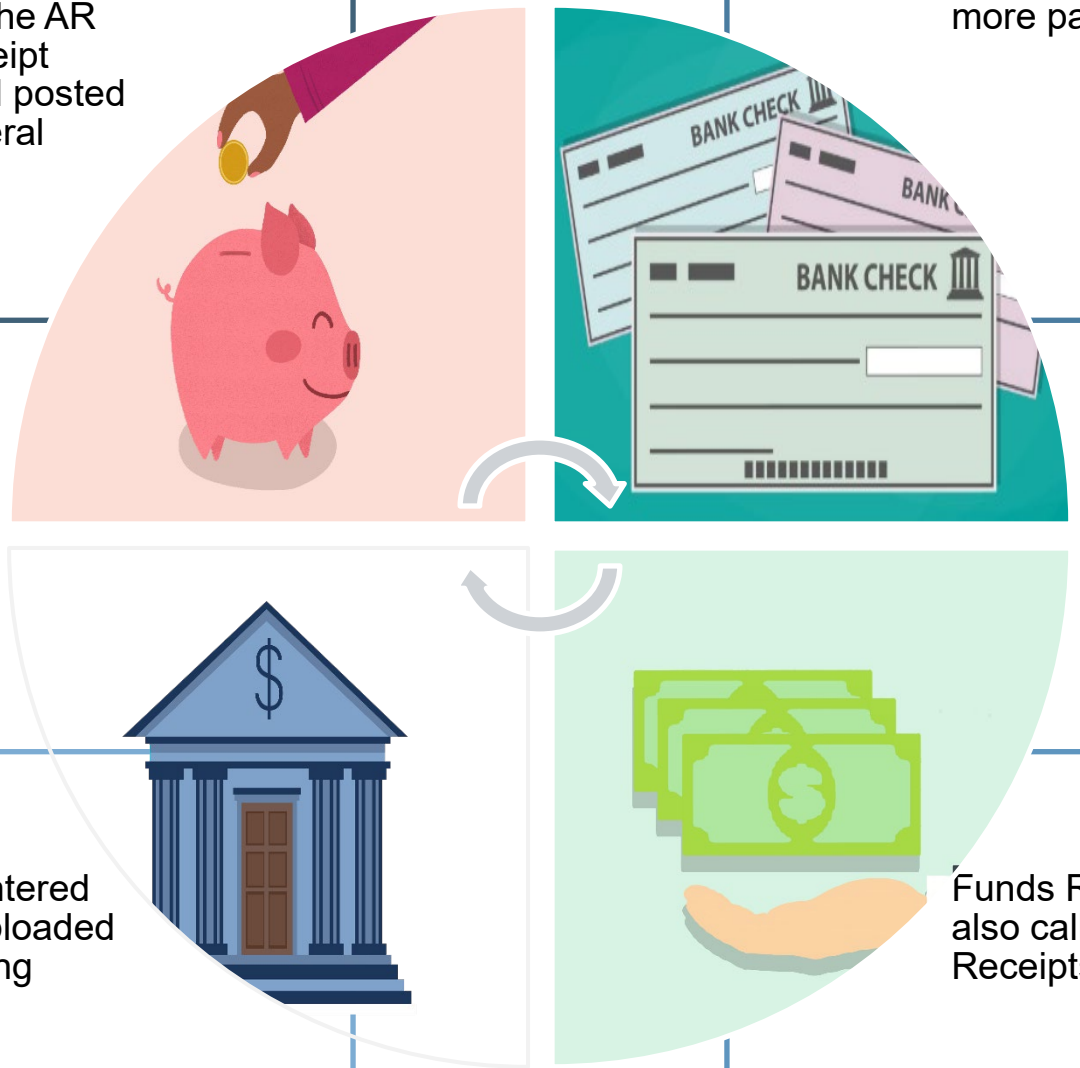


*Not used by all Agencies
**See your Agency contact regarding how your Agency uses Cardinal HCM

Key Concepts – Accounts Receivable Funds Receipt

- Deposits are entered in the AR Funds Receipt module and posted to the General Ledger

- A Deposit = one or more payments



- Deposits entered online or uploaded by Interfacing Agencies

Funds Receipts are also called Cash Receipts

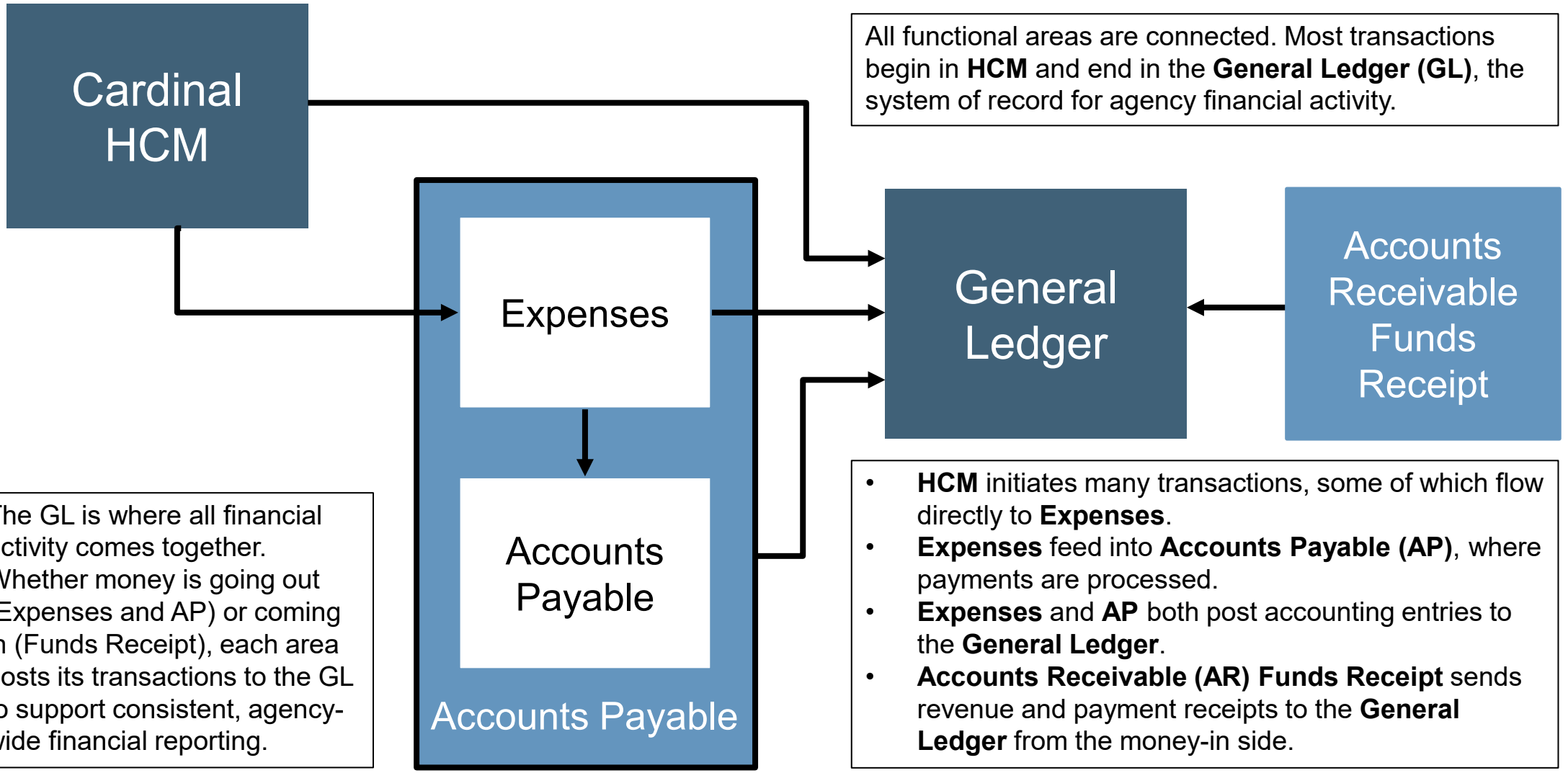
Key Concepts - Journal Enry and General Ledger

Journal Entry	General Ledger
Records affected accounts	Posts all Journal Entries
Debit or credit	Organized by Account
Amount	All Transactions
Date of Transaction	Date of Transaction
Description	Account balance
Book of Original Entry	Book of Final Entry

A journal entry is a formal record of a business transaction, showing which accounts are affected, whether they are debited or credited, the amounts involved, the date of the transaction, and a brief description.

A general ledger record is where all journal entries are posted, organized by account instead of by date.

The Accounts Receivable Functional Area in Cardinal

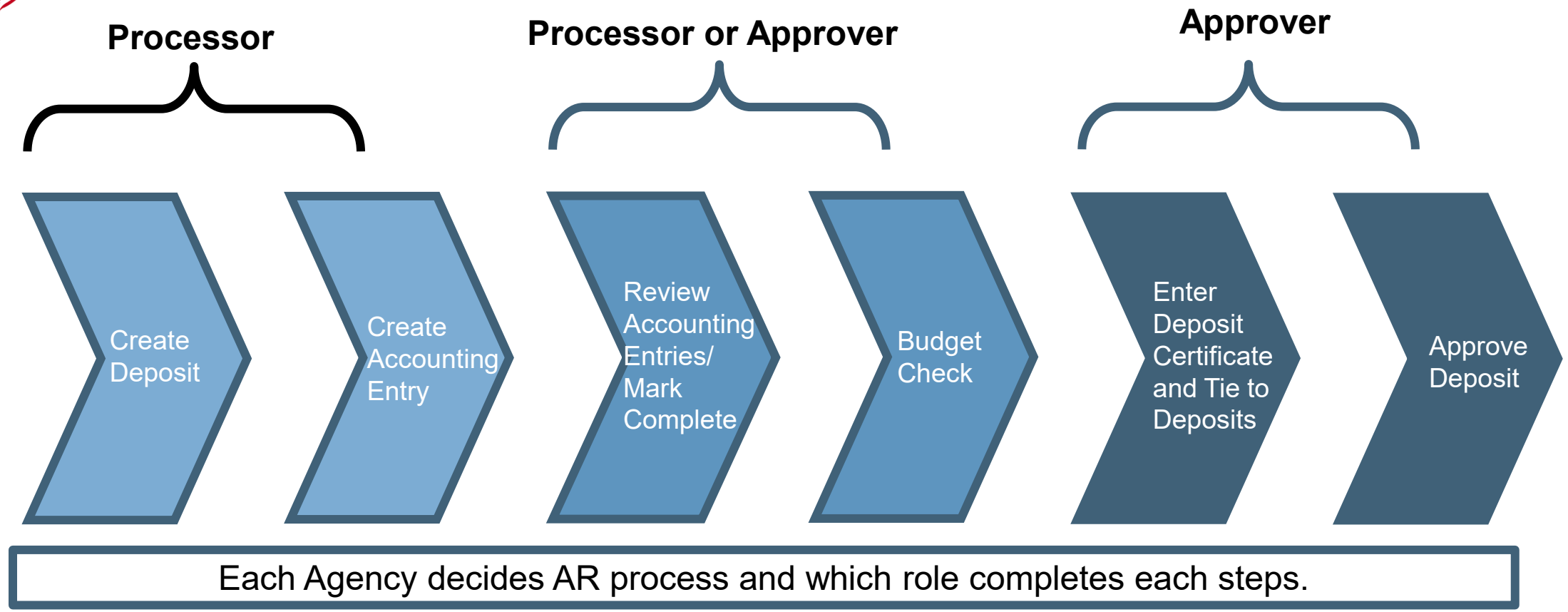


All functional areas are connected. Most transactions begin in **HCM** and end in the **General Ledger (GL)**, the system of record for agency financial activity.

The GL is where all financial activity comes together. Whether money is going out (Expenses and AP) or coming in (Funds Receipt), each area posts its transactions to the GL to support consistent, agency-wide financial reporting.

- **HCM** initiates many transactions, some of which flow directly to **Expenses**.
- **Expenses** feed into **Accounts Payable (AP)**, where payments are processed.
- **Expenses** and **AP** both post accounting entries to the **General Ledger**.
- **Accounts Receivable (AR) Funds Receipt** sends revenue and payment receipts to the **General Ledger** from the money-in side.

Online Accounts Receivable Process



Each Agency decides AR process and which role completes each steps.

The Processor creates the deposits, which may contain one or more payments and generates accounting entries (Direct Journal records). These are the first two steps in the receivables process.
Steps 3 and 4 may be completed by either the Processor or Approver, depending on your agency's process. When an entry is marked **COMPLETE**, it undergoes: **Edit Check** to validate, ChartField combinations, Required fields and formatting, Journal integrity (GL_JEDIT). Then **Budget Check**, is performed manually or through Cardinal's nightly batch process. Once an entry passes Budget Check, it can no longer be changed.

The **Approver** reviews the entry, runs Budget Check if needed, enters the Deposit Certificate number, and links it to the related deposits. Once finalized, the deposit **posts to the General Ledger (GL).**

Online Accounts Receivable Process (continued)

System Actions

- Edit Check – ChartFields+ combinations auto – validated
- Queued for Nightly Budget Check

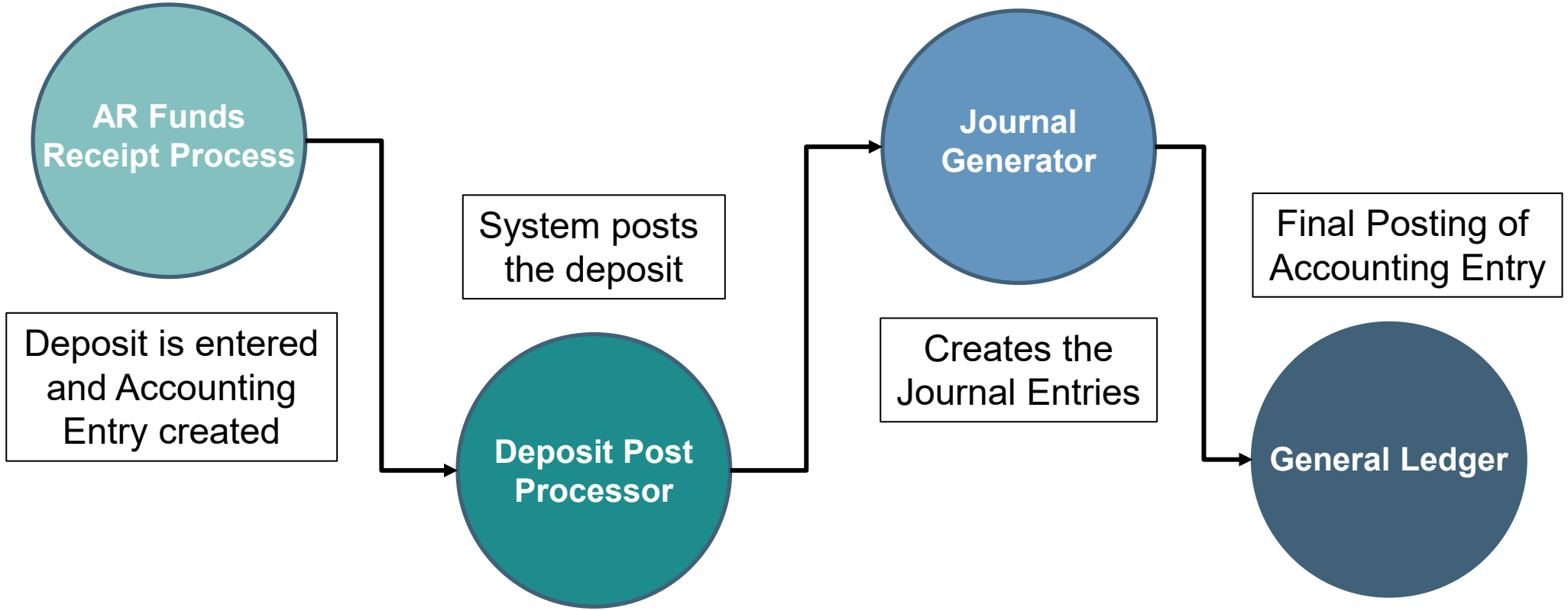
After Budget

- Deposit and accounting entry cannot be modified after successful Budget Check

Support

- Deposit and accounting entry cannot be modified after successful Budget Check

Deposit Batch Processes



The **nightly deposit batch process** takes completed deposits, posts them in **Accounts Receivable (AR)**, and sends the accounting entries to the **General Ledger (GL)**.

How it works:

1. **AR Funds Receipts** captures deposit information and creates the accounting entry.
2. **Deposit Post Processor** posts the deposit, making it official and ready for accounting.
3. **Journal Generator** creates a balanced journal entry (equal debits and credits, with a transaction description) that the GL can process.
4. **General Ledger** receives and posts the journal, updating the agency's financial records.

The **Deposit Post Processor** and **Journal Generator** run automatically during Cardinal's nightly batch process before the entry posts to the General Ledger.

Interface Accounts Receivable Process

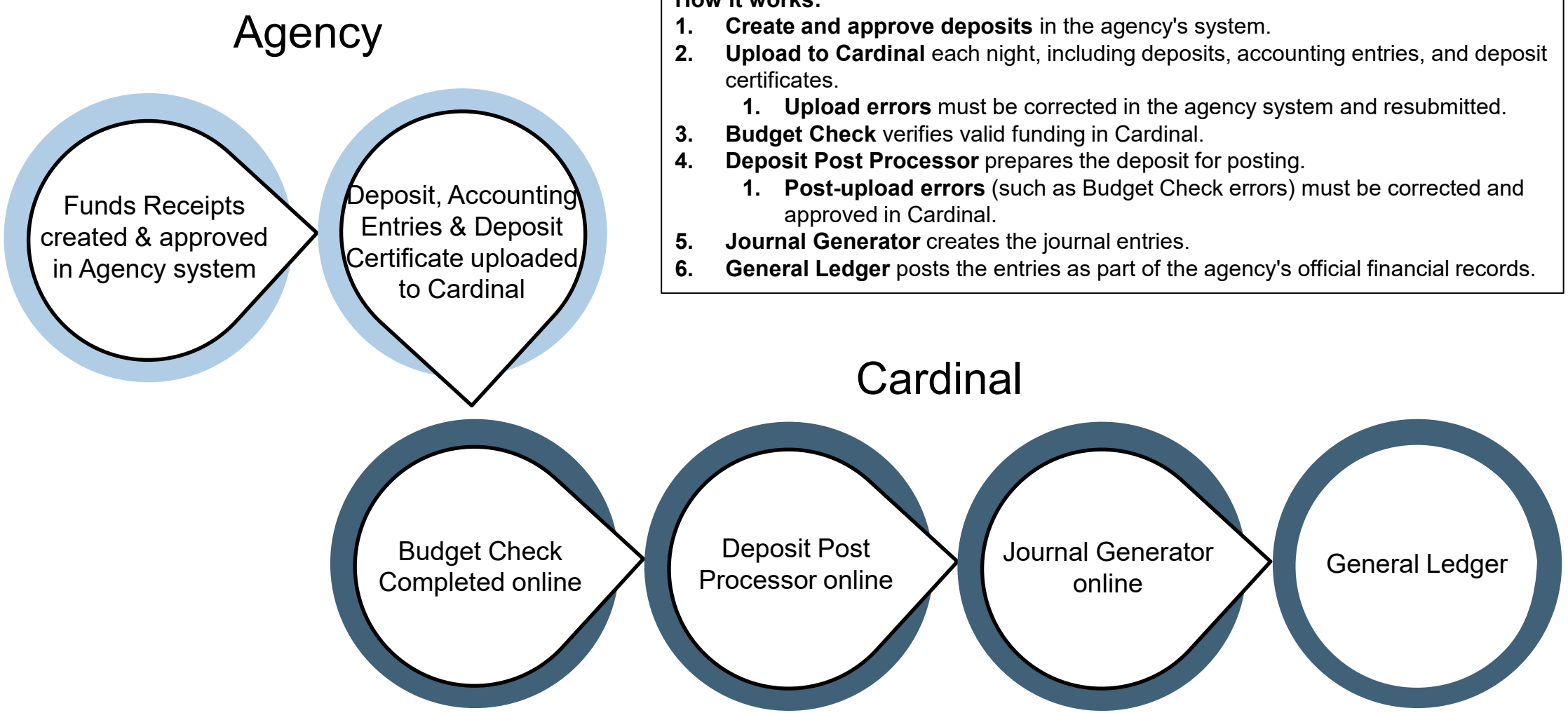
JOB AID

AR326 Funds Receipt Interface Processing

For agencies that use their own accounting system, approved Accounts Receivable transactions are uploaded to **Cardinal each night** and then processed through the General Ledger.

How it works:

1. **Create and approve deposits** in the agency's system.
2. **Upload to Cardinal** each night, including deposits, accounting entries, and deposit certificates.
    1. **Upload errors** must be corrected in the agency system and resubmitted.
3. **Budget Check** verifies valid funding in Cardinal.
4. **Deposit Post Processor** prepares the deposit for posting.
    1. **Post-upload errors** (such as Budget Check errors) must be corrected and approved in Cardinal.
5. **Journal Generator** creates the journal entries.
6. **General Ledger** posts the entries as part of the agency's official financial records.



Lesson 2 Objectives - Create a Deposit



- Create and Save a Deposit
- Agency to Agency Transactions (ATA)

Create

Creating a Deposit Overview

Direct Journal Payment
Equal to Making a Deposit

Payment Receipt
Initiates Deposit Creation

Payment Forms
Multiple Forms Allowed

Enter Deposits
Deposit Unit = Business Unit

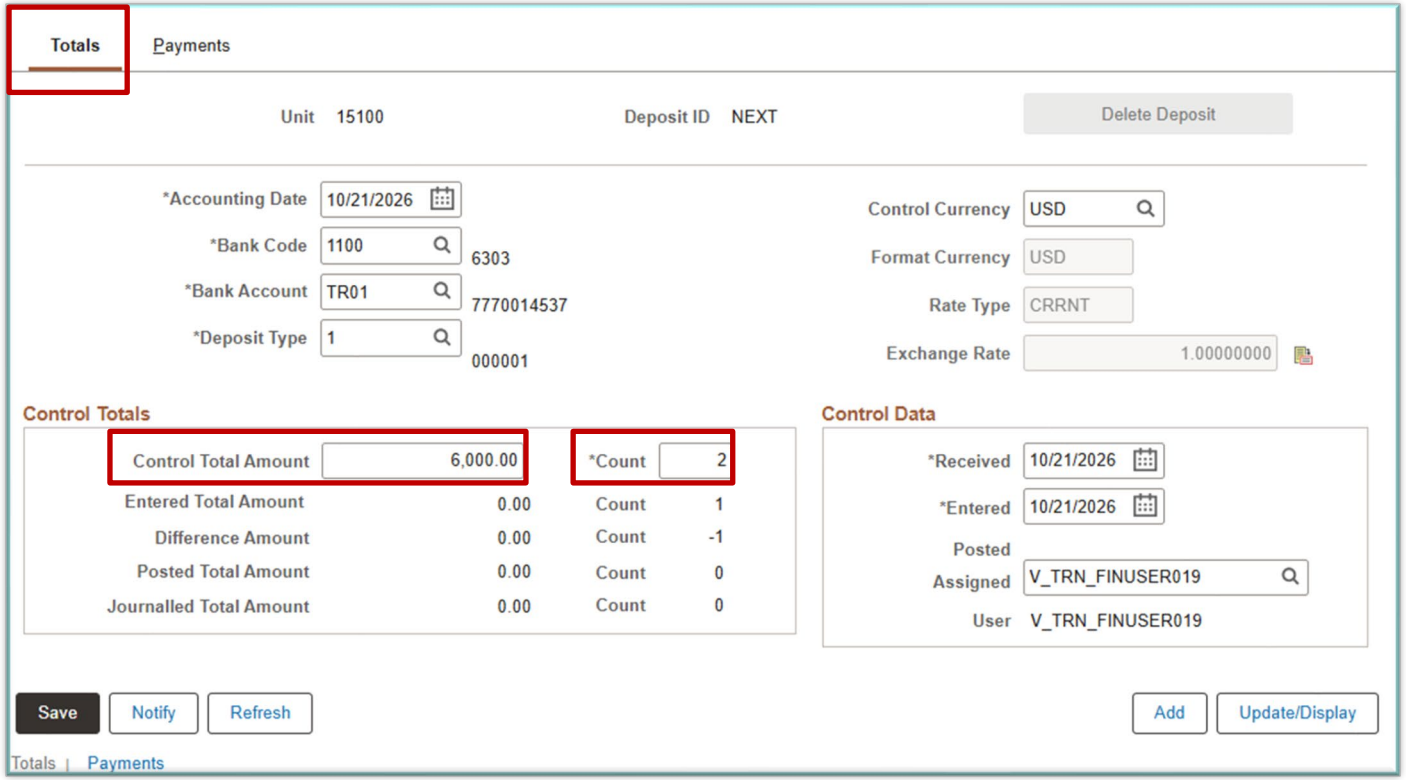
Enter Deposit Details
-Unit ID
-Deposit ID
-Accounting Date
-Bank Code
-Deposit Type

JOB AID REFERENCES

AR326 Managing Accounts Receivable Funds Receipts

AR326 Bank Code Crosswalk

Deposit Page Overview – Totals Tab

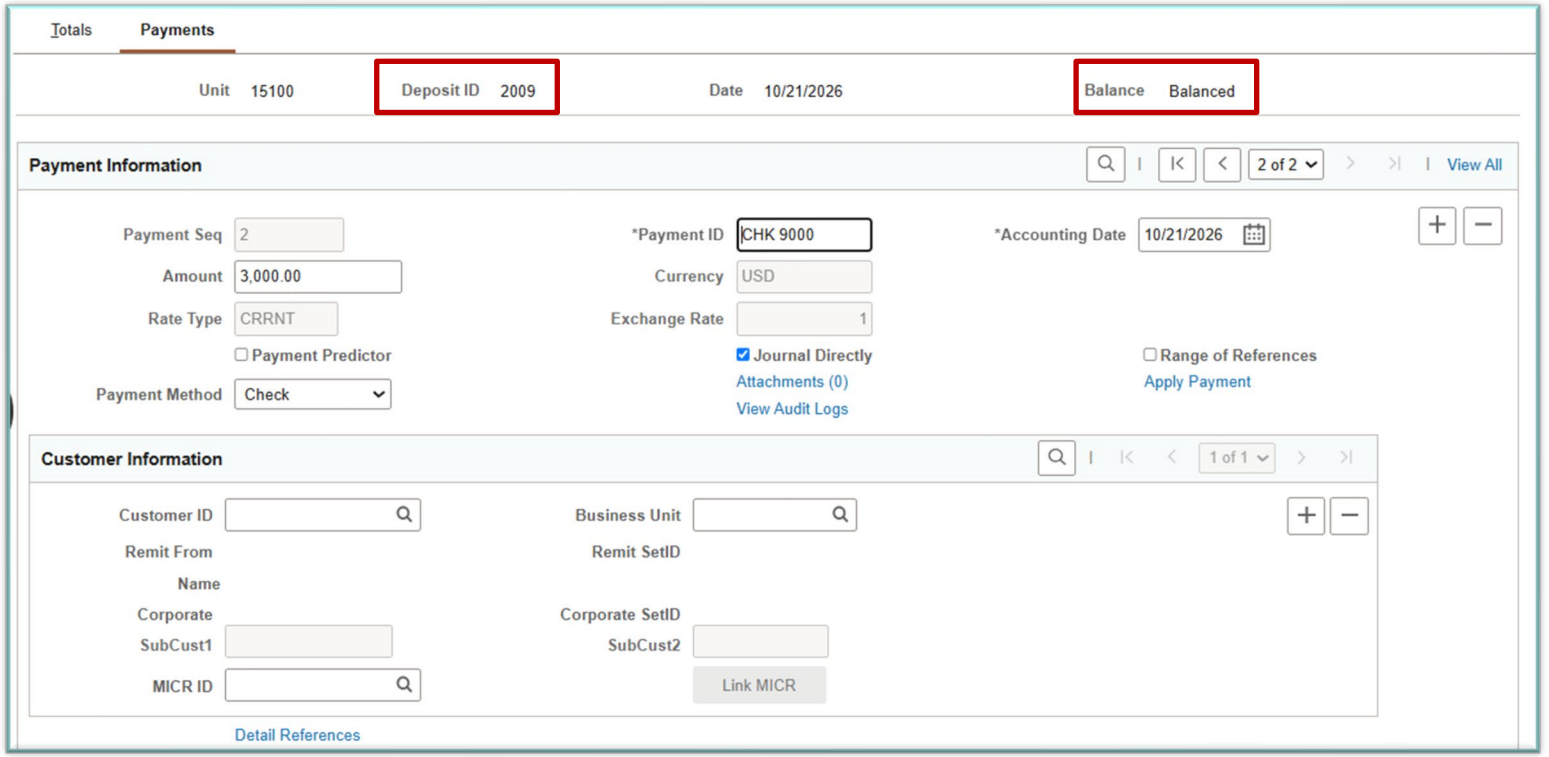


When creating a deposit in Cardinal there are two tabs on the **Create a Deposit** page.

The **Totals tab** is where the date, bank code and account number are recorded, along with the type of deposit. It shows the total amount of dollars for the payments included in this deposit. It can consist of one or more deposits.

The **Payments** tab is where the detail for each individual payment is recorded.

Deposit Page Overview – Payments Tab



Once all Payments are entered accurately, the **Balance** field displays a value of **Balanced.** this field must display **Balanced** to save the transaction and proceed with Creating an Accounting Entry.

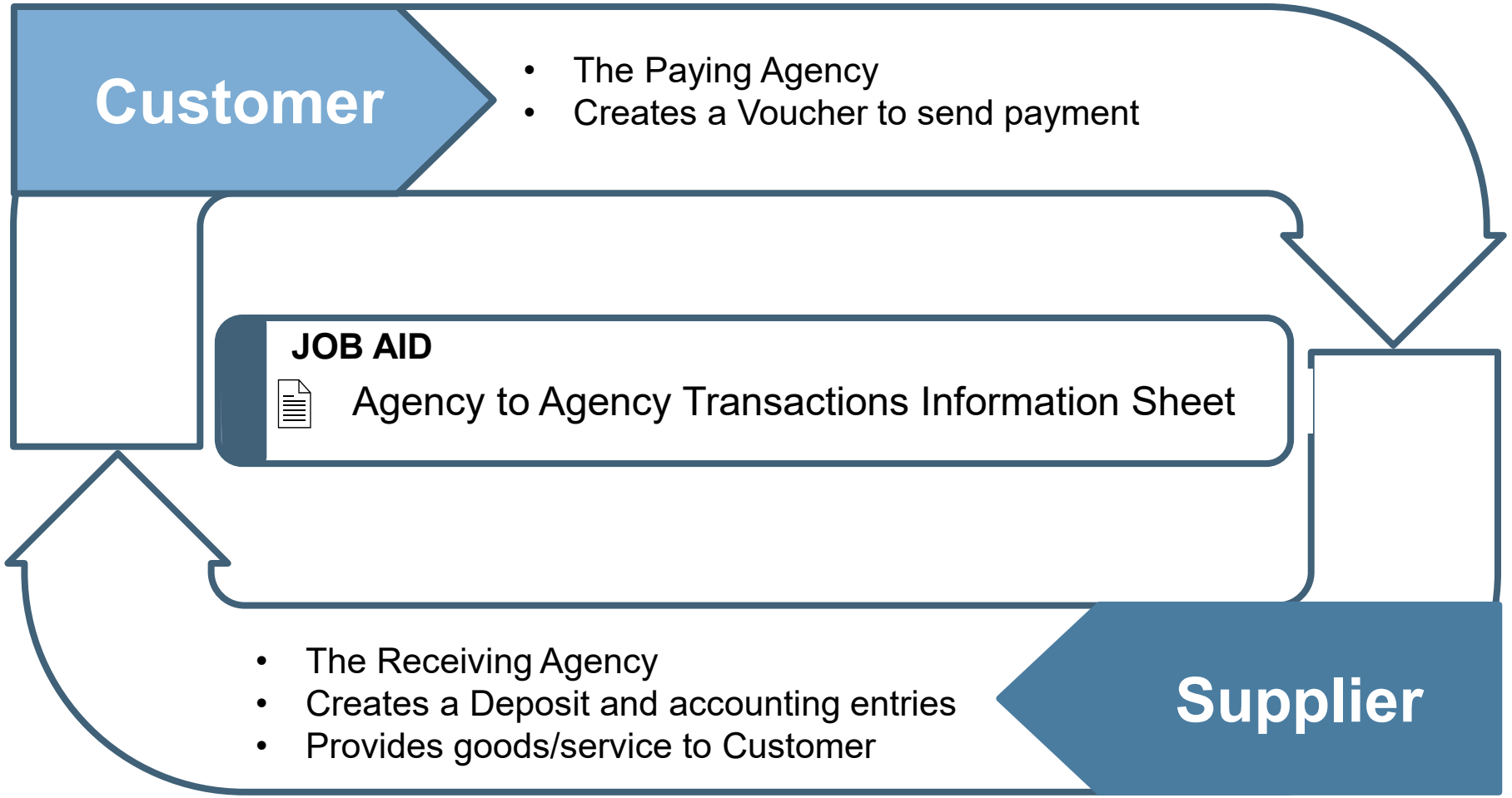
A **Balanced** Deposit means Totals page information and the Payments information (amount and count) are equal.

Once the Save is clicked, Cardinal will assign a sequential Deposit ID for the transactions you entered.

Note: An unbalanced Deposit can be saved but it cannot be processed further until it is balanced.

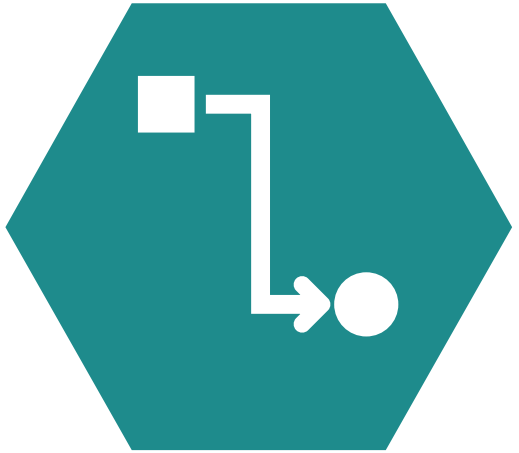
Agency to Agency (ATA) Transactions Overview

Agency to Agency (ATA) transaction A Payment received from one COVA Agency to another.



Agency to Agency transactions require the Customer ID to be entered with the Deposit.

Lesson 3 Objectives - Process a Deposit



- Creating accounting entries for Deposits
- Reviewing and correcting budget check errors
- Processing interfaced Deposit transactions

Create → Process

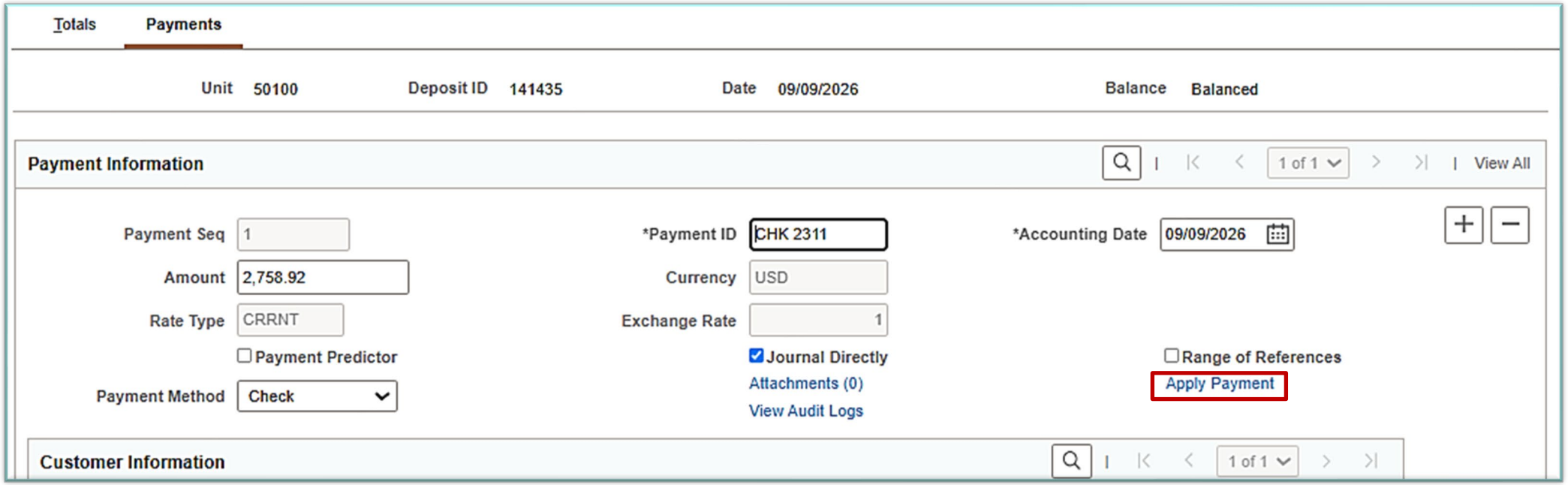
Creating Accounting Entries for Deposits Overview

- Deposit Saved
- Create Accounting Entries (Direct Journaling)
- Access Page
- One Entry per Payment Sequence

JOB AID

AR326 Managing Accounts Receivable Funds

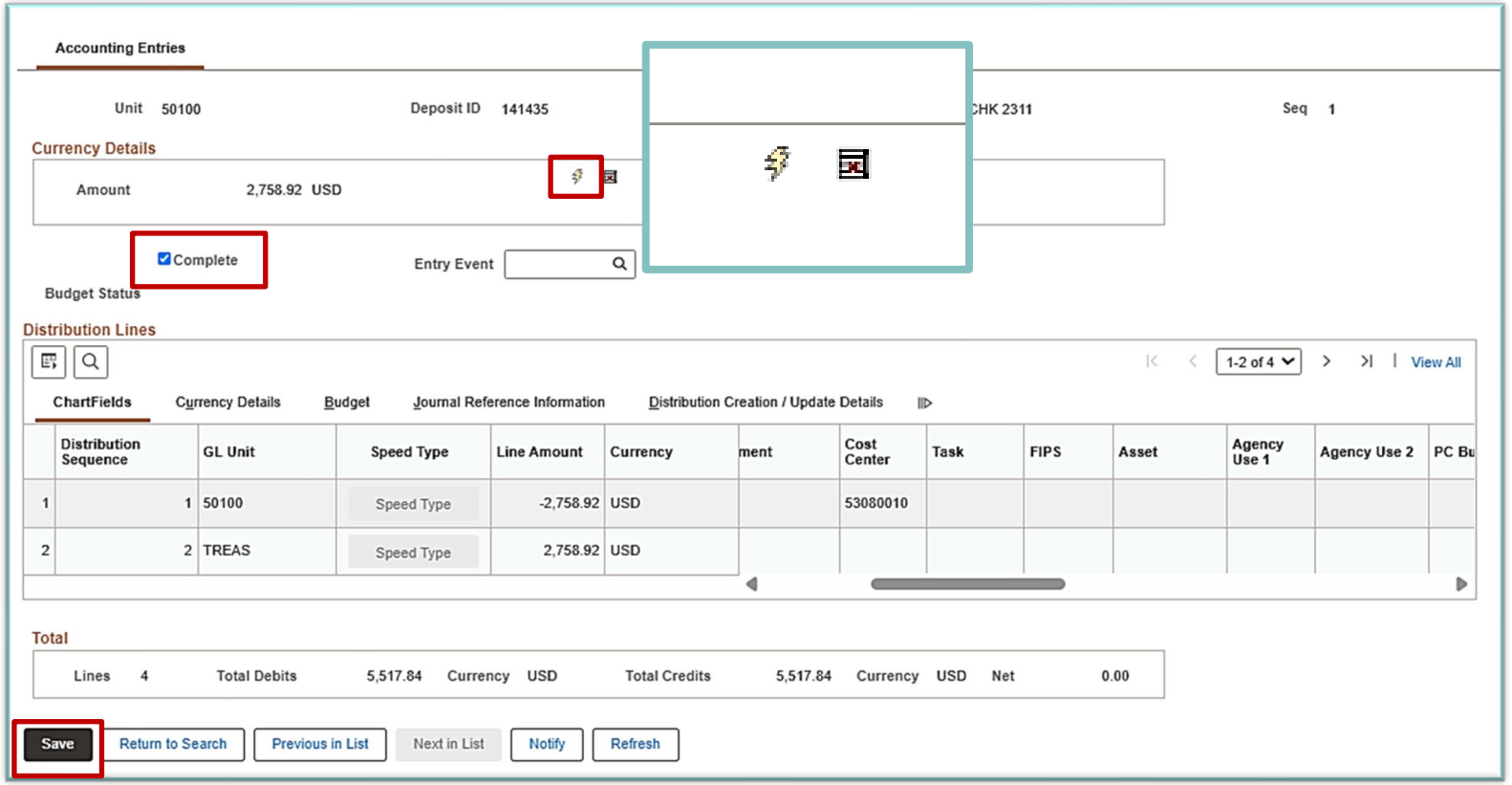
Creating an Accounting Entry – One Deposit



When you have one payment in a deposit, to create an accounting entry directly from the **Regular Deposit** page on the **Payments** tab, **click Apply Payment**. This takes users directly to the **Create Direct Journal Acct Entry** page.

When the deposit includes multiple payments, from the **Navigation Panel**, select the **Create Direct Journal Acct Entry** page, under the **Links** section.

Completing and Saving the Accounting Distribution

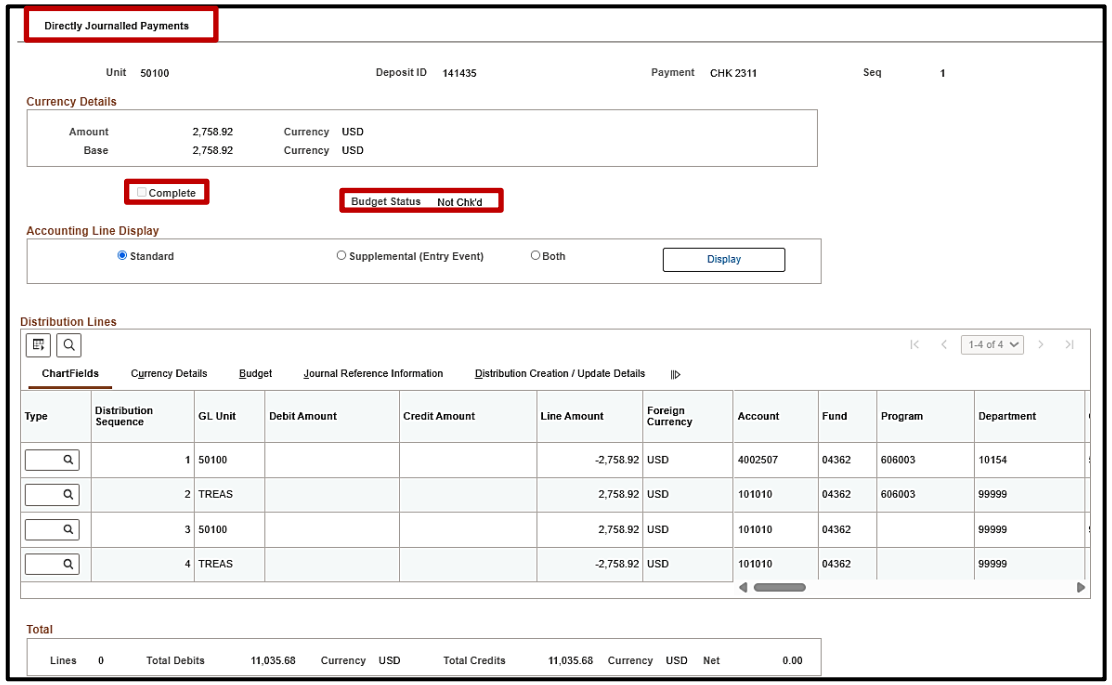


After you enter and save the accounting entries, Cardinal automatically runs an **Edit Check** to validate the **ChartField** values. Next steps depend on your agency's process. The recommended process is:

1. Approver reviews the accounting distribution
2. Select the **Complete** checkbox
3. Click **Save**

The entry is queued for the nightly **Budget Check**. Once it passes **Budget Check**, the Accounting Entry can no longer be changed.

Reviewing and Modifying Accounting Entries for Deposits



To **Modify a Deposit**:

1. On the **Directly Journaled Payments** tab, clear the **Complete** checkbox.
2. Click **Save** to unlock the entry.
3. Return to the **Create Direct Journal Accounting Entries** page and enter the edits.

Important: Deposits can only be changed while the **Budget Status** = **Pending** or **Not Chk'd**.

- Pending = Changes allowed.
- Valid = Entry is locked and cannot be modified or deleted.

Tip: When the **Complete** checkbox is grayed out, the accounting entry has passed **Budget Check** and can no longer be edited.

JOB AID

AR326 Managing Accounts Receivable Funds

Budget Checking the Deposit Overview

Budget Check = Cardinal Validation

Budget Check

- Confirms a control budget exists
- Every accounting line must pass commitment control
- Errors occur when an expenditure Account has no matching budget

Interfacing Agencies

- Budget Check errors appear during the nightly Batch Process
- Errors must be corrected online
- After correcting, run budget check manually to confirm
- If not run manually, Budget Check will run again overnight

Note: If a deposit is changed online, it must be approved online

JOB AID

AR326 Reviewing and Correcting Budget Check Errors

Interfaced Funds Receipt Transactions Overview

Upload Process

- Agencies send a nightly Funds Receipt Upload file to Cardinal
- File includes:
  - Deposit BU
  - Deposit type
  - Banking info
  - Payment amount
  - Deposit Certificate number
  - Accounting info

Cardinal Validates

- Values are validated
- Header and detail counts/amounts match
- ChartField combinations follow rules

Outcomes

Passed transactions → Loaded into Cardinal

• Failed transactions → Rejected and listed on the nightly Funds Receipt Error Report

• Agencies correct errors online and resend the file

JOB AID

AR326 Funds Receipt Interface Processing

Lesson 4 - Finalize a Deposit



- Create and Approve a Deposit Certificate
- Reviewing General Ledger Information

Create → Process → Finalize

Finalizing a Payment Overview

Deposit Certificate

- Finalizes Payment
- Groups completed deposits for posting to GL
- Transmits Deposit information to Treasury

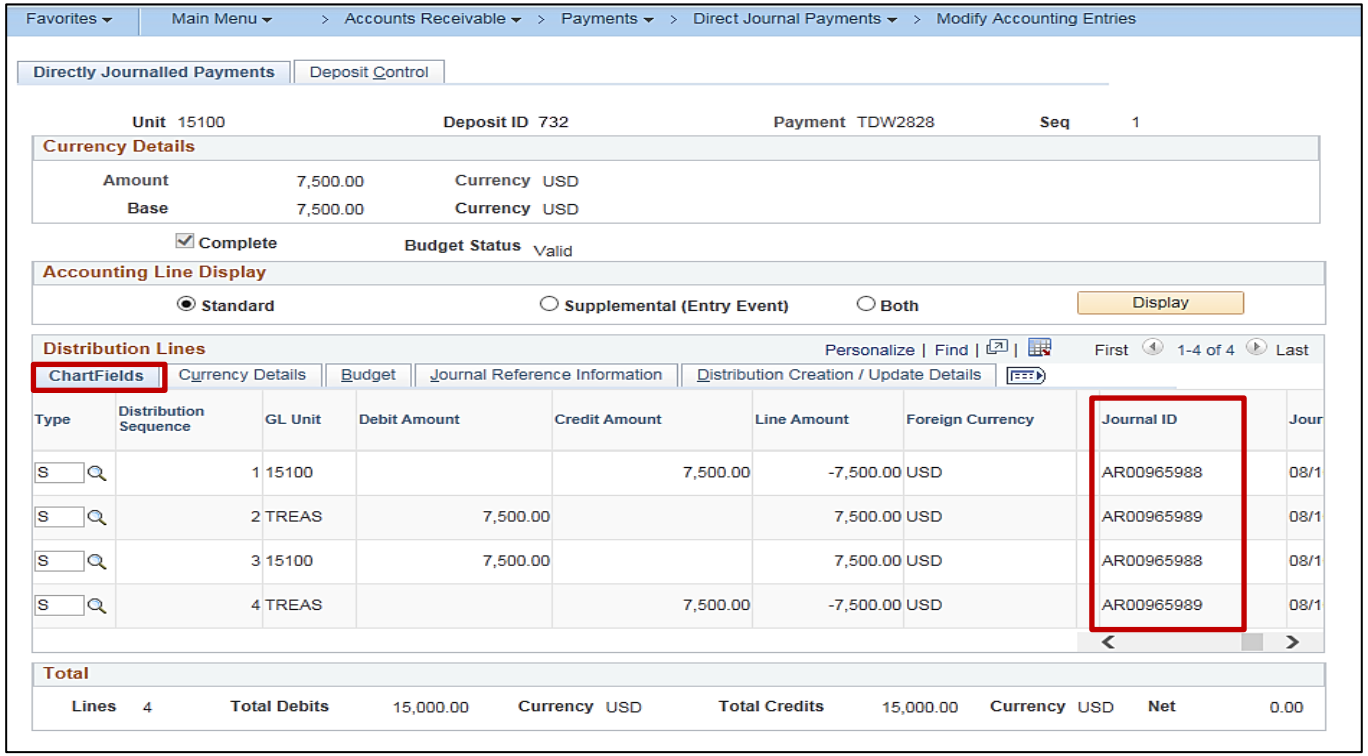
How is Works

- DC created on Approve Deposits page
- Enter DC/Ticket Number & select related Deposit IDs
- DC/Ticket number may be reused only if the bank deposit date is different
- Same DC Number and Same date = error

Interfacing Agencies

- DCs approved automatically by system, unless modified online, in Cardinal
- If modified, the DC must be approved manually, in Cardinal

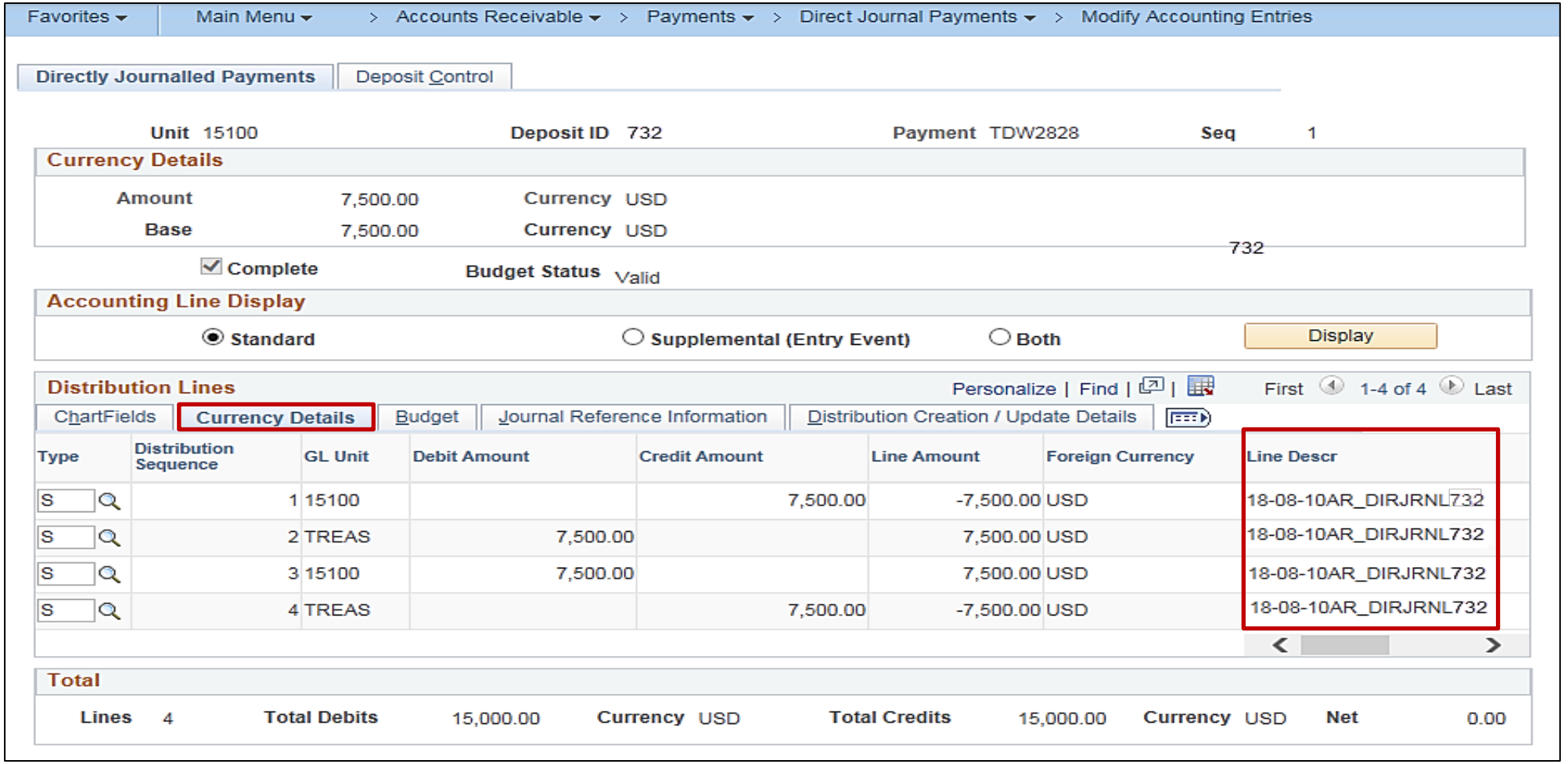
Reviewing General Ledger Journal Information



After a Deposit is approved, Cardinal finishes the processing overnight.
First, the Deposit Post Processor prepares the approved Direct Journal Deposit to be posted.
Next, the Journal Generator creates the actual journal entries and posts them to the General Ledger.
Once posted to the General Ledger, the deposit in Accounts Receivable is updated with the GL Journal ID and Journal Date.
The updates can be viewed on the ChartFields tab.

Reviewing General Ledger Journal Information (continued)

The accounting date and Deposit ID are written to the **Line Desc** field on the **Currency Details** tab. Cardinal uses this and other information for reporting and reconciliation purposes.



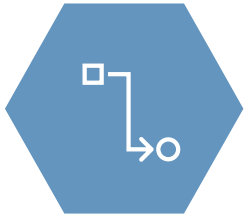
Accounts Receivable Funds Receipt Course Summary



AR Funds Receipt Overview



Create a Deposit



Process a Deposit



Finalize a Deposit

Appendix - Key Terms

Accounts Payable: The functional area that handles Cardinal Commonwealth of Virginia (COVA) payments and consists of two modules, the Accounts Payable module and the Expenses module.

Accounts Receivable: The module in Cardinal which allows COVA agencies to manage funds received through Deposit creation and the recording of cash, revenue, and other funds receipts (e.g., petty cash).

Agency to Agency (ATA) Transactions: Includes payments by one Agency to another for goods or services, pass through federal funds, cash transfers (state grants), transfer of appropriations, transfer of cash collected on behalf of another Agency, etc. In Cardinal, ATA transactions are handled in one of three different ways depending on the type of transaction. Transfer of funds are handled in the General Ledger. Inter-Agency payments are handled in Accounts Payable. Inter-Agency Deposits are handled in Accounts Receivable.

Budget Checking: The process of comparing transactions to budget ledgers to ensure that amounts do not exceed the controlling budget. Transactions may pass, fail, or pass with a warning. The Budget Check process is run via a batch process. Once a valid budget check status is achieved, the budget balances are updated.

Business Unit: An operational subset of an organization. In Cardinal, each state Agency is a Business Unit.

Combination Edits: Rules that determine which ChartField values are required, or not allowed, in combination, in order for an accounting entry to be posted.

Commitment Control: Tool that enables the tracking or controlling of expenses against budgets and revenues against estimates.

Key Terms (continued)

Customer ID: The number that identifies the COVA Agency submitting the payment.

Deposit Certificate Number (DC Number): A number keyed into Cardinal to identify the Deposit when entering a funds receipt / payment Deposit transaction. This number is usually derived from a list provided to the Agency by Treasury. The DC number can be used again however the Deposit date must be different.

Deposit Control: Tool that establishes the control totals and amounts for each Deposit.

Deposit ID: The unique key reference for Deposits in Cardinal. This number is associated with one Deposit and can be used as a lookup to view details of a Deposit, including control totals and status.

Deposit Type: Value that is used to categorize different types of Deposits in the system (e.g., cash, checks, wire, etc.). In Cardinal, the Deposit type defaults from the bank configuration.

Deposit Unit: Element that defines the Agency to which a Deposit will be credited.

Direct Journals: Entry used to enter payments in the Accounts Receivable module.

Direct Journal Payments: Payments that do not correspond to receivables established in Cardinal. Cardinal refers to these payments as directly journaled entry payments and treats them as miscellaneous cash receipts.

Electronic Payment: Payments from EDI (Electronic Data Interchange) transmissions and EFT (Electronic Funds Transfer) payment files that are routed to the Treasury.

Key Terms (continued)

Funds Receipt: The process that allows COVA agencies to record funds received through Deposit creation and the recording of cash, revenue, and other funds receipts / Deposits (e.g., petty cash) by creating direct journal entries for payments that will be sent to the General Ledger.

General Ledger: The module that contains all the accounts (e.g., Budget, Actuals, Modified Accrual, Full Accrual, and Cash) used to track accounting transactions. The General Ledger serves as the basis for the preparation of financial statements.

Payments: In the Accounts Receivable module, this term refers to funds received by the Agency.

Payment Status: Code that identifies a payment's status as it is processed. A direct journal has a payment status of "unidentified" when entered, but the status changes to "Directly Journalled" when the accounting entries are created and marked complete.

Posting: Process that creates the accounting entries for Vouchers, cash advances, expense reports, and payments. When an entry is free of errors, it can be posted.

SpeedType: A predetermined chart of accounts value string which populates or partially populates the accounting distribution line when entered on a transaction.