



Accounts Payable Job Aid

AP320 Petty Cash Processing Overview

Petty Cash Processing Overview

The Department of Accounts (DOA) requires that all Agencies record detailed petty cash transactions (i.e., disbursements and reimbursements) in Cardinal for a complete and accurate view of the Commonwealth's spending activities.

Cardinal uses a separate Accounts Payable Business Unit (AP BU) for each petty cash account in Cardinal to help record that detailed petty cash activity. Each petty cash disbursement is entered as a Voucher in Cardinal when the petty cash payment is recorded, and each reimbursement to the petty cash account recorded as a funds receipt.

Table of Contents

Revision History	2
Cardinal System Setup	3
Voucher Processing for Petty Cash Payments	4
Reimbursement of Petty Cash Accounts	6
Recording the Funds Receipt	7
Additional Considerations	8



Accounts Payable Job Aid

AP320 Petty Cash Processing Overview

Revision History

Revision Date	Summary of Changes
9/1/2026	Reviewed and validated in conjunction with the Cardinal system upgrades; content remains unchanged.
10/16/2024	Baseline.



Accounts Payable Job Aid

AP320 Petty Cash Processing Overview

Cardinal System Setup

A main AP BU is set up for each Agency in Cardinal. The format for the Business Unit is 12300 (i.e., the Agency Number followed by two zeroes). The Agency's regular Supplier payments are processed under the main AP BU and related disbursements are made from the Treasurer of Virginia's bank account.

For each petty cash bank account, a separate AP BU is set up for the Agency. The format for these Business Units is 123P1, 123P2, 123P3, etc., where "123" represents the Agency Number and the "P#" identifies a Petty Cash account for the Agency. These additional AP BUs are used to make disbursements that are made from the applicable Agency petty cash account.

All AP BUs (main and petty cash related) for an Agency post to a single General Ledger Business Unit (GL BU).

All AP BUs (main and petty cash related) for an Agency are consolidated and reported under a single Agency Reporting Entity for 1099 reporting.

An asset account (Petty Cash Operations-154601) tracks petty cash related transactions in Cardinal. This account is not intended to reflect the balance of the petty cash account; rather, it is used to track unreimbursed activity.

Voucher Processing for Petty Cash Payments

When a petty cash payment is made, the following steps are performed to record the transaction in Cardinal:

- The Agency enters a Petty Cash Voucher online in the petty cash AP BU (e.g., 123P1) using a Supplier established in the Cardinal Supplier table. Since employees are not Suppliers, they cannot be reimbursed for travel or other expenses using petty cash (employees are reimbursed via the Expenses module).
- Interfacing Agencies can submit the Petty Cash Voucher to Cardinal through the Voucher Upload interface.
- The Voucher is budget checked in order to verify the account coding against the available budget.
- If approval is required, the Voucher is routed through Cardinal workflow and approved.
- The Voucher Post process runs, and the expenditures are recorded in the AP module to the petty cash AP BU.
- The Journal Generation process generates a Journal entry for the Voucher transaction to the Cardinal General Ledger. During Journal Generation, posted Journals record the expenditure in the General Ledger (a debit to the Voucher Distribution Account - normally, an expenditure; and a credit to Accounts Payable-205025).
- Cardinal has the ability to print petty cash checks (this is optional). If Cardinal is producing the check, the Voucher is paid using the Cardinal Express Pay Cycle. The Cardinal Express Pay Cycle produces a file that contains the Agency's petty cash check number (the check numbering series can be continued in Cardinal), Supplier name, Supplier address, and remit information to be included on the check stub. This information can then be printed on the Agency petty cash check stock.
- If the Agency is writing a manual check or using Agency software, etc. to make the payment, there are two options available to record the payment in Cardinal:
 - **Record manual payment in Cardinal:** The Agency goes into Cardinal and updates the Voucher in Cardinal by recording the check number and check date information in the **Schedule Payment** section on the **Payments** page of the Voucher.
 - **DOA process:** Agencies may elect to have DOA run a process in Cardinal to record the check number and check date on the Voucher. The number is a system generated sequential payment reference ID number and the current check date. Agencies can record the Agency check number in the **Message** field on the **Payments** page. Interfacing agencies may include this information when they upload the Voucher in the **Payment Message** field.
- The Payment Post process will appropriately affect the Accounts Payable account and Petty Cash Operations account in the AP module.



Accounts Payable Job Aid

AP320 Petty Cash Processing Overview

- The Journal Generation process generates a Journal for the payment transactions to the Cardinal General Ledger (Debit Accounts Payable-205025, Credit Petty Cash Operations-154601).



Reimbursement of Petty Cash Accounts

The following steps are taken to reimburse petty cash accounts in Cardinal:

- When the Agency is ready to reimburse the petty cash account, a user runs the Unreimbursed Petty Cash Voucher Report to identify the checks (payments) that need to be reimbursed.
- Using the report, the Agency creates a Voucher online in Cardinal under the main AP BU (e.g., 12300) referencing the Agency as the Supplier. The Voucher debits the Petty Cash Operations account (154601). Interfacing Agencies can submit the reimbursement Voucher to Cardinal through the Voucher Upload interface.
- The Voucher is budget checked (no expenditure accounts are affected during this transaction).
- If approval is required, the Voucher is routed through Cardinal workflow and approved.
- The Voucher Post process runs and, at this point, impacts only the asset account for the main AP BU – 12300.
- The Journal Generation process posts transaction to the General Ledger (Debit Petty Cash Operations-154601, Credit Accounts Payable-205025).
- The Pay Cycle process picks up the Voucher for payment through the Treasury bank account.
- A payment is generated, and the EDI payment transaction creates a deposit to the petty cash bank account.
- Payment Post appropriately affects the Accounts Payable account and Cash account in the AP module.
- The Journal Generation process posts transactions to the General Ledger (Debit Accounts Payable-205025, and Credit Cash with the Treasurer of VA-101010).



Accounts Payable Job Aid

AP320 Petty Cash Processing Overview

Recording the Funds Receipt

After the replenishment is processed, the funds receipt is processed in Cardinal by following the steps below:

- A Remittance Electronic Data Interchange (REDI) Virginia notice is received by the Agency for the deposit of cash in the petty cash banking account.
- The Agency records a deposit transaction in the Cardinal Accounts Receivable (AR) module in the petty cash AP BU (123P1) to the Petty Cash Operations account. This is the same petty cash account recorded during the reimbursement Voucher process.
- The Journal Generation process creates a Journal in the GL BU, and the net effect on the Petty Cash Operations account is zero (Debit Petty Cash Operations-154601, Credit Petty Cash Operations-154601).



Accounts Payable Job Aid

AP320 Petty Cash Processing Overview

Additional Considerations

If the Agency prints petty cash checks from Cardinal and has multiple bank accounts, they must set up multiple petty cash AP BUs. Example:

- If the Agency has two petty cash funds (e.g., one in your central office and one in a regional office), then two separate petty cash AP BUs are set up in Cardinal.

The Agency needs to run the Express Pay Cycle in Cardinal and test to ensure the petty cash checks print correctly.

Agency check stock must meet Cardinal check printing format requirements.