Petty Cash Transactions in ARC

To process petty cash transactions including fund creations, fund administration changes, and fund replenishments, a Petty Cash Fund must be set up, including a fund custodian new vendor request. Fund administration requests (creations, changes, closures) must be submitted to and approved by the Office of the Controller. Petty Cash replenishments are requested through ARC Accounts Payable Vouchers.

For detailed information about how to establish, change, replenish, close or manage a petty cash account including specifics regarding petty cash account uses for human subjects research projects, please see the Petty Cash Information site on the Finance Gateway.

This Job Aid focuses specifically on the following ARC processes related to petty cash transactions:

- Establishing a Petty Cash Vendor Profile in ARC
- Creating a Voucher in ARC for the New Petty Cash Profile
- Creating a Petty Cash Replenishment Voucher
- Creating a Petty Cash Close-Out Voucher

Petty Cash establishment and maintenance procedures must follow the Petty Cash policy, located at: http://policylibrary.columbia.edu/petty-cash-policy
Establishing a Petty Cash Vendor Profile in ARC

To establish a petty cash vendor profile in ARC, the department needs to submit a Vendor/Payee Request Web Form to Vendor Management.

- **For a new Petty Cash Custodian profile**, departments with no petty cash custodian vendor profile should add a new petty cash custodian profile (distinct from an employee’s personal vendor profile, if one exists).
- **For an existing Petty Cash Custodian Profile**, a new address should be added to your existing profile. Departments must EDIT their existing petty cash profile and select Add a New Address (with the new PC#XXXX).

**Steps for Adding a New Petty Cash Custodian Profile:**

1. Access the [ARC Vendor/Payee Request Web Form](#) found on the Vendor Management web page or in the Finance Gateway Forms Library. For more detailed instruction, see the [Initiating a Vendor Request](#) job aid.
2. Click the **Add New** button, and choose **Petty Cash** from the Nature of Transaction pull-down list. In the **DESCRIBE THE NATURE OF THE TRANSACTION** box, write "Petty Cash Fund Custodian" and include the PC# if you have it. (Contact pettycash@columbia.edu with any questions.) Click **Continue**.
3. In the **Header Info** section of the form, the PAYEE NAME should be the name of the custodian. For the second line, PAYEE NAME 2, enter the words "Petty Cash Custodian"
4. Click the **Review and Submit** button at the bottom of the page. A summary screen of the information you entered will appear. You will verify the information and, if correct, click the **Submit** button. Once you have submitted the request, an e-mail message will be generated to the Custodian indicating that a request has been initiated for them to be added to the system along with any additional instructions.

*** DEPARTMENT MUST WAIT FOR CONFIRMATION THAT THE CUSTODIAN PROFILE HAS BEEN CREATED IN ARC BY VENDOR MANAGEMENT BEFORE PROCEEDING TO ENTER THE INITIAL AP VOUCHER ***
Creating a Voucher in ARC for the New Petty Cash Profile

After receiving confirmation from Vendor Management that PC profile has been created, department should create an AP voucher in ARC. This will provide funds for use. For more detailed information see the Establishing a Petty Cash fund web page.

Things to remember:

- Documentation must be attached to the voucher with all approvals. (Documentation for this step was emailed to the Custodian as an attachment on the approval email.)
- Department should select the correct vendor for the petty cash account. See address line 3 for the PC#.
- Department must use Account 11990 as part of the ChartString.
- Department must use the same project and department on the Administration form.
- Department should assign ADHoc Approver, Kim Savan, to the voucher for FR&O approval.

After voucher is approved by Controllers Office, it will be routed to AP for final approval. A check will be issued after AP approval.

From the ARC Main Menu, choose Accounts Payable>Vouchers>Add/Update>Regular Entry to create a Voucher for the check that will be cashed by the custodian and used for the initial Petty Cash fund. For more detailed information on how to process ARC vouchers, see the Voucher Processing web-based training.
Preview the voucher for accuracy and review approvers. Click on the plus icon to insert the FR&O Petty Cash Ad Hoc Approver. See the steps below:
1. Click on the Magnifying Glass to search for the FR&O Petty Cash Ad Hoc Approver

2. Enter the name of the FR&O Petty Cash Ad Hoc Approver
3. Click Search
4. Select the appropriate Approver
5. Click the Insert button

6. The FR&O Petty Cash Ad Hoc Approver is inserted into the approval workflow
7. Click Submit for Approval

8. Add Additional Details if necessary
9. Click OK

Voucher is entered into Workflow and is pending Departmental and FR&O Petty Cash Ad Hoc Approval.
Creating a Petty Cash Replenishment Voucher

Follow the below steps to create a voucher when a Petty Cash fund needs to be replenished. For more detailed information about this process, see the [Replenishing a Fund](#) web page on the Finance Gateway.

1. Enter Petty Cash vendor
2. Enter the Invoice Number: The Invoice Number should be the R-Number from the PC Check Request
3. Enter the Invoice Date
4. Enter Gross Invoice Amount
5. Click Add
6. Enter Date Dept Rec’d Invoice
7. Select Voucher Type: Petty Cash

10. The Petty Cash Voucher Type requires that the vendor have a Petty Cash Custodian classification. An error message will display if these do not match. If you receive this message one of the three options needs to be taken:
   a) Request modification to the Vendor profile using the Vendor Request/Modification web form
   b) Change the Vendor on the voucher to an appropriate vendor with a classification of Petty Cash
c) Change the Voucher Type to Invoice

8. Enter Invoice Line Description
9. Enter ChartField information
10. Click Save

11. Click on the Procurement EDM link to upload supporting documents
12. Click on the Browse button to locate scanned documents
13. Click on the Upload Documents button

14. Click on the View Documents button to view uploaded documents
11. Document displays in new browser

15. Click on the Preview & Submit For Approval button
16. Click on the Submit For Approval button
17. Click on the OK button

12. Voucher is entered into Workflow and is pending Departmental Approval
Create a Petty Cash Close-Out Voucher

To close a Petty Cash account, the Voucher Initiator creates a voucher to close the fund. Please review the Closing a Fund web page for other detailed requirements.

After reconciling the fund, processing remaining receipts, and depositing any cash on hand (see Closing a Fund for more information), you will need to create a “Zero Voucher” in ARC.

A zero voucher is a voucher with two lines that nets to zero. One of the lines in the voucher should be crediting 11990 (amount should be negative) and debiting the department expense ChartString for the total amount of receipts. (Attach to the voucher all documentation listed above). This voucher should be submitted for Ad-Hoc approval to the Office of the Controller. After the Controller’s Office approves the voucher, the voucher will be routed for approval to Accounts Payable. AP will review your receipts and notify you if additional information is necessary.
1. After creating the Petty Cash Zero Voucher, click on the **Preview and Submit For Approval** button.

2. Click on the plus icon to insert the FR&O Petty Cash Ad Hoc Approver.
3. Click on the Magnifying Glass to search for the FR&O Petty Cash Ad Hoc Approver

4. Enter the name of the FR&O Petty Cash Ad Hoc Approver

5. Click Search

6. Select the appropriate Approver
7. Click the Insert button. The FR&O Petty Cash Ad Hoc Approver is inserted into the approval workflow.

8. Click Submit for Approval.
9. Add Additional Details if necessary
10. Click OK

Voucher is entered into Workflow and is pending Departmental and FR&O Petty Cash Ad Hoc Approval.