

Petty Cash Manager System – Role Redesign

Justification

Purpose of This Document

This document explains the **proposed redesign of user roles** in the Petty Cash Manager System. The goal is to: - Align the system with **actual accounting workflow** - Remove **unnecessary AI-generated roles** - Reduce confusion and misuse - Follow **basic internal control and audit principles** - Keep the system **simple and suitable for a small company**

This redesign is based on: - Interview with the accountant - Review of the AI-generated Replit system - Standard petty cash accounting practices

Background Problem

The current AI-generated system contains multiple roles that: - Overlap in responsibilities - Are not clearly defined - Do not reflect how petty cash is actually handled in the company

This causes: - Confusion in usage - Risk of incorrect accounting records - Difficulty in maintaining and explaining the system

As the developer responsible for fixing and deploying the system locally, it is necessary to **clarify and simplify roles before implementation**.

Core Accounting Principle Applied

Petty cash systems follow a basic internal control rule:

The person who prepares and releases cash must NOT be the same person who approves it.

This separation protects the company from errors and misuse and protects staff and developers from accountability issues.

Proposed Roles (Final – 3 Roles Only)

Because the company is small, the system will use **only three (3) roles**.

1. CASH_MANAGER

Assigned to: Accountant

Definition: The Cash Manager is the **petty cash custodian** responsible for handling and recording all petty cash transactions.

Responsibilities: - Create petty cash vouchers - Record expense details and actual amounts released - Release petty cash - Maintain correct petty cash balance - Prepare data for replenishment - Generate expense and voucher reports

Restrictions: - Cannot approve their own vouchers - Cannot override approvals

Reason this role is required: - This reflects the actual work done by the accountant - This role is mandatory in all petty cash systems

2. APPROVER

Assigned to: Sir Nat (CEO's Son)

Definition: The Approver is responsible for **reviewing and validating vouchers** before they proceed.

Responsibilities: - Review vouchers created by the Cash Manager - Approve or reject vouchers - Ensure expenses are valid and reasonable

Restrictions: - Cannot edit voucher amounts - Cannot release cash - Cannot manage system settings

Reason this role is required: - Provides internal control - Ensures separation between recording and approval

3. ADMIN (Technical Role)

Assigned to: System Developer

Definition: The Admin is a **technical role only**, not part of the accounting process.

Responsibilities: - Create and manage user accounts - Assign roles - Maintain system configuration

Restrictions: - No access to vouchers - No approval authority - No access to cash or financial decisions

Reason this role is required: - Prevents mixing technical access with financial authority - Protects system integrity

Why REQUESTER Role Is Removed (For Now)

Based on the accountant interview: - Vouchers are created directly by the accountant - The voucher itself already acts as the request

Therefore: - A separate **Requester role is currently unnecessary** - Removing it simplifies the system - The role can be added later if business process changes

Why CEO Role Is Optional

In small organizations: - CEOs usually do not approve every petty cash voucher - Oversight is done through reports and replenishment review

For simplicity: - CEO access can be **view-only** or handled outside the system - This avoids system delays and over-complication

Benefits of This Redesign

- Matches real accounting workflow
 - Reduces system complexity
 - Avoids role duplication
 - Follows basic audit and control principles
 - Makes the system easier to explain, use, and maintain
 - Protects the company and the developer from errors
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Conclusion

This role redesign is **not a preference**, but a **necessary engineering decision** based on: - Actual business process - Accounting standards - Risk reduction

Implementing the Petty Cash Manager System without clear and minimal roles will result in confusion and incorrect records. This redesign ensures the system is **practical, correct, and suitable for the company's size**.

Prepared by: System Developer Purpose: System redesign justification