

The logo consists of a solid blue rectangle. The letters 'A S A' are written in white, sans-serif font in the bottom right corner of the rectangle.

A S A

ASA AP Approval

Petty Cash Overview

7/06/15

V 01

Purchase Order

Overview

Petty Cash (PC) is utilized in film production to purchases materials and supplies from vendors who have not extended credit or when the need to buy something is fast or the purchase is small or a one-time expense. Some of the crew, only a small portion (5-20 people), are provided a petty cash float from \$250 - 2,500 USD. The crew members are charged with making purchases, collecting a receipt for the purchase and submitting those receipts to accounting for audit.

In the current analog world, the accounting department will receive an envelope from the crew member who has been provided PC. The envelope is filled with cash register receipts (pasted up on an 8.5x11" or A4 piece of paper) and a summary page on the top of the envelope explains what is inside the envelope. The crew member is in charge of pasting up the receipts and completing the 4 key pieces of information (date, who was paid, for what and how much). This information is hand written on a form that is pasted (or printed) on the face of a large envelope. A sample (8.5" X 11") of a petty cash envelope is uploaded the basecamp (Petty Cash Sample.PDF) with the images in the PDF pasted here.

Sample Cover page on Envelope:

GS # 000793

PETTY CASH ENVELOPE

ENTERED
9/18/14
MA

Envelope #: _____

Date: 8-23-14

Name: Craig Conolly
BEANI CAPRA

Position: ART

Picture: BRET BANDA

Check _____

No: _____

Check/Cash _____

Received: _____

Received By: _____

	DATE	TO WHOM PAID	PURPOSE	ACCOUNTING USE ONLY	AMOUNT
1	8-28	PYRAMID PIPE	PVC PIPE	704/1153	316 53
2	8-22	HOME DEPOT	PIPE	S S	19 69
3	8-19	TORRANCE HW.	PIPE		12 60
4	8-22	HOME DEPOT	PIPE		43 58
5	8-25	WOODLAND HILLS	CAS		95 74
6	8-21	LINCOLN			56 73
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
UPM:	Prod:	TOTAL RECEIPTS			543.77
Audit:	Dept: <u>HA</u>	PETTY CASH ADVANCED			400 00
Show #		CHECK/CASH ENCLOSED			
		CHECK/CASH DUE			143 85

POSTED

PPH

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The above is a sample of what the face of a PC envelope looks like and following that is an example of the two pages that are in the envelope.

The contents of the envelope are in the next two images. Notice how the total of each receipt is transcribed onto the summary page.

①

CASH SALE INVOICE
(CUSTOMER COPY)
Remit to
PYRAMID PIPE & SUPPLY
7423 DEERING AVENUE
CANOGA PARK, CA 91303
Phone: (818) 348-5353; FAX: (818) 347-2118 & (818)

PYRAMID PIPE & SUPPLY
7423 DEERING AVE
CANOGA PARK, CA. 91303

TERMINAL I.D. #
MERCHANT #: 98786200427
DEBIT
*****4144
SAL+CSH
BATCH: 000188
INVOICE: 000021
DATE: AUG 20, 14
RRN: 423216403450
NETWK: 478
SETTLE: 08/21
TIME: 09:38
AUTH NO: 529739
TRC: 403450

Order # : 197065 Invoice # : 332810
Page : 1 Printed At : 09

Sold To: P4P

Shipped To:

BRET
OUTLAW LABOR

TOTAL **\$316.53**

BERNT A CAPRA

Customer Purchase Order #		Quoted To		S		CUSTOMER COPY	
Order Date	Rqd Date	Ship Date	Wrtr	Slsm	Wh	Contact	Cell #
08/20/14		08/20/14	GEN				1

Ln	Order Quant	Pick Quant	Ship Quant	EDP Code / Description	Net Price	UM	Ext Price
1	20	20		C4282 2 DOUBLE SANITARY TEE	5.370	EA	107.40
2	12	12		C4412 2 VENT TEE	4.100	EA	49.20
3	4	4		C3312 2 VENT ELL	2.940	EA	11.76
4	28	28		C3242 2 1/16 BEND	1.680	EA	47.04
5	90	90		2X10ABS 2"X10' ABS PIPE	76.830	C	69.15
6	1	1		PT773 773 ABS GLUE BLACK PINT	5.840	EA	5.84

WARNING: Certain of the galvanized, bronze, plastic and other products sold by Pyramid Pipe contain lead, lead components or other chemicals known to the State of California to cause birth defects or other reproductive harm.

This invoice is due upon delivery. Any and all claims must be made within 3 days of invoice date. RETURNS: Must have our prior consent. This original invoice number and date must be furnished. All returned merchandise is subject to a 20% handling charge. No returns can be made on non-stocking items or items held for more than 60 days.

Customer Signature : _____

Reqd-Time: _____
Actual Del Time: _____

PAID

CK. NO. _____
DATE _____

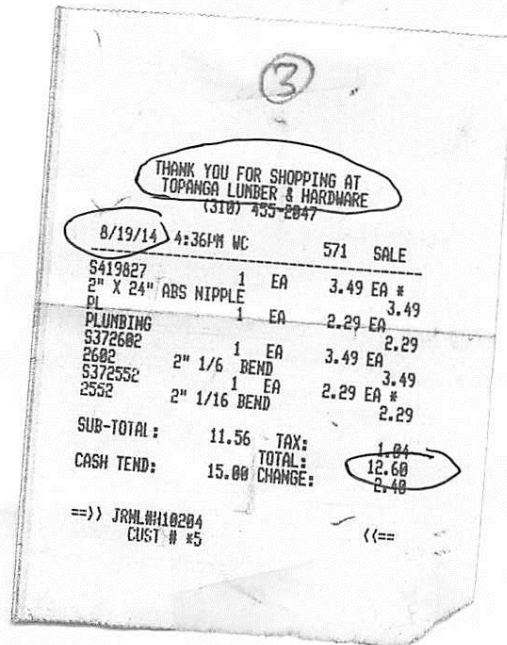


800 N. BROOKHURST ANAHEIM, CA.
(714)533-9930

6647 00001 40699 08/22/14 02:09 PM
CASHIER DIANNE - DNO0920

076812901484 15" SAW <A> 9.94
HUSKY 15" WOOD HNDL AGG TOOTH SAW
019736994897 CHEESECLOTH <A>
CHEESECLOTH
203.87

SUBTOTAL 17.68
SALES TAX 1.41
TOTAL \$19.09
CASH 20.10
CHANGE DUE 1.01



800 N. BROOKHURST ANAHEIM, CA.
(714)533-9930

6647 00004 46211 08/22/14 11:14 AM
CASHIER SHERI - SB849V

039923204103 ABS TEE <A> 5.34
2" ABS SANI TEE HXHXH
301.78
039923205360 ABS TEE <A> 25.17
2" ABS DOUBLE SANI TEE HXHXHXH
308.39
039923195661 ABS EL <A> 9.84
2" ABS EL 22-1/2DEG HXH
402.46

SUBTOTAL 40.35
SALES TAX 3.23
TOTAL \$43.58
CASH 100.00
CHANGE DUE 56.42

Woodl...Veron
5314 1
STN 00352170

08/25/14 09:54:54

INDOOR PREPAID
Ticket # 850531
Pump#: 4
5.469G @ \$ 3.759/G
Self \$ 95.74
HE \$ 4.26
95.74

Prepaid \$100.00
See Cashier
For Return

LINCOLN
1732 LIT
STN 0009

08/21/14 09:19:49

F/VISA
XXXXXXXXXX4144
6605820
374029

1
GIG @ \$ 3.999/G
Self \$ 56.23
Total \$ 56.23

Learn how to
EARN REWARDS
with a Chevron
or Texaco
Credit Card
See application
for details

THANK YOU FOR
CHOOSING CHEVRON



6647 04 46211 08/22/2014 4493

RETURN POLICY DEFINITIONS
POLICY ID DAYS POLICY EXPIRES ON
1 90 11/20/2014
THE HOME DEPOT RESERVES THE RIGHT TO
LIMIT / DENY RETURNS. PLEASE SEE THE
RETURN POLICY SIGN IN STORES FOR
DETAILS.

PLEASE TRY OUR
DELICIOUS PANINIS AT
BETWEEN SLICES

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The Petty Cash process includes the following steps:

1. Intake (crew delivers envelope to accounting team)
2. Audit
3. Distribution
4. Approval
5. Entry (into Accounting System)
6. Filing

INTAKE: After the crew member turns in their envelope to accounting:

AUDIT: The accounting team empties the contents of the envelope, reviews every receipt (no alcohol, no cigarettes, no labor, no personal stuff, etc) and tallies the total of each receipt in the envelope. Then the total that was hand written by the crew member, is checked for accuracy on an adding machine and these two totals are then compared for accuracy. If the totals are the same the envelope is sent to the senior team for review and approval. If they are different, than the accounting team has to find the error and correct the error on the face of the envelope based on the detail inside (you can see a \$.07 error on line 3 of the envelope above).

Following the audit for accuracy and validity, the employee is given an amount of petty cash that equals the total of the receipts turned in on the envelope or their PC float is retired. The process of returning cash or retiring is executed before the envelope is broken down for GL distribution and approval.

DISTRIBUTION: In the distribution phase, the accounting team makes a decision about how to track each individual receipt in an envelope. Detail GL Distribution & Asset Tracking entail reviewing each item and deciding what level of detail to breakout on each receipt.

Using the envelope above as an example, we might distribute 1 of the 6 lines of detail in the first receipt (\$316.53) in a single line with the rest as an aggregated line. If we took the 1 item with a single value greater than \$20 (69.15) we would distribute the detail in the accounting system as follows (description - COA #- amount):

- 1) 9' ABS Pipe (code to 2517 - Asset) = 74.85 (69.15 + 8.25% tax)
- 2) Miscellaneous Pipe & Drape supplies (code to 2517) = 239.68

The total = 316.53 (tax in this case is calculated as 26.14 / 316.53 & rounded to 8.25%)

The rest of the items are entered as one line of detail for each receipt.

In some cases, where the receipt is tracked line by line, the detail needs to have tax included with each line. Note, tax on a purchase is calculated in the aggregate and not shown on the receipt line by line, but accounting will have a need to add tax to an individual line when entering into the accounting system. For example, a prop department might have a receipt with 30 items, most costing a dollar or two, but two items have a cost of \$100 each - the merchandise cost a total of \$400 (\$390 in merchandise & \$10 tax). In this example, the two \$100 items would be entered line by line and the rest are entered as one line totaling \$200. Setting a global tax figure (by calculating % based on receipt total and receipt tax) for a particular item's detail is helpful so the machine can calculate the tax when distributing a receipt for accounting system entry.

Another part of the distribution phase is the identification of assets that need to be collected at the end of the production. If PC (or any form of payment) is used to make a purchase, some items are flagged as

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an Asset and the crew member is required to return those items to the company when production is over. For example, if the wardrobe department buys 30 shirts of many varieties, they are responsible to return these item to the studio so the shirts can be put into inventory at the wardrobe rental department. It is the responsibility of the accounting team on each production to track these items and their value based on the cost of each item. The accounting system is just not very good at tracking these things. We would like to track this information at the detail level of each receipt.

A note about the receipts we get: some store receipts can be as long as 36" (1 meter) and need to be cut up to fit on a page, but also needs to be marked as a single item that has been pasted up on more than one page. Some receipts have only one item with a total cost and other receipts can have many lines of detail (as many as 100 items purchased) that might need to be entered into the system line by line. Some receipts have a portion (not all) of the items purchased that need to be entered into the accounting system Line by line.

APPROVAL: Once the envelope passes the accounting audit it is sent to the individuals on the senior team who are responsible for approving an envelope.

ENTRY & FILING: Once the envelope is entered, the entire thing is put into a filing cabinet and stored by crew member who was assigned PC.

Another mid-century analog process that is inefficient and prone to errors.

One of the key short comings of this system is the tracking of expenses on a daily basis. If we have as many as 15 crew out with 2,500 each the company could be committed to almost \$40,000 with no sense of where it is being spent. The result is the accounting team has to turn envelopes around in 24 hours and the crew are required to turn in their envelopes to get more PC if they need it (which most do on a daily or every other day basis).

Executing this process digitally not only saves time, but it also lets the accounting team know what has been committed assuming the crew scans their receipts daily or at the time of purchase using a smart phone camera or the internet.

Some odd circumstances: there are times where crew will buy 100 items and keep only 25 (returning the 75 that they don't use). For example wardrobe might buy 3 different sizes for an actor so when they do the wardrobe fitting they have multiple sizes in case the sizes provided are not accurate. These receipts images should be put into staging within a day or two of the purchase, but it would be helpful if the crew member could identify the receipts that have been entered as a return so the receipts does not get submitted since they will need it to return the merchandise that was not used. The return will produce a marked up receipt and sometimes a return receipt, both of which needs to replace the old receipt (marked up return) and added (additional return receipt) to the staging once the return is complete.

Item Summary

There are Envelops, which contain one or many receipts, and receipts can have one or many lines of detail on them. In addition to that, the accounting department might need to distribute one, many or all of the lines of receipt detail into the accounting system or they might choose to enter the entire envelope as one line item in the accounting system. There are many variables for what is in an envelope and those variables can be cut up in many ways as they go into the accounting system. All these decisions are made by the accounting team, but the system needs to be flexible enough to allow one or many ways of distributing the receipts in an envelope.

The crew who is provided PC and is responsible for turning in receipts of the remaining cash is required to provide accounting with 3 key pieces of data: 1) receipt date, 2) who was paid, 3) for what, 4) how much; the rest of the decision are made by accounting.

We would make the decision to just key all the lines of detail from each receipt into the accounting system, but not all of the accounting systems have an open architecture and some poor bastard has to sit down and key in the detail. A method of reducing the time for key punch entry is to distribute (as an example) 100 lines of detail into like terms and reduce the entire envelop to one or a few lines instead of 20 to 100s. The choice of how much detail to carry across into the accounting system is made before the envelope is sent to approval.

System Functionality

Converting this process from an old analog process into a digital one is a good change to make, but it needs to be done in a way where the disruption does not deviate too far from the analog norm. There are 100s of people who are trained in a particular method of collecting and submitting PC and we don't want to stray too far from the norm.

We need to execute the following when processing PC:

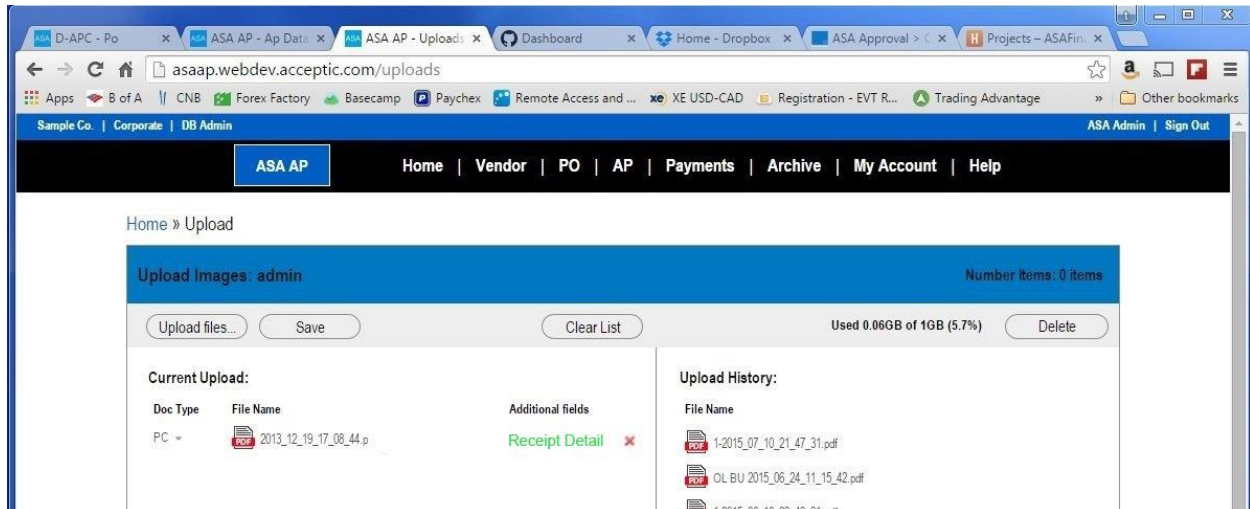
1. Crew members upload their receipts into PC module.
2. Crew members enter 4 core data points (date, paid to whom, for what, how much) for each receipt - entered by crew member when uploading item similar to W9 (but not required) or in data entry module (the user only sees their own PC upload for entry and can only see the 4 required data points that need to be entered for the receipt in the Data Entry Screen). Crew assigns the receipt to an individual who has been given a float from a list that is created by the System Admin. The purpose of assigning receipt to an individual's float is accommodate the crew member who is given cash and then breaks it up for their staff to use on their behalf or the assistant who is managing more than one crew member receipts and PC envelopes.
3. Receipts that have been uploaded and entered by the crew member appear in a list of available item for submission to accounting. List is similar to the Staging area in the AP & PO Create module. The Staging list contains all the uploaded items that a user has uploaded to PC. The items in the staging list have a check box next to them (left) if all the 4 required data points have been entered. Crew member can see all the uploaded items that are available for envelope creation in a PC Create module. New Env. button click event adds items in staging that have been checked for envelope creation to a new envelope with a new summary sheet and the backup view assembled based on the items that are checked. Backup view includes all the items that have been checked for creation is sorted in the same order as they appear on the envelope. Once the envelope is created the individual items leave the list and the Envelope number (assigned by the system) is at the top of the list for review by the user until it is sent to approval on a Send To Apvl. button click event. Once Envelope is sent to approval the envelope and all the items are no longer available in the list.

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4. Crew digitally submits envelop to accounting department (by Send to Aprvl. button click) for processing and PC replenishment
5. Accounting reviews receipts for accuracy, appropriate spend (no alcohol, no cigarettes, etc) and approves the release of cash for replenishment or retirement. If an item is not approved, it can be removed from the envelope at this point in the process. When an item is removed it is put back in the staging for the person who it belongs to.
6. Crew member who submitted envelope is notified by email of approval so they can get new cash.
7. Crew comes to office to receive PC replenishment and signs form stating that cash has been received.
8. Accounting department processes PC for approval cycle. The decision of how much receipt detail to process is made at this time (this is the Distribution/Asset process). The choices range from; 1) enter one line, the total, of the envelope, to 2) enter the total of each receipt, to 3) enter every line of detail on each receipt. And in most cases a combination of the three.
9. The system builds a GL Distribution summary based on the chosen detail for each receipt. The Accounting team can see and make changes to the distribution before sending to approval. If there are changes to be made to the distribution, a click on a single item brings up a box that allows the team to adjust the distribution and rebuild the GL Distribution.
10. PC envelope is digitally sent to Approvers for processing. Any notes that get asked about an envelope should be attributed to the receipt & the envelope so they can be found and responded to quickly.
11. Once approved the envelope and all its detail is exported (paper and/or CSV) for entry into the accounting system
12. Some companies want to collect the original receipts that are submitted in an envelope - in this case we need a process of reconciling the intake of the original receipt. A possible solution: a unique ID (a Cut #) can be provided to the crew member (at the bottom & top of each receipt image) to be written on each receipt so the original can be reconciled in the system then filed in a box for archival storage. The Cut number could tie to the PCs.PC_ID and is issued by the system for each receipt entered or the cut number can be comprised of the Project # + Unique ID (project # = Projects.Project_ID; Unique ID = a number starting at 1,000 and auto incremented by the system for each receipt entered).

Data Entry

Data entry for each item is through the Upload page by clicking the Receipt Entry link on the page in green or thru the data entry>>PC module. Data entry from the upload page link is not required, hence the green color, but the item will not appear in the PC staging until the 4 key pieces of data are entered in the data entry module.

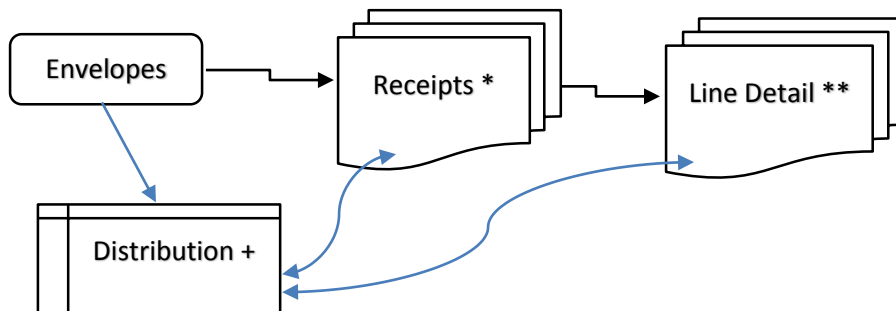


Data Structure

The data structure for Petty Cash upload, entry and distribution is as follows:

Envelopes contain receipts - receipts have line detail

Envelopes also have GL distribution that is based on the receipt or line detail



* The envelope total has to equal the sum of all the receipts that are in the envelope.

** The line detail has to be equal to the receipt total.

+ Distribution detail has to equal the envelope total.

Entity Attribute Key

There are a few tables and some fields that we can identify at this point and look to you for a recommendation to complete.

<u>Table & Field name</u>	<u>Field Type</u>	<u>Unique</u>	<u>Notation</u>
PC_Receipts			
Receipt_ID	Auto Increment	Y	Foreign key, not null
Receipt_Date	DateTime		Not null
Envelope_ID			Foreign key
Receipt_Who			Not null
Receipt_Purpose			Not null
Receipt_Amount			Not null
Receipt_time	DateTime		
Receipt_Address			
Receipt_Zip			
Receipt_Phone			
PC_Line_Details			
Receipt_Line_ID	Auto Increment	Y	Foreign key, not null
Receipt_ID			Foreign key (PC_Receipts), not null
PC_Line_Row_Number			Not null
PC_Line_GL_Code			
PC_Line_Amount			
PC_Line_Description			
PC_Line_Asset	bool		
PC_Seperate_Line	bool		
PC_Envelopes			
Envelope_ID	Auto Increment	Y	Foreign key, not null
Envelope_Number			not null
Envelope_Project_Name			not null
Envelope_Date	DateTime		not null
Envelope_User			not null
Envelope_User_Position			
Envelope_Total	Amount		not null
Envelope_Approval			
PC_Envelope_Dists			
Unknown			Distribution is based on line_details entry
PC_Envelope_Formattings			
PC_Format_Client_Name			
PC_Format_Project_Name			
PC_Format_Addl_Language			
PC_Format_Starting_Num			