

## Optimizing Cash Disbursement Procedures through Accounting Information Systems in a Shipping Services Company

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**Abstract.** The purpose of this study is to determine the application of accounting information systems to the cash disbursement system, explain related functions, records, and accounting documents used, and explain the internal control system according to existing theory so that the performance of the finance department of PT. Terminal Petikemas Surabaya is more efficient and effective. This research was conducted by looking directly at PT. Terminal Petikemas Surabaya application of cash payment accounting information systems. This research method used is descriptive qualitative. The results of this study are the application of accounting information systems in the cash payment process of PT. Terminal Petikemas Surabaya is quite good and has good internal control. In daily practice, companies use the Microsoft AX application, where problems often arise in applications that don't work optimally or result from human error.

**Keywords:** Accounting Information Systems, Accounting Procedures, Cash Disbursements, and Internal Control Systems

### I. Introduction

The current era of globalization has developed rapidly in the technology field, so technology is influencing companies without realizing it. Because of technology, information plays a very important role in supporting business progress. Accurate information is used as an administrative tool in managing the company and reporting to those interested in problems within the company. Companies need what is called a system to receive accurate information.

Hutahaean (2015) explained that a system is a network of interrelated processes organized to perform actions to achieve certain goals. Information systems, the other perspective from Ardana & Lukman (2016), the system is a collection of interconnected parts that work together to collect, process, store, and present meaningful information to help make decisions and direct the business.

In fact, businesses need accounting technology, namely accounting information systems. According to Mulyadi (2016), an accounting information system is an arrangement of documents, records, and reports created to provide management with the financial data they need to facilitate business operations. The cash disbursement system is one of the accounting information systems businesses use. The cash expenditure accounting system explains how money is used for payments and purchases, both cash and credit (Sujarweni, 2015). The cash disbursement system operates effectively when a company's accounting is properly organized. Accounting processes are the steps, sequences, and clerical operations used to collect quantitative data, especially financial data, within a predetermined time frame and workflow.

The cash disbursement system that occurs regularly in a company is reflected in the operation of the cash disbursement system, where an operation is a series of operations or activities that are carried out repeatedly in the same way (Susanto, 2014). A cash disbursement accounting information system in a business is very important because cash is an unstable asset compared to other assets. This is because cash is a company's short-term asset, and is mainly used for company transactions. All transactions within the company are directly or indirectly related to cash. IAI Financial Accounting Standards Board (2017) explained that cash is the most liquid component because cash is the component of the operating model that changes most quickly. The higher the cash balance, the higher the liquidity.

Interesting phenomena can be observed in research by Rama Nopiana (2018), who observed the cash disbursement system of the Large Family Cooperative PT. Semen Padang can be concluded that it still applies a manual system, cash expenditures for purchasing goods, which can result in transaction costs and cash expenditures to finance operational activities, and the internal system for controlling cash expenditures is running well, and what needs attention is data processing using technology information. Applications can be used to process data, and a database can replace manual entry without eliminating the existing structure. The existence of this phenomenon and the results of previous research aroused researchers' interest in studying in the future.

By using a cash disbursement control system, the implementation of a cash disbursement information system can be carried out. Internal control is very important to pay attention to because it is a policy and process created to protect business assets from various misuses and ensure that the information presented is accurate and in accordance with applicable principles and standards. So, determining the application of accounting is the aim of this research which includes the accounting information used, an explanation of

the cash disbursement control system, and the information system for cash disbursement procedures, all of which are in accordance with applicable theory so that the performance of PT. Terminal Petikemas Surabaya is more effective and efficient.

## **II. Literature Review**

### **Accounting information system**

Susanto (2017), reveals that an accounting information system is a collection of physical and non-physical subsystems or components that are interconnected and collectively process financial transaction data into financial information. Turner, Weickgenannt, & Copeland (2017) state that accounting information systems include processes, procedures, and systems that collect accounting information from business processes, store accounting information in appropriate records, and process accounting information in detail by classifying, summarizing, and combining accounting information and reporting. Summary accounting information is like inside information. and external users. According to Ardana & Lukman, (2016), an accounting information system is a system that collects, stores, and processes financial information and non-financial information related to financial transactions to produce information for decision-making. Based on the explanation above, it can be concluded that an accounting information system is an activity whose aim is to collect, produce, process, analyze, and distribute financial information and important decision-making to those who need it both internally and externally.

### **Procedure**

Rasto (2015) explains that a procedure is a series of steps in which a recurring transaction is initiated, executed, controlled, and completed. Meanwhile, according to Mulyadi (2016), Procedure is an office work in which several people are usually involved and whose aim is to ensure uniform processing of recurring business transactions. Based on these different definitions, procedures can be said to be a set of activities involving several or more people that ensure repeat business deals.

### **Cash Disbursements**

Mulyadi (2016), the cash disbursement accounting system is a warehouse for carrying out payment activities for both checks and business cash. Romney & Steinbart (2015), argues that cash disbursements are a set of business transactions and related accounting operations that are directly related to the purchase and payment of goods and services. Based on the definition above, it can be concluded that cash disbursements are records that explain various payment activities related to the purchase or payment of goods or services (either by check or cash). Astutik & Sulistyowati (2022) with the research results that PT. Tirta Agung Motor Sidoarjo ended quite well. However, some are done manually and with multiple tasks, making the accounting information system for cash receipts and disbursements inefficient. This can weaken the internal control system.

Results of implementing the accounting information system for cash receipts and disbursements at PT. Panca Putri Rahma is not yet operating effectively because it still uses a manual system, and there are several errors such as errors when providing notes (agent purchase notes) from the driver to the base or the number of cylinders supplied at the base of 3kg LPG. This research was conducted by Rahma & Haryati, (2021). Dita & Haryati (2021), stated that the internal cash management system which is part of the organization. Blue Moon Tour and Travel Company has a clear organizational structure and clearly describes the separation of duties and responsibilities. However, the accounting function and cash storage function have not been separated which is still lacking and inadequate due to inaccurate accounting data.

According to research studies by Hasitoro (2019), there is physical control at Wava Husada Hospital, where cash is stored in a safe that can only be opened by certain workers and deposited via bank services on the same day. Whereas, a white note with a ballpoint pen signature and payment stamp is given when the cash payment is issued, according to the research by Farida (2020) cash disbursement internal control system carried out by CV Advertising Abadi.

## **III. Research Method**

Descriptive qualitative methods were used in this research, which took place from February to June 2023. Researchers went directly into the field to examine how accounting information systems were implemented in the cash disbursement process at container service companies. The data source in this research is primary data. Primary data was obtained directly from parties related to the problems in this research using observation, interviews and documentation. Qualitative descriptive research is used to compile observation results. In qualitative descriptive research, researchers function as informants and sources of information when studying the natural conditions of an object (Sugiyono, 2019). Apart from using observation techniques, researchers used interview techniques which were useful for finding out the

conditions in the field that were expressed by informants. In this research, the informants are people who are considered to have key information in the research area.

The purpose of this research is to find out how the accounting information system is used in the cash disbursement system of PT. Terminal Petikemas Surabaya. PT. Terminal Petikemas Surabaya was used as the location for this research based on the data source. In collecting data for reports, documents, notes, or forms, data collection techniques include direct observation and document study.

#### IV. Results and Discussion

##### Sources of Cash Expenditures at PT. Terminal Petikemas Surabaya

Based on the results of observations made during research, it can be seen that the source of cash expenditure at PT. Terminal Petikemas Surabaya is located in purchasing supplies of heavy equipment, trucks, salaries, fuel, operations, office administration, ATK (office stationery), employee salary costs, and equipment and vehicle rental.

##### Functions Related to the Cash Disbursement System at PT. Terminal Petikemas Surabaya

Mulyadi (2016), stated that internal audit functions, cash functions, accounting functions, and functions that require cash disbursements are all included in the accounting information system for cash disbursements. The following details the role played by the cash disbursement system and how PT. Terminal Petikemas Surabaya implements it:

Table 1. Functions of the Cash Disbursement System at PT. Terminal Petikemas Surabaya

<b>Functions that require cash disbursements</b>	<p>Functions that require cash disbursements, these functions submit check requests to the accounting function.</p> <p><i>"It is the treasury section that is the function that requires cash expenditures. "The task is to manage cash, both receipts and expenditures made by the company."</i></p> <p>Vendors which provides goods and services to meet company needs. After carrying out their part of the work, the vendor has the task of making minutes and bills which will be verified by the treasury department which verifies or controls the accuracy of supporting documents in the payment process.</p>
<b>Cash function</b>	<p>This function is responsible for filling out checks, requesting check authorization, and sending checks to creditors or paying creditors directly.</p> <p>The cashier section is used by PT. Terminal Petikemas Surabaya for cash disbursement transactions. After the assistant financial manager certifies the verified documents, the assistant financial manager sends them to the cashier to create proof of cash disbursement and complete the transfer procedure.</p>
<b>Accounting Function</b>	<p>The accounting function is responsible for</p> <ol style="list-style-type: none"> <li>Costs and inventories are included in the recognition of cash payments.</li> <li>Enter cash payment transactions into the check register or cash book</li> <li>Issue a withdrawal certificate that allows the cashier to write a check for the amount stated on the document.</li> <li>Tasked with checking the validity and completeness of the documents used as proof of revocation.</li> </ol> <p>The Accounting Section is the accounting function used by PT. Terminal Petikemas Surabaya. The accounting department is responsible for receiving supporting documents from vendors in the form of invoices, Purchase Orders (PO), tax invoices and minutes. After that. verifying the validity of documents, carrying out the journaling process, namely the AP (Accounts Payable) journal.</p>
<b>Internal Examiner Function</b>	<p>This task is in charge of carrying out routine cash calculations and comparing the results of the calculations with the cash</p>

	<p>balance stated in the accounting records. In addition, this job is tasked with carrying out surprise inspections.</p> <p>Internal audit function at PT. Terminal Petikemas Surabaya is under the control of the manager and assistant manager in the finance department. This division is tasked with supervising recurring cash calculations and has the authority to check the correctness of the reports produced. Additionally, it serves as a liaison between investors and auditors when it comes to financial information. The documents required for the manager and assistant financial manager consist of financial reports, billing documents, proof of cash disbursements.</p>
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Source: Researchers, Processed Data

### **Cash Expenditure Accounting Notes at PT. Terminal Petikemas Surabaya**

Accounting records in the cash disbursement accounting system by Mulyadi (2016) stated that, Cash Disbursement Journal (cash disbursement journal) is used to record transactions using the disbursement journal system, which is useful for tracking purchases and cash payments after the purchases journal is created.

*"We create an AP (Account Payable) journal using the Microsoft AX application. "It's definitely easier if you use software because the journal data is automatically saved through the system."*

PT. Terminal Petikemas Surabaya applies the accounting section to create a cash disbursement journal called the AP (Account Payable) journal. This journal records transactions regarding expenses from vendors as well as company administration and operations. To create AP journals, it is input using Microsoft AX software.

### **Documents used by the Cash Disbursement System at PT. Terminal Petikemas Surabaya**

Documents implemented by PT. Terminal Petikemas Surabaya are as follows Minutes which contains handover and work implementation until an agreement is reached between the two parties, Invoices is a sheet containing the bill number, name, amount and bill charged from the vendor, Tax invoice that consists of two attachments which are used to archive the tax section and the process for making payments, Purchase Orders is a document that contains a list of items purchased, Payable Vouchers which contains a check note from the cashier who has made payment to the vendor

### **Procedures for Implementing Cash Disbursement System Transaction Accounting at PT. Terminal Petikemas Surabaya**

PT. Terminal Petikemas Surabaya cash expenditures related to paying bills from vendors and for company operational activities. Accounting procedures for cash disbursement transactions at PT. Terminal Petikemas Surabaya is illustrated using a flow chart in Figure 3.1.

Based on the flow chart in Figure 3.1, the discussion relates to procedures for implementing cash disbursement system transaction accounting at PT. Terminal Petikemas Surabaya which consists of three parties, namely purchasing, vendors, accounting and cashiers. First, starting from the purchasing department which creates a PO (Purchase Order) sheet which is handed over to the vendor. Next, the vendor submits billing documents consisting of a Purchase Order (PO), tax invoice, invoice and minutes. The billing documents are submitted to the accounting department for manual verification.

After going through a manual verification process, the tax department receives the billing documents to determine the tax rate to be charged based on these documents, and archives the original tax invoice from the billing documents. Before going to the accounting department, if the billing documents are not complete, the documents will be returned to the vendor. If the billing document has passed verification, the accounting department can process it into a cash disbursement journal which can be known as the AP (Accounts Payable) journal. After creating an AP journal, there is verification and authorization from the assistant accounting manager. Then, after verification and authorization, the accounting department can post the journal. However, if it is not verified and authorized by the assistant financial manager, it cannot be posted but must be corrected first.

After the posting process, the cashier receives the AP journal and creates a payment document which creates proof of transfer or proof of cash disbursement. The cashier section carries out the verification process. If the document is incorrect, it will be returned to the vendor. If correct, the cashier can process the transfer to the vendor's bank account.

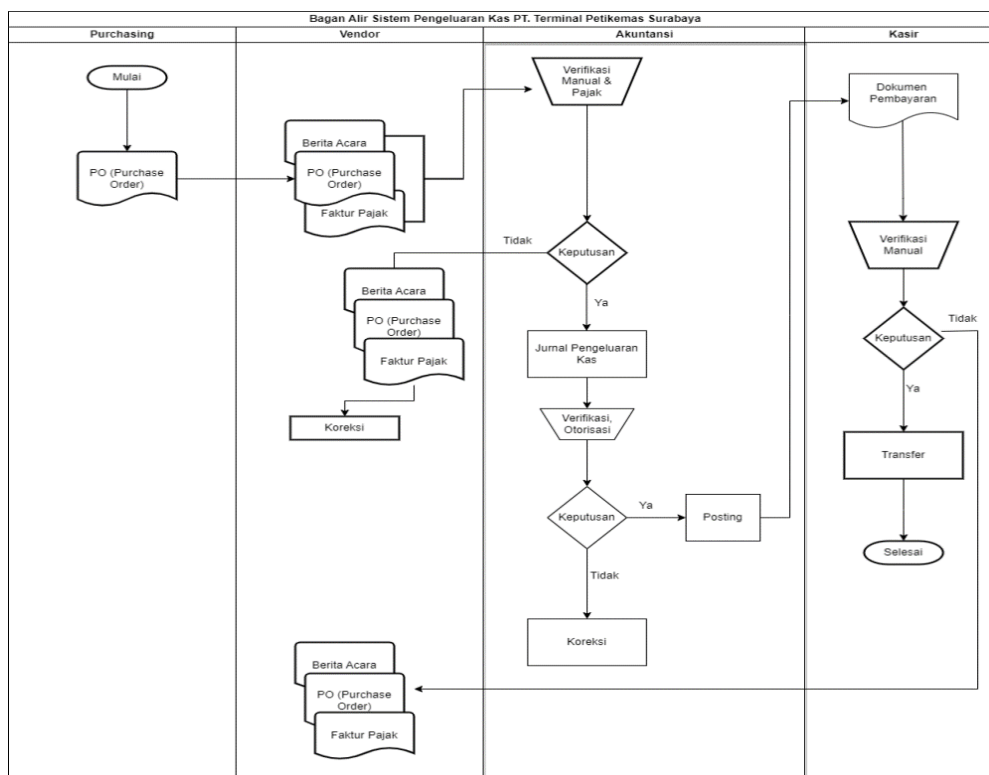


Figure 1. Flow Chart for Implementing a Cash Disbursement Information System

### Internal Control Elements

There are three elements of internal control in PT. Terminal Petikemas Surabaya for cash disbursements, namely Organization, Authorization System and Recording Procedures, and Healthy Practices

**Organization.** The results of the author's audit findings from the internal audit of PT. Terminal Petikemas Surabaya organization, each department has its own organizational structure and job description. If based on theory by Mulyadi (2016), PT. Terminal Petikemas Surabaya separates cash from bookkeeping. The cashier is responsible for storing cash, recording cash transactions and receipts, and depositing cash. Organizational structure of the financial department of PT. Terminal Petikemas Surabaya in Figure 3.2 consists of three parts, namely accounting, billing and finance. In the organizational section, PT. Terminal Petikemas Surabaya states that there is a separation of duties so that the finance and accounting departments are not allowed to carry out expenditure transactions except at the cashier. Because the cashier is responsible for running the cash disbursement system. The cash disbursement process can extend to the cashier if accounting procedures have been checked by the head of accounting and the deputy head of accounting. However, if the AP (Account Payable) journal has not been verified, the Voucher Payable (V-Pay) process cannot flow from the cashier to the vendor.

**Authorization System and Recording Procedures.** Transactions that occur with the approval of the authorized party to provide sanctions for the transaction. Every document used for the cash disbursement system at PT. Terminal Petikemas Surabaya requires approval from the cashier, financial manager and accounting division. The accounting department is tasked with recording cash disbursement journals and compiling reconciliation reports on affiliated company transactions. Every month, PT. Terminal Petikemas Surabaya is tasked with carrying out recording procedures.

**Healthy Practices.** Based on the results of the author's observations at PT. Terminal Petikemas Surabaya, the company has software, namely Microsoft AX, which plays an important role for the financial department, such as recording cash receipts and disbursements. Recording of petty cash disbursements is carried out using a journal proof number which is automatically registered in the Microsoft AX system so that if the transaction has not been paid, authorized parties such as the Finance Manager and Financial System can know the progress of the transaction. When using the Microsoft AX system, human errors often occur. An example of this case is that, based on the results of the researcher's observations, when compiling a cash disbursement journal, there was an error in inputting the debit nominal which was greater than the credit nominal. Apart from that, when posting cash disbursement journals there are often errors due to the

system. Based on the results of interviews with accounting staff, it was revealed that when working on or inputting journals they also experienced problems such as the application sometimes having errors which required time to be repaired by the helpdesk team.

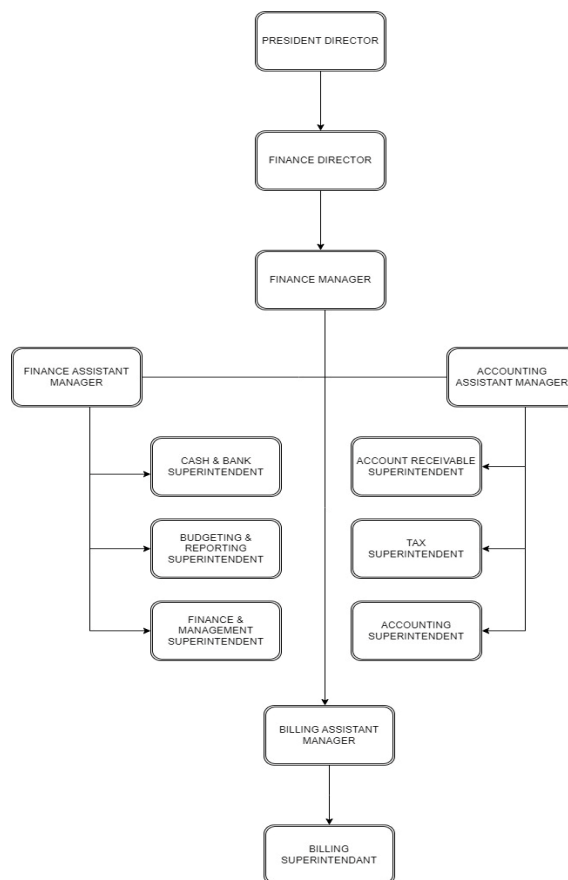


Figure 1. **Organizational Structure of the Finance Department of PT. Terminal Petikemas Surabaya**

Based on the results of observations from the author, PT. Terminal Petikemas Surabaya states that there is no cash storage such as in a safe, but instead all income received is deposited in a bank that is a partner with the company. The cashier makes payments for transactions by transfer to a bank account owned by the vendor. According to Mulyadi (2016), in cash disbursement transactions, the accounting function, which is a cash disbursement order document from the authority to the financial function, is proof of cash outflow. The finance function must stamp disbursement receipts with the stamp "PAIRED" to prevent misuse of the document. Cashier section at PT. Terminal Petikemas Surabaya adds proof of cash out attached to the bill. As proof of information on the cash out receipt, the cashier affixes the stamp "PAILED" accompanied by the day and date of payment. Proof of cash out is then submitted to the financial manager for approval to be signed.

## V. Conclusion

Accurate information to be used as an administrative tool in managing the company and reporting to those interested in problems at the company. Having a cash accounting information system in business is very important because cash is an unstable asset compared to other assets. Indonesia has various container service companies that aim to assist in sending or receiving goods by sea, one of which is PT. Terminal Petikemas Surabaya.

In this study, the observation method was used for five months from February to June 2023, where researchers made direct observations of the application of accounting information systems in the cash disbursement process at container service companies. The observation results were summarized in qualitative descriptive research. Application to PT. Surabaya Container Terminal with a written theory regarding cash disbursement procedures that has been running well in accordance with existing theory, it can be concluded based on the results of research and discussion of the application of the cash disbursement

accounting information system at PT. Surabaya Container Terminal. According to the hypothesis put forward by Mulyadi, (2016), internal control components at PT. The Surabaya Container Terminal also operates efficiently. However, there are several human errors that occur when creating a cash disbursement journal in Microsoft AX software. So, it can disrupt the flow of funds.

Researchers are aware that there are limitations and obstacles during the research process, including limited access to use of the Microsoft AX application, where the application is only available on employee computers, so researchers sometimes have to take turns using the application. However, researchers can access it freely using the computers of retired employees. This can be a suggestion for companies, namely facilitating the equipment needed for interns, such as computers or laptops for interns so they can study together with employees.

Suggestions for future researchers are that it is hoped that future researchers will be able to examine in more detail the implementation of a cash disbursement accounting information system for cash disbursement procedures in other service sectors in order to provide different insight into a cash disbursement accounting information system for cash disbursement procedures in services fields other than those in the field of services. containers, and can add insight and be useful for all.

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