

SoftData, a vendor, sends an invoice to Accuflow for data warehousing support services. The invoice is sent directly to Megan Waters, the accounts payable clerk, who manually records the invoice in the accounts payable subsidiary ledger. Once the invoice is recorded, it is forwarded to Stan Phillips, the cash disbursement clerk, for processing. Stan prepares a check to pay the invoice and sends the check and invoice to John Sterling, the company treasurer. John approves and signs the check and cancels the invoice. John then mails the check back to SoftData and returns the canceled invoice to Stan for recording in the cash disbursements journal and filing. Once a week, Megan manually posts disbursements from the cash disbursements journal to the accounts payable subsidiary ledger.

