

Chapter 16

Month-End Review

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Overview

Nexsure does not require specific month-end procedures. This chapter provides suggestions for analyzing accounting data and checking for out of balance situations.

Nexsure automatically locks each accounting period after the last day of the period. For details on manually locking and unlocking an accounting period refer to Chapter 2, “Accounting Setup” in section “Locking and Closing Periods” of this manual.

Analyzing Month-End Financial Reports

Nexsure posts automatically to mandatory accounts during accounting transaction work-flows (invoices, receive payments, deposits, disbursements and reconciliations). For instance, an agency bill invoice typically posts to **Accounts Receivable**, **Carrier Payables** and **Agency Bill Commission Income**. Manual posting to mandatory accounts can cause them to be out of balance meaning the automated transaction detail no longer matches the general ledger balance.

To determine if a mandatory account is out of balance run the **GL Account Details** report for the specific account and the corresponding sub ledger report (receivables and payables). Be sure to use the same “as of date” on all reports. The ending balance should be the same on both reports. For more information on Mandatory General Ledger numbers, refer to “General Ledger Setup”, in Chapter 4, *Accounting Training Manual*.

The reconciliation reports are useful for identifying entries that have caused out of balance situations in the mandatory accounts. The reconciliation reports would be run if a mandatory account is determined to be out of balance.

General Ledger Reports

Run the financial statements, Balance Sheet, Income Statement and Trial Balance, to obtain chart of account balances. Run the GL Account Details report to obtain details for a specific account.

To access the following General Ledger Reports click **REPORTS** on the **Primary** menu. Click the **Reports** link on far left side of the **Reports** menu. Select **Accounting** as the **Report Type:** and **General Ledger** as the **Report Category:**. Select the desired report from the **Available Reports:** list box.

Balance Sheet

The **Balance Sheet** is a financial report showing the status of assets, liabilities and equity on a given date, usually the close of a month. The **Balance Sheet** is in balance when the assets equal the liabilities and equity. The **Reporting Period Net Income (Loss)** located in the equity section is not an account in the chart of accounts. The amount is the difference between income and expenses from the Income Statement and allows this report to balance. When the **Year End Adjustment** is posted this amount is posted to retained earnings and all the income and expense accounts are brought to zero. Nexsure provides three types of **Balance Sheet** reports; **Detail, Summary** and **Comparative:**

- The **Balance Sheet Details** displays accumulative totals for each asset, liability and equity account at each organization book level (depending on the criteria selection). This report displays subtotals for each type, group and classification and a grand total for all.
- The **Balance Sheet Summary** displays one accumulative total for each asset, liability and equity account. All lower level figures are rolled up into the organization level selected in the report criteria.
- The **Comparative Balance Sheet** compares the current period to the same period in the prior year.

Income Statement

The **Income Statement Details** summarizes income (revenue) and expenses over a period of time. Total expenses subtracted from total income is reported as a net profit or a net loss. The **Income Statement Details** is sometimes referred to as the Profit and Loss Statement.

There are four income statement reports; **Details, Summary, Budget and Prior Comparison** and **Month Year to Date.**

- The **Income Statement Details** displays totals for each income and expense account at each organization level (depending on the criteria selections). This report displays subtotals for each type, group and classification and a grand total for all.
- The **Income Statement Summary** displays one total for each asset, liability and equity account. All lower level figures are rolled up into the organization level selected in the report criteria.
- The **Income Statement Budget Prior** provides four sets of comparisons: Current month, Last Year This Month, Year to Date and Last Year to Date.
- The **Income Statement Month YTD** displays month to date and year to date totals for each account.

Month-End Accounting & Management Reports

The following reports are available from the **Accounting Report Type** list. The report categories are **Receivables**, **Payables** and **Production**.

Aged Account Receivable Details

The **Aged Account Receivable Details** report is used to identify unassigned client balances created from client related transactions; agency bill invoices, receive payments or disbursements. The invoice detail is listed in aging columns by date booked. The columns default as, **0-30**, **31-60**, **61-90**, **over 90**; but can be changed using report criteria. A future transaction will not display unless it has been paid prior to the “as of” date on the report. The pre-paid item displays in the **Future Balance** column. The report is run by **as of date** and should balance to the **Client Receivable** mandatory account.

Use Client Reconciliation to assign matching debit and credit items and to write off client balances. This should be performed at least once a month so the accounts receivable reports remain manageable. This is especially important if agency bill income is recognized on a cash basis or if people are paid on a partially or fully paid basis.

Direct Bill Commission Receivable

The **Direct Bill Commission Receivable** report details commission due from carriers for direct bill invoices. The report should be run with an “as of date” to balance to the general ledger mandatory account balance; invoices booked after the date are considered future. The report can be run for one carrier or for all.

The **Status** defaults to **Open** (not received by carrier) but can be changed to include all items booked for the month. This format is useful for checking carrier commissions and identifying duplicate records.

Account Current

The **Account Current** report displays agency bill items booked within the specified date range. It displays the billed amount, agency commission percentage and dollar amount, and net amount due to the carrier. Nexsure allows changing the criteria to display a field indicating if the item has been paid to the carrier. The report can be run for one carrier or for all.

This report can be sent to carriers that are paid on an account current basis. It is also useful for checking carrier commissions and identifying duplicate records.

Accounts Payable Reports

Payable reports are available for **Carrier**, **People**, **Tax Authority** and **Vendors**. These reports will display items that are due to be paid. These reports should be run at least once a month with an “as of” date to balance to its corresponding general ledger mandatory account.

Month-End Balancing

Using the Reconciliation Reports

The reconciliation reports are useful for identifying entries that have caused out of balance situations in the mandatory accounts. Nexsure posts automatically to Mandatory accounts during accounting transaction work-flows. Manual posting to these accounts can cause them to be out of balance meaning the automated transaction detail no longer matches the general ledger balance. The reconciliation reports would be run if a mandatory account is determined to be out of balance. To determine if a mandatory account is out of balance run the **GL Detail Account Report** and the corresponding sub ledger report (receivables and payables). Be sure to use the same “as of date” on all reports. The ending balance should be the same on both reports. For more information refer to the section “Month End Accounting & Management Reports”, in this chapter.

Note: Consider disabling manual posting to mandatory accounts and/or setting a post warning. Do this at the Organization level to allow the changes to propagate to all levels. For more information on setting Disable Access, Post Warning and Mandatory Accounts see “General Ledger Setup”, in Chapter 4, *Accounting Training Manual*.

These reports are accessed through **REPORTS** on the **Primary** menu. Click the **Reports** link on far left side of the **Reports** menu. Select **Accounting** as the **Report Type:** and **Reconciliation** as the **Report Category:**. Select the desired report from the available reports list:

- Accounts Receivable Recon
- Agency Bill Commission Income Recon
- Agency Fee Income Recon
- Carrier Payables Reconciliation
- Direct Bill Commission Income Recon
- People Payable Due Recon
- People Payable non Due Recon
- Reconciliation Clearing Account Reconciliation
- Tax Authority Payable Recon
- Undeposited Funds Reconciliation

The reconciliation reports have four sections: **Detail, Balancing Totals, Other Activity** and **Criteria**.

Note: The Reconciliation Clearing Account Reconciliation and the Undeposited Funds Reconciliation reports are new as of the 1.94.5 version release. For a detailed explanation of these reports see section “Monthly Reconciliation Reports”, in this chapter.

Report Detail

Report Detail displays each transaction Nexsure automatically posted to the mandatory account within the dates selected in the report criteria. The reports will display subtotals for each group selection and a grand total at the end of the report:

Client Name/ Policy Number	People Assignment Bill Method	Invoice No/ Bill Type	Date Booked/ Eff Date	Issuing Carrier/ Line of Business	Invoice Amount	Agency Commission	People Commission	Invoice Amt Paid	People Comm Due
Total People Payables:									\$729.88

Balancing Totals

Balancing Totals for the GL Account compares reconciliation detail against the general ledger. If the reconciliation detail matches the GL account balance, the account is in balance, otherwise the difference is displayed as **Total Out of Balance**:

Balancing Totals for GL Account 201000	
Total People Payables	\$729.88
Total Pre-Payments	\$0.00
Total Payables Due	\$729.88
Total GL Account 2010	(\$229.88)
Total Out of Balance	\$500.00

Note: Pre-payments are invoices posted in future accounting periods that have been paid in the current period.

To view the details that make up the **Total GL Account** amount run the **General Ledger Details** report. Make certain the report criteria for the GL Detail report matches the reconciliation report criteria; i.e. **Organization Info** and **Date Range**. Select the specific account by name or number. Notice the ending balance in the **Account Summary** below matches the **Total GL Account** balance from the reconciliation report:

Organization: XDTI--Training Org		Region: XDTI Training (Region)		Territory: XDTI Training (Territory)		
0100100000000201000						
01.001.0000.000.00 - 201000						
People Comm Payable-Due						
Account Summary		05/20/2006	198	R/A Jones Payment & Comm Expense	Cash Receipt McDonough Construction	\$350.00
Beginning Balance:	(\$228.13)	05/20/2006				
Account Change:	(\$1.75)	05/24/2006	205	cleanup	Cash Receipt ABC Construction	\$360.00
Ending Balance:	(\$229.88)	05/24/2006				
		05/24/2006	205	cleanup	Cash Receipt ABC Construction	\$360.00
		05/24/2006				
		05/15/2006	226	client pmt	Cash Receipt ABC Construction	\$150.00
		06/13/2006				
		05/15/2006	226	client pmt	Cash Receipt ABC Construction	\$500.00
		06/13/2006				
		05/20/2006	239	r/a jones Expense	Disbursement McDonough Construction	\$1.75
		05/20/2006				
Debit / Credit Total for						\$860.00 \$861.75
Debit / Credit Total for 01.001.0000.000.00 - 201000						\$860.00 \$861.75

Other Activity

The accounting entry that caused the out of balance total will display in the section labeled **Other Activity in GL Account**:

Other Activity in GL Account 201000					
Transaction Date	Date Booked	Transaction ID	Transaction Type	Description	Amount
08/13/2008	08/15/2008	228	Payment	client pmt	\$500.00
					\$500.00

This entry will need to be reversed and re-entered offsetting a non-mandatory account. This entry may continue to display in the future.

Criteria

The **Criteria** section reflects the criteria selected for creating the report.

Monthly Reconciliation Reports

Reconciliation Clearing Account Reconciliation Report

The Reconciliation Clearing Account Reconciliation report should be run at the end of the month to detect any outstanding entries. Some of the common causes are:

- Receipt or Disbursement is not associated to a reconciliation.
- Reconciliation is not associated to a receipt or disbursement.
- A Disbursement or Receipt was recorded to the reconciliation clearing account but the corresponding reconciliations have not been completed.
- The reconciliation was completed but the disbursement or receipt has not been recorded.

The **Reconciliation Clearing Account** is a temporary holding account for carrier, people and tax authority transactions and should ideally have a zero balance. Payables and Direct Bill Commission Receivables created from client transactions are cleared in the Nexsure reconciliation process. The Reconciliation Clearing Account is the offset in the opposite direction of the payable or receivable and brought to zero when a corresponding disbursement or receipt is entered.

It is important for users to associate carrier, people and tax authority Receive Payments or Disbursements to a corresponding reconciliation by one of the following methods:

- Reconcile transactions first (note virtual **Receipt** or **Disbursement** in header) then pull the reconciliation into the corresponding **Receive Payment** or **Disbursement**.
- Enter **Receive Payment** or **Disbursement** first (offset entry to the **Reconciliation Clearing Account**) then pull the **Receive Payment** or **Disbursement** into the corresponding reconciliation (no virtual receipt or disbursement should exist)

Below is the Reconciliation and Disbursement posting for Carrier, People and Tax Authority Payables:

Payables Reconciliation:

- Debit to Payables
- *Credit to Reconciliation Clearing Account

Payables Disbursement (Can be entered before Recon):

- *Debit to Reconciliation Clearing Account
- Credit to Bank Account

Below is the Reconciliation and Receive Payment posting for Carrier Direct Bill Commission Receivables:

Carrier Receivables Reconciliation:

- Credit to DB Commission Receivables
- *Debit to Reconciliation Clearing Account

Carrier Receive Payment (Can be entered before Recon)

- *Credit to Reconciliation Clearing Account
- Debit to Un-deposited Funds

Notes on the Reconciliation Clearing Account Reconciliation Report:

- Reversed entries are not included in this report as outstanding.
- The Reconciliation Clearing Account is not involved when the Invoices link is used in a Carrier Disbursement to clear transactions. The general ledger posting is as follows:
 - Debit to Carrier Payables
 - Credit to Bank Account
- For more information on reconciling carrier, people and tax authority, see Chapters 11, 12 and 13 of this manual. Contact Nexsure Support for additional questions regarding this report.

Un-Deposited Funds Reconciliation Report

When a Receive Payment is entered in Nexsure the Un-Deposited Funds account is always the offsetting entry. The Un-deposited Funds account holds these entries temporarily until a Deposit is entered. When the Deposit is entered the Receive Payment funds are removed from Un-Deposited Funds and moved into the selected bank account.

The Un-Deposited Funds Reconciliation Report should be run at least once a month to detect Receive Payment entries that have not been deposited. To clear the outstanding entries, select a bank account, add a new Deposit and select the appropriate Receipts to include, click Include All Selected and Post when complete.

Month-End Corrections and Adjusting Entries

Reversing Entries

Corrections to agency and people commissions can be made while reconciling carrier statements. All other corrections to invoice or accounting transactions must be made by reversing the incorrect entry and re-entering a correct entry.

When an accounting transaction is reversed the original transaction remains and a new transaction is created with new postings to the general ledger in reverse. The ID numbers on the original and reversed transactions are cross referenced.

When a transaction is reversed any related transactions are released and available to be pulled into a new transaction. For instance, an invoice cleared with a client payment would be released when the client payment is reversed.

Note: When a carrier reconciliation is reversed in which direct bill invoices were created using the **Statement Entry** function the invoices are not reversed and will be available for selection in a new reconciliation under the **Transactions – Direct Bill** link. Do not create the invoices again as these would be duplicates.

When an entry is reversed other related entries do not need to be reversed also. For instance, when an invoice that has been paid is reversed the corresponding payment does not need to be reversed. Typically when an entry is reversed a new entry will be created by the user to replace it. The reversal and the new entry will create unallocated debits and credits for receivables, payables, receipts, and disbursements etc. which will continue to show up on reports as unpaid items. To clean up these items so they will no longer display as unpaid use one of the following methods listed below:

- Client Receivables: enter a Client Reconciliation to allocate matching debits and credits.
- Carrier Payables and Receivables, People Payables and Tax Authority Payables: enter a zero Reconciliation to allocate matching debits and credits.
- Reversed Receipts: enter a zero deposit and include the reversal and the new receipt.
- Reversed Disbursements, Deposits and any Journal Entries which affect bank accounts: clear both the debits and credits in a bank reconciliation.

A reversing entry will post in the first open and unlocked accounting period unless the accounting period of the original transaction is open and unlocked or the user has security rights to post to a locked month. Note that users assigned the Administrator template automatically have the ability to post to locked months.

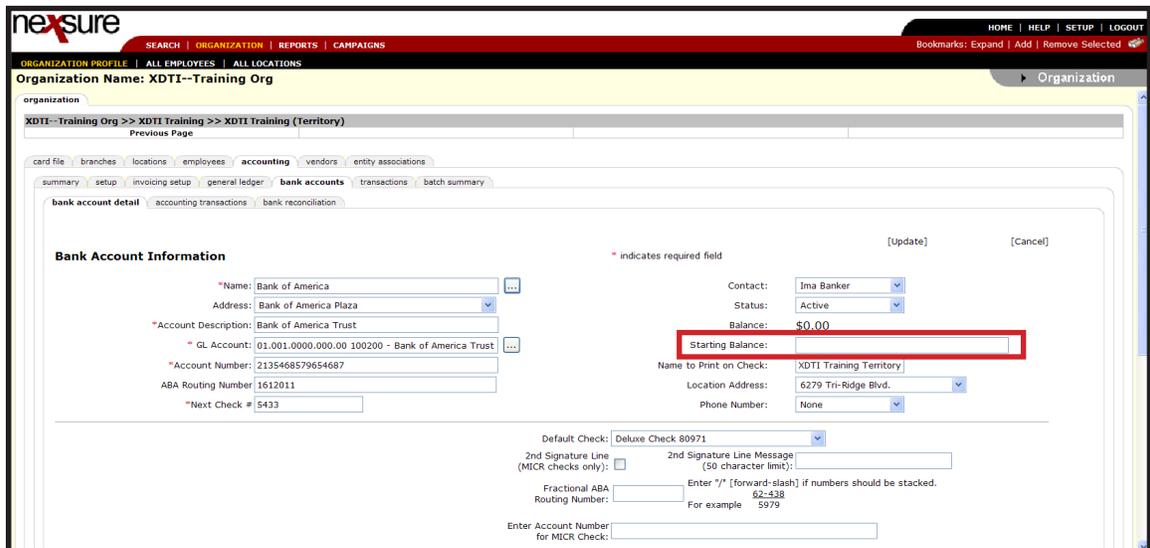
For more information regarding reversing entries refer to “Journal Entries”, in Chapter 6, *Accounting Training Manual*.

Reconciling Bank Accounts

The Bank reconciliation function allows the clearing of checks, deposits, and journal entries to balance to the statement received from the bank. Bank Reconciliations must be entered in chronological order. A bank reconciliation can be reversed if corrections are needed but must be done in reverse chronological order.

Accessing the Bank Reconciliation

To access the Bank Reconciliation click **ORGANIZATION** on the **Primary** menu. Click the **territories** tab and search for the appropriate territory. Click the **Details**  icon next to the desired territory. Click the **accounting > bank accounts** tab. On the **bank accounts** tab, click the **Details**  icon next to the appropriate bank account. The bank account information is displayed:



The screenshot displays the 'Bank Account Information' form in the Nexsure application. The form is titled 'Bank Account Information' and includes a note '* indicates required field'. The form is divided into two main sections: 'Bank Account Information' and 'Bank Reconciliation Information'. The 'Bank Account Information' section contains the following fields:

- Name: Bank of America
- Address: Bank of America Plaza
- Account Description: Bank of America Trust
- GL Account: 01.001.0000.000.00 100200 - Bank of America Trust
- Account Number: 2135468579654687
- ABA Routing Number: 1612011
- Next Check #: 5433

The 'Bank Reconciliation Information' section contains the following fields:

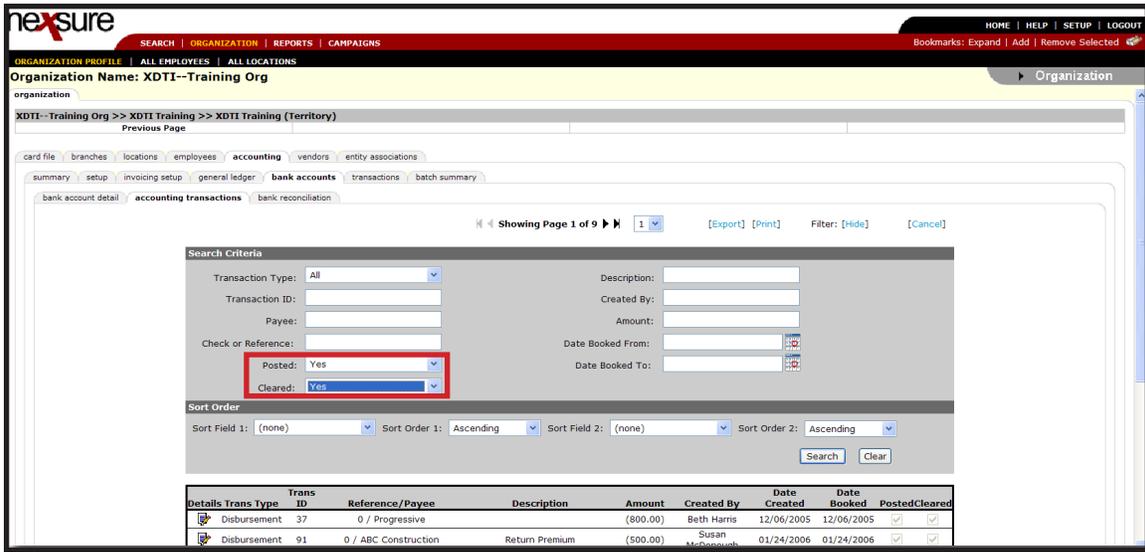
- Contact: Ima Banker
- Status: Active
- Balance: \$0.00
- Starting Balance: (highlighted with a red box)
- Name to Print on Check: XDTI Training Territory
- Location Address: 6279 Tri-Ridge Blvd.
- Phone Number: None

At the bottom of the form, there are additional fields for 'Default Check' (Deluxe Check 80971), '2nd Signature Line (MICR checks only)', '2nd Signature Line Message (50 character limit)', 'Fractional ABA Routing Number', and 'Enter Account Number for MICR Checks'.

Starting Balance

The **Starting Balance** box is new as of version 1.94.5. After the first reconciliation is posted this box is disabled and can only be edited by reversing the first reconciliation. Read this document in its entirety before posting the first reconciliation.

The **Starting Balance** figure should be the total cleared transactions to date. This will allow items from previous partially completed reconciliations to be cleared. To obtain the total cleared items in Nexsure click the **accounting transactions** tab. Click the filter **[Show]** link and click the **Clear** button to remove all criteria. Change the filter to display **Posted-Yes** and **Cleared-Yes**. Click the **Search** button to obtain the desired results.



After the search results are displayed click the **[Print]** link. This will display all cleared items. Navigate to the last page where the total is displayed. Highlight the total, right-click and copy.

Bank Accounting Transactions

Transactions For Bank of America Account (Bank of America Trust) Page 2 of 2

Trans Type	Payee Type	Payee	Ref	Amount	Description	Created By	Date Created	Date Booked	Posted	Cleared
Deposit				6,110.10		Susan McDonough	07/07/2006	07/07/2006	Yes	Yes
Deposit				27,900.00	Daily Deposit	Susan McDonough	07/18/2006	07/18/2006	Yes	Yes
Deposit				600.00	deposit test	Brian Dinh	02/07/2007	02/07/2007	Yes	Yes
Deposit				740,442.38	Deposit	Beth Harris	02/09/2007	02/09/2007	Yes	Yes
Deposit				-740,442.38	Deposit	Beth Harris	02/09/2007	02/09/2007	Yes	Yes
Deposit				740,242.38	Daily Deposit	Beth Harris	02/09/2007	02/09/2007	Yes	Yes
Deposit				24,050.00	second deposit	Brian Dinh	02/12/2007	02/12/2007	Yes	Yes
Deposit				18,900.00	policy premium/fees/taxes	Paul Kudla	02/12/2007	02/12/2007	Yes	Yes
Deposit				19,002.20	Daily Deposit	Susan McDonough	02/13/2007	02/13/2007	Yes	Yes
Deposit				10,176.00	daily deposit	Susan McDonough	03/08/2007	03/08/2007	Yes	Yes
Deposit				17,305.00	Deposit 3/19/2007	Beth Harris	03/19/2007	03/19/2007	Yes	Yes
Deposit				10,700.87	daily deposit	Kathy Oskouian	04/02/2007	04/02/2007	Yes	Yes
Deposit				17,660.00	NB Connections	Betsy Cormier	06/19/2007	06/19/2007	Yes	Yes
Deposit				50.00		Susan McDonough	06/20/2007	06/20/2007	Yes	Yes
Deposit				-17,660.00	NB Connections	Betsy Cormier	06/20/2007	06/19/2007	Yes	Yes
Deposit				17,660.00	Connections	Betsy Cormier	06/20/2007	06/20/2007	Yes	Yes
Deposit				34,790.00	Deposit Client Pmts	Betsy Cormier	07/10/2007	07/10/2007	Yes	Yes
Total				747,392.09						

Click the **bank account detail** tab and paste the total in the **Starting Balance** box.

Bank Account Information

* indicates required field

[Update] [Cancel]

Name: Bank of America
 Address: Bank of America Plaza
 Account Description: Bank of America Trust
 * GL Account: 01.001.0000.000.00 100200 - Bank of America Trust
 Account Number: 2135468579654687
 ABA Routing Number: 1612011
 *Next Check #: 5433

Contact: Ima Banker
 Status: Active
 Balance: \$0.00
Starting Balance: 747,392.09
 Name to Print on Check: XDTI Training Territory
 Location Address: 6279 Tri-Ridge Blvd.
 Phone Number: None

Default Check: Deluxe Check 80971
 2nd Signature Line (MICR checks only):
 2nd Signature Line Message (50 character limit):
 Fractional ABA Routing Number: Enter '/' [forward-slash] if numbers should be stacked. For example 62-438 5979
 Enter Account Number for MICR Check:

Note for Existing Users: This figure may be the same as your last reconciled bank statement ending balance. However, if you were in the middle of a reconciliation when 1.94.5 was released, this figure will not match because only part of that month’s transactions were cleared. The **Starting Balance** box adjusts for the partially cleared month

Entering the Bank Reconciliation

Click the **bank reconciliation** tab. The **Bank Reconciliation Statements** screen is displayed. Click the **Details** icon next to an existing reconciliation or **[Add New]** to start a new reconciliation. The **bank reconciliation** tab is displayed:

bank reconciliation

Account Description: Bank of America Trust
 Account Number: 2135468579654687
 Bank Recon ID: 16
 Posted:
 Date Created: 10/07/2008
 Created By: Susan McDonough

Statement Date: 10/07/2008
 Statement Ending Balance: 808,593.91
 Cleared Balance: 808,593.91
 Remaining: \$0.00
 Description: October bank statement

Quick Navigation
 Header
 Transactions

Statement Summary | Print | Post | Abort | Save

Name: Bank of America
 Bank of America Plaza
 Seattle WA, 98109

Statement Date: 10/07/2008
 Description (100 Char. Max): October bank statement

Beginning Balance: 747,392.09
 Statement Ending Balance: 808,593.91

The following information is available on the bank reconciliation Header:

- **Account Description:** Defaults from the **bank account detail** tab > **Account Description** box.
- **Account Number:** Defaults from the **bank account detail** tab > **Account Number** box.
- **Bank Recon ID:** Sequential ID number assigned by Nexsure.
- **Posted:** Selected when the bank reconciliation is posted. The date of the posting is also added upon post.
- **Posted By:** The name of the staff member that posted the reconciliation.
- **Date Created:** The date that the **[Add New]** link is clicked to start the reconciliation.
- **Created By:** The name of the staff member that clicked the **[Add New]** link.
- **Statement Date:** The date entered in the **Statement Date** box when editing the bank reconciliation header.
- **Statement Ending Balance:** The ending balance entered in the **Statement Ending Balance** box when editing the bank reconciliation header.
- **Cleared Balance:** The cleared balance is equal to; beginning balance - disbursements and other credits + deposits and other debits.
- **Remaining:** The remaining amount is equal to (Cleared Balance - Statement Ending Balance).
- **Description:** The entry made in the **Description** box when editing the bank reconciliation header.

The following options are available on the Navigation Toolbar:

- **Statement Summary:** To return to the list of **Bank Reconciliation Statement** screen.
- **Print:** Lists reconciliation activity.
- **Post:** Posts the bank reconciliation. The post option is unavailable until the reconciliation Remaining amount is equal to \$0.00. The Beginning Balance + / - Cleared Balance must equal the Statement Ending Balance.
- **Abort:** Cancel the reconciliation.
- **Save:** Saves entries without exiting the screen.

Complete the following information on the bank reconciliation header:

- **Statement Date:** Enter the **Ending Date** from the bank statement.
- **Description:** Enter up to a 100 character description that will be displayed in the bank reconciliation header.
- **Beginning Balance:** This is the balance from the **Starting Balance** box and cannot be edited from this screen.
- **Statement Ending Balance:** Enter the ending balance amount from the bank statement to balance against cleared activity.
- To save the header information click **Save** on the **Navigation** toolbar.

Clearing Bank Entries:

To clear bank entries click the **Transactions** link. The transaction selection results are displayed.

The screenshot shows a 'bank reconciliation' window with the following details:

- Account Information:** Bank of America Trust, Account Number: 2135468579654687, Bank Reconc ID: 16.
- Statement Date:** 10/07/2008
- Statement Ending Balance:** \$808,593.91
- Cleared Balance:** \$808,593.91
- Remaining:** \$0.00
- Description:** October bank statement

Quick Navigation: Includes a 'Transactions' link highlighted in red.

Transaction Lists:

Disbursements and other credits:

Select	Date Booked	Trans Type	Trans ID	Method	Check #	Name / Description	Amount	
<input checked="" type="checkbox"/>	03/19/2007	Disbursement	520	Check		Mercury Insurance/Hardware Is Us	(\$15,355.00)	
<input checked="" type="checkbox"/>	05/10/2007	Disbursement	643	Check	5413	The Hartford Insurance/MCDXDTI policy abc123	(\$13,434.00)	
<input checked="" type="checkbox"/>	05/29/2007	Disbursement	666	Check	5414	McDonough Bagels	(\$1,000.00)	
<input checked="" type="checkbox"/>	06/06/2007	Disbursement	669	Check		The Hartford Insurance/hart	(\$500.00)	
<input checked="" type="checkbox"/>	06/19/2007	Disbursement	679	Check		Safeco/Connections 6/19/07 NB Payment	(\$15,150.00)	
							This Page Total:	(\$45,439.00)
							All Pages, Selected Entries Total:	(\$45,349.00)
							All Pages Total:	(\$213,636.45)

Deposits and other debits:

Select	Date Booked	Trans Type	Trans ID	Method	Check #	Name / Description	Amount
<input checked="" type="checkbox"/>	07/10/2007	Deposit	271	Deposit			\$34,790.00
<input checked="" type="checkbox"/>	07/10/2007	Deposit	272	Deposit		Deposit Safeco Commission	\$96.00
<input checked="" type="checkbox"/>	11/02/2007	Deposit	323	Deposit		Daily deposit	\$38,229.82

Change the filter to see the desired results. To view more transactions at a glance change the number in the **Display** list and click the **Maximize/Minimize** icon. Select the transactions that have cleared from the bank statement.

Note: New users will need to clear the beginning balance journal entry in the first bank reconciliation. The beginning balance journal entry brings forward the bank balance from the legacy (prior) system.

Scroll down to the bottom to display the **Reconciliation Summary**:

Statement Summary		Print	Post	Abort	Save		
<div style="display: flex; justify-content: space-between;"> <div> <p>Account Description: Bank of America Trust Account Number: 2135468579654687 Bank Recon ID: 16 Posted: <input type="checkbox"/> Posted By: Date Created: 10/07/2008 Created By: Susan McDonough</p> </div> <div> <p>Statement Date: 10/07/2008 Statement Ending Balance: \$808,593.91 Cleared Balance: \$808,593.91 Remaining: \$0.00 Description: October bank statement</p> </div> <div> <p>Quick Navigation Header Transactions</p> </div> </div>							
All Pages, Selected Entries Total: (\$45,949.00) All Pages Total: (\$213,636.45)							
[Select All] [Deselect All] << Showing Page 1 of 1 >> 1 Display: Default (\$)							
Deposits and other debits							
Select	Date Booked	Trans Type	Trans ID	Method	Check #	Name / Description	Amount
<input checked="" type="checkbox"/>	07/10/2007	Deposit	271	Deposit			\$34,750.00
<input checked="" type="checkbox"/>	07/10/2007	Deposit	272	Deposit		Deposit Safeco Commission	\$96.00
<input checked="" type="checkbox"/>	11/02/2007	Deposit	323	Deposit		Daily deposit	\$38,229.82
<input checked="" type="checkbox"/>	11/07/2007	Deposit	325/333	Deposit		Deposit	\$17,035.00
<input checked="" type="checkbox"/>	11/08/2007	Deposit	327/328	Deposit		Spectrum Development Payment in Full	\$17,000.00
							This Page Total: \$107,150.82 All Pages, Selected Entries Total: \$107,150.82 All Pages Total: \$107,150.82
Reconciliation Summary							
Beginning Balance:	\$747,392.09						
Cleared Items:	(\$45,949.00)						
6 - Disbursements and other credits:	\$107,150.82						
5 - Deposits and other debits:	\$808,593.91						
Cleared Balance:	\$808,593.91						
Statement Ending Balance:	\$808,593.91						
Remaining:	\$0.00						

The **Reconciliation Summary** section displays the **Beginning Balance**, total cleared credits and debits and the **Statement Ending Balance**. If there is a remaining balance click **Print** to print a list of cleared items to help determine the issue. If there are missing items such as a bank service charge or interest click the **Statement Summary** link to exit the reconciliation. Enter the missing entries and then return to the reconciliation to clear the items.

When the remaining balance is zero and the cleared debit and credit totals have been verified, post the reconciliation. Click the **Print** link to print the **Bank Reconciliation Summary** report.

Outstanding Bank Transactions from Legacy System

Outstanding bank transactions from the legacy system that have not cleared the bank statement prior to going live on Nexsure should be addressed as follows:

Use Journal Entries in Nexsure to reverse and re-enter outstanding uncleared transactions from the legacy system prior to the first Bank Reconciliation. This will require a non-mandatory clearing account in the General Ledger. **Do not** use the mandatory Reconciliation Clearing Account.

1. Calculate the total lump sum dollar amount of all uncleared bank transactions for each bank account.
2. Create a single journal entry to increase the bank account balance by this total amount. Click **ORGANIZATION > Territory** and click the **Details**  icon of the appropriate territory.
3. Click **accounting > transactions > journal entry** tabs.
4. Click the **[Add New]** link to create the new journal entry.

Journal Entry ID: 3184 Recurring: [Set Properties]
 Posted: Frequency:
 Date Booked: 11/06/2008 Start Date:
 Date Created: 11/6/2008 3:57:06 PM Expiration:
 Created By: David Shepherd Auto Post:
 Reference:
 Description: Total outstanding check

Transaction Summary Print Post Abort Save Add Allocation Add Row

Nexsure Accounting
General Journal Entry

Account Number	Description	Debit	Credit	LID #	Remove
54.001.0000.000.00.100500 Operating Account	Total outstanding checks from pric	13,500.00	0.00	0	
54.001.0000.000.00.110950 Misc Clearing Account	Total outstanding checks from pric	0.00	13,500.00	0	
Totals:		13,500.00	13,500.00		
Out of Balance:		0.00	0.00		

5. Enter the **Date Booked**. This should be the same date as the general ledger beginning balance journal entry.
6. Enter an appropriate description in the **Description** box, such as “Total outstanding checks from prior system.”
7. Search for the appropriate bank account by selecting the **Ellipsis** button. Enter the total amount from step 1 in the **Debit** column.
8. Click the **Add Row** link to add another row to the journal entry.
9. Search for the non-mandatory clearing account and enter this total in the Credit column. Do not use the Reconciliation Clearing Account. If you do not have an adequate clearing account, see “Adding a General Ledger Account”, in Chapter 4 of this manual.
10. Click the **Post** link to post the journal entry.
11. Next, create journal entries for each individual outstanding transaction, debiting the non-mandatory clearing account and crediting the bank account used in step 2.
12. Enter the **Date Booked**. This should be the same date as the general ledger beginning balance journal entry.
13. Enter the prior system check number in the **Reference** and **Description** boxes.

Journal Entry ID: 3185	Recurring: <input type="checkbox"/> [Set Properties]
Posted: <input type="checkbox"/>	Frequency:
Date Booked: 11/06/2008	Start Date:
Date Created: 11/6/2008 4:00:22 PM	Expiration:
Created By: David Shepherd	Auto Post: <input type="checkbox"/>
	Reference: 87791
	Description: Check #87791 from pri

Transaction Summary	Print	Post	Abort	Save	Add Allocation	Add Row
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Nexsure Accounting
General Journal Entry

Account Number	Description	Debit	Credit	LID #	Remove
54.001.0000.000.00.110950 Misc Clearing Account	Check #87791 from prior system	1,800.00	0.00	0	
54.001.0000.000.00.100500 Operating Account	Check #87791 from prior system	0.00	1,800.00	0	
Totals:		1,800.00	1,800.00		
Out of Balance:		0.00	0.00		

14. Click the **Post** link to post the journal entry. These individual transaction journal entries must add up to the total amount from the journal entry in step 2.
15. Before beginning the first bank reconciliation, click **ORGANIZATION** > **Territory** and click the **Details** icon of the appropriate territory.
16. Click **accounting** > **bank accounts** tab, click the **Details** icon of the appropriate bank account.
17. Enter the total amount from step 2 in the **Starting Balance** box. This is typically a negative amount if the outstanding items are checks. (For existing users, add this amount to the **Starting Balance** entered as instructed in the **Starting Balance** section above.)
18. When beginning the first month's bank reconciliation, clear the journal entry from step 2. Individual journal entries from step 11 will be cleared normally as they clear monthly bank statements.
19. Continue the bank reconciliation as instructed above in "Entering the Bank Reconciliation".