

## Chapter 6

# Journal Entries

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## Journal Entry Definition

Journal entries are used to move money from one general ledger account to another. A journal entry makes debits and credits directly to specific general ledger accounts.

## Journal Entry Overview

Journal entries can be used to make corrections when the original entry was offset to the wrong general ledger account, for payroll in organizations that use an outside entity to issue checks and for automatic bank transfers.

Journal entries in Nexsure can be set up for daily, weekly, monthly or yearly recurrence. **General Ledger Allocations** can be used in journal entries to automatically allocate offsetting entries to multiple organization entities such as Region, Territory, Branch, Department or Units.

Journal entries can be made at the Organization level if necessary but are more typically made at the Territory level. Most agencies enter accounting transactions at the Territory level as this is the level that client receivables and carrier payables exist in Nexsure. For the purpose of demonstration, all instructions will be oriented to the Territory level.

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**Note:** DO NOT post to any of the mandatory general ledger accounts unless directed by XDimensional Technologies' Nexsure workflows. This can cause books to be out of balance as these accounts are used by Nexsure for automatic postings.

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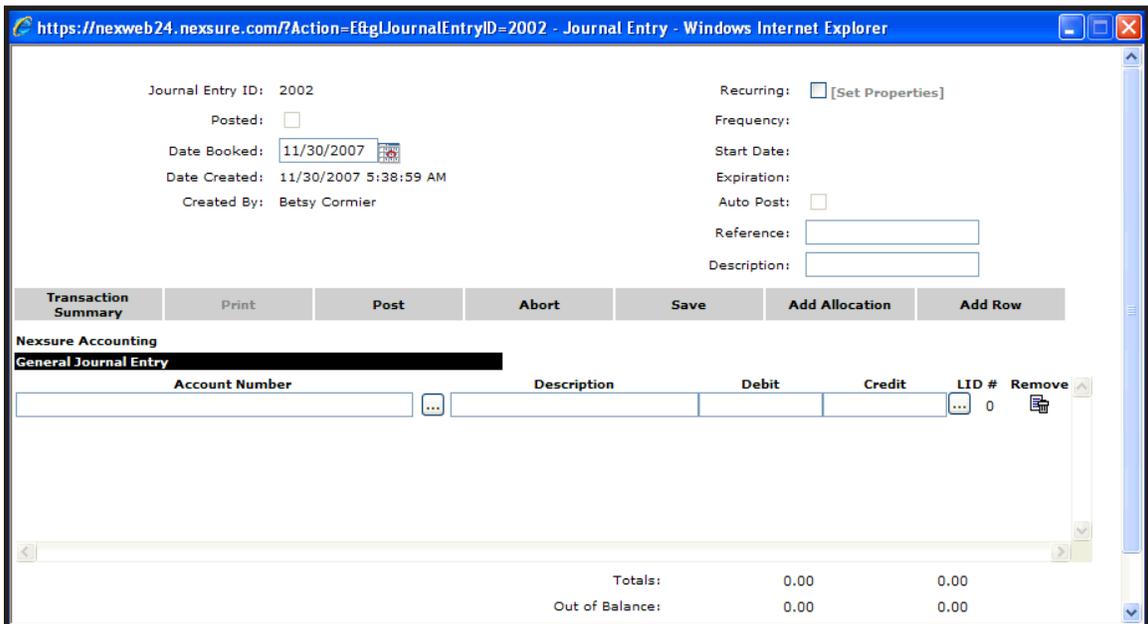
## Adding Journal Entries

Navigate to journal entries by clicking the **ORGANIZATION** link on the **Primary** menu. Click the **territory** tab then click the **Details** icon for the desired territory. Click the **accounting** tab. Click the **transactions** tab on the second row of tabs. Click the **journal entry** tab on the third row of tabs.

Nexsure will display the following screen:



Click the [\[Add New\]](#) link to the right. Nexsure will display the Journal Entry window:



The Journal Entry window includes three sections: Journal Entry header section at the top, the Navigation toolbar in the middle and the General Journal Entry section on the bottom.

The Journal Entry header includes user input fields combined with fields that reflect settings made in set properties and fields automatically assigned by Nexsure. The Journal Entry header summarizes the entire entry with the following information:

- Journal Entry ID:** Nexsure-assigned record number. Note that when an entry has been reversed this will display the original number with the reversal number, separated by a slash.

- **Posted:** Nexsure generated checkmark appears when entry has been posted
- **Date Booked:** Defaults to the current date. The journal entry will post to the general ledger on this date. This date can be changed back or forward, however, the date booked can not be posted to a locked month unless the user has the security rights to override a locked month. The date booked can never be posted to a closed month.
- **Date Created:** Nexsure stamps the entry creation date and time
- **Created By:** Nexsure pulls name from the user login ID at the time the entry was created
- **Recurring:** When checked the entry becomes a template for new entries and the **Post** link will be disabled. Since this template will not post it can be edited or removed at any time. The template will be available for manual selection whenever desired and can also be used by Nexsure to automatically create entries.
- **Set Properties:** The **[Set Properties]** link is used in conjunction with the Recurring check box to set up an automatic daily, weekly, monthly or yearly recurrence schedule for the Journal Entry. For more details refer to the **Setting Up Automatic Recurring Entries** section in this chapter.
- **Frequency:** Reflects how often a recurring entry occurs: daily, weekly, monthly, yearly (controlled through the [Set Properties] link)
- **Start Date:** Reflects start date for recurring entry (controlled through the [Set Properties] link)
- **Expiration:** Reflects stop date of recurring entry (controlled through the [Set Properties] link)
- **Auto Post:** Reflects setting of Auto Post function for recurring entry (controlled through the [Set Properties] link)
- **Reference:** Use this field as a type of internal note. You will be able to filter for Reference Codes.
- **Description:** The description entered will be reflected in the Journal Entry line item description and will display on general ledger reports.

After completing the above entries, Click **Save** on the navigation toolbar to save the Journal Entry header information.

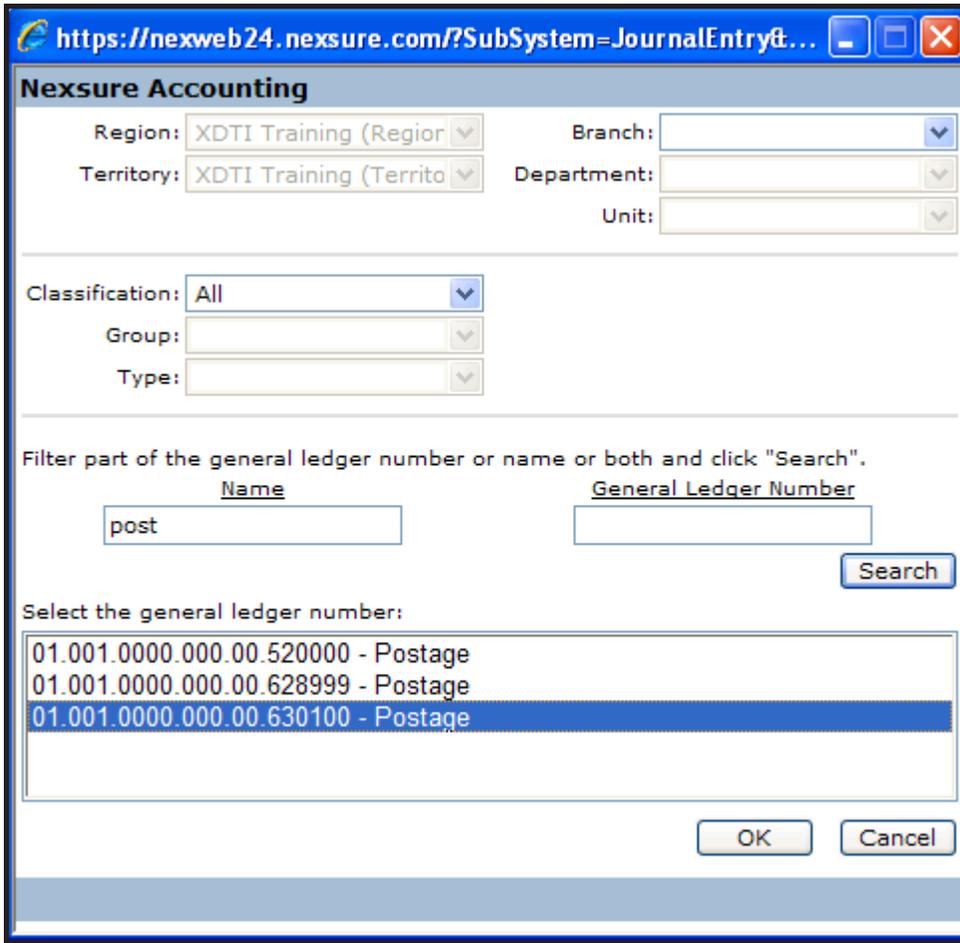
Click the **Ellipsis**  button to the right of the account number in the **General Journal Entry** section.

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**Note:** The second **Ellipses**  button (under the heading LID#) is used to break out employee's expenses that do not need to display on the General Ledger. Refer to Chapter 7, "Line Item Distribution" in this manual.

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Nexsure will display the **Search - Nexsure Accounting** pop-up window:

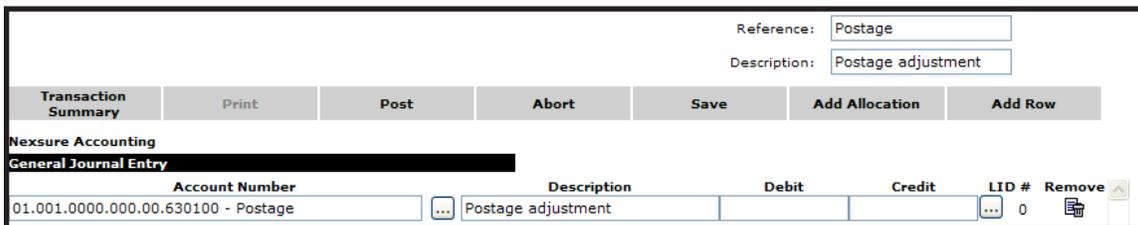


Use the first section of the pop-up window to select the desired organization’s Entity level. Use the middle section to search by the account **Classification**, **Group**, and **Type**. Use the bottom section to search by the general ledger account **Name** or **General Ledger Number**. All three sections may be used simultaneously.

**Note:** When allocating to specific profit centers select Branch, Department and Unit prior to searching for an account. This allows Nexsure to determine the appropriate routing number.

Click the **Search** button to see the results.

Select the appropriate general ledger account number from the list and click the **OK** button. Nexsure will fill the **Account Number** field as shown below:



- **Description:** Defaults from the **Description** input field of the Journal Entry header and may be edited if desired. This description will display in the General Ledger Detail report.

Tab to the **Debit** or **Credit** field to enter the entry amount. To add additional offsetting entries press the **Enter** key or click the **Add Row** link on the navigation toolbar.

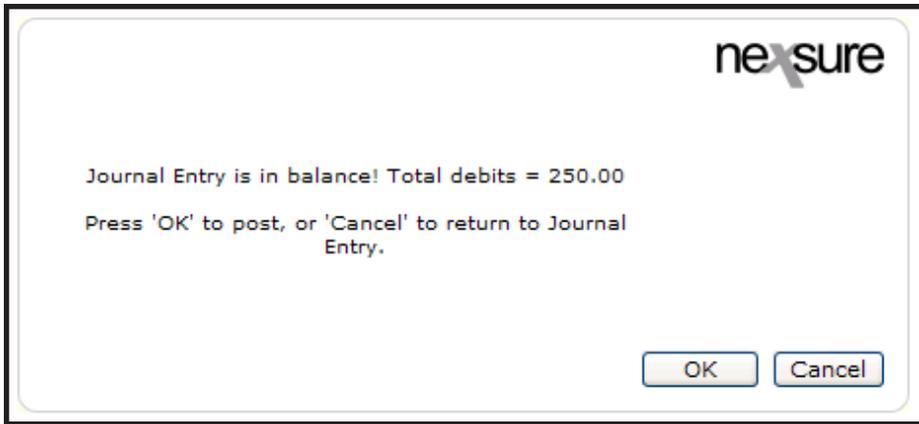
After all line items have been entered, click the **Save** link on the navigation toolbar to save the entry.

Nexsure will display the **Totals** as shown below:

Transaction Summary	Print	Post	Abort	Save	Add Allocation	Add Row
Nexsure Accounting						
General Journal Entry						
Account Number	Description	Debit	Credit	LID #	Remove	
01.001.0000.000.00.630100 - Postage	Postage correction	250.00		0		
01.001.0000.000.00.641000 - General Office Expense	Postage correction		250.00	0		
Totals:		250.00	250.00			
Out of Balance:		0.00	0.00			

After verifying that the entry is complete; click the **Post** link on the navigation toolbar.

Nexsure will display the confirmation pop-up window that indicates if the entry is in balance:



Click **OK** to Post the entry to the general ledger. Posting makes the entry permanent and allows a check to be printed. If an entry is posted in error, it must be reversed and re-entered as a new item.

If the entry is not in balance click **Cancel** and make the necessary changes.

Click **Journal Entry Summary** on the navigation toolbar to **exit** and return to the list of journal entries.



## Setting up Automatic Recurring Entries

The **[Set Properties]** link, enabled by selecting the **Recurring** check box, allows the user to set up automatic daily, weekly, monthly or yearly recurrence schedules for recurring journal entries. Click the **[Set Properties]** link.

Journal Entry ID: 2007	Recurring: <input checked="" type="checkbox"/> <b>[Set Properties]</b>
Posted: <input type="checkbox"/>	Frequency:
Date Booked: 11/30/2007	Start Date:

Nexsure will display the **Journal Entry Recurring Properties** pop-up window:

journalentry\_recurring\_properties - Microsoft Internet Explorer

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Recurrence Schedule:

Daily      Every  days  
 Weekly  
 Monthly  
 Yearly

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Recurrence Range:

Start:

Continuous  
 Continuous For  Occurrences  
 End By:

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Automatically Post:

## Recurrence Schedule

If **Daily** is selected, Nexsure will present the **Every (#) days** field, as shown above. Entering 1 will create an entry every day; entering 8 will create an entry every 8 days.

If **Weekly** is selected, Nexsure will present fields for weekly options:

Recurrence Schedule:  Daily  Weekly  Monthly  Yearly

Every  Week(s) on

Monday  Tuesday  Wednesday  Thursday  Friday  Saturday  Sunday

Enter the number of weeks between each account payable entry creation.

Select the day(s) of the week to create the entry on. Nexsure will create an entry on the day(s) designated. For example, every 1 week on Tuesday will create the entry every Tuesday; every 2 weeks on Tuesday will create the entry every other Tuesday.

If **Monthly** is selected, Nexsure will present fields for monthly options:

Recurrence Schedule:  Daily  Weekly  Monthly  Yearly

Day  of every  month(s)

Enter a specific day of the month every how many month(s). For example, Day 15 of every 1 month will create the entry on the 15th of each month; Day 15 of every 3 months will create the entry on the 15th of every 3rd month.

If **Yearly** is selected, Nexsure will present controls for yearly options:

Recurrence Schedule:

Daily
  Occurs 


Weekly

Monthly

Yearly

Enter the date to create the entry by clicking on the calendar to select the day or entering a full date formatted as in **12/31/2006**.

## Recurrence Range

Recurrence Range:

Start:  

Continuous

Continuous For  Occurrences

End By:  

The **Start** date defaults to the date booked (from the Journal Entry header) plus one day and is the date of the first occurrence. Accept the default or edit to desired start date.

Select one of the three termination conditions for the recurring entry:

- Choose **Continuous** to create the recurring entry indefinitely.
- Choose **Continue For (# of) Occurrences** to enter the exact number of times the journal entry is to be created.
- Choose **End By:** to select or enter the date that the automatic entry should stop recurring.

## Automatically Post

Automatically Post:

If checked, Nexsure will automatically post the entry during a night process (approximately 12:40 AM). If left unchecked, the entry will be created but will not post. This allows the entry to be edited before a manual post.



## Using General Ledger Allocation Plans

Creating a general ledger allocation plan provides a template for easily dividing expenses within the organization. Refer to **Chapter 4 - General Ledger Setup** of the **Nexsure Accounting Training Manual** for general ledger allocation setup instructions.

Navigate to journal entries by clicking the **ORGANIZATION** link on the **Primary** menu. Click the **territory** tab then click the **Details** icon for the desired territory. Click the **accounting** tab. Click the **transactions** tab on the second row of tabs. Click the **journal entry** tab on the third row of tabs.

Nexsure will display the following screen:



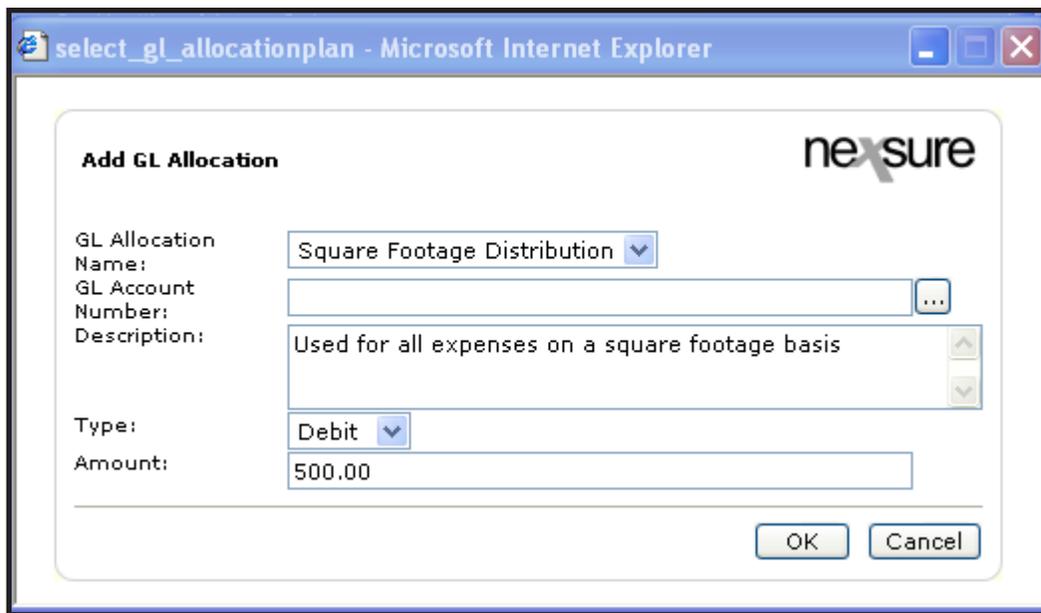
Click the **[Add New]** link to begin a new entry. Fill out the Journal Entry header information. Complete line item information for any entries that are not to be allocated. Refer to the **Adding Journal Entries** section of this chapter for detailed instructions on filling out the header and completing line items.

Nexsure will display the entry as shown:



Click the **Add Allocation** link on the navigation toolbar.

Nexsure will display the **Select GL Allocation Plan** pop-up window:



The screenshot shows a web browser window titled "select\_gl\_allocationplan - Microsoft Internet Explorer". The main content area is titled "Add GL Allocation" and features the "nexsure" logo in the top right corner. The form contains the following fields and controls:

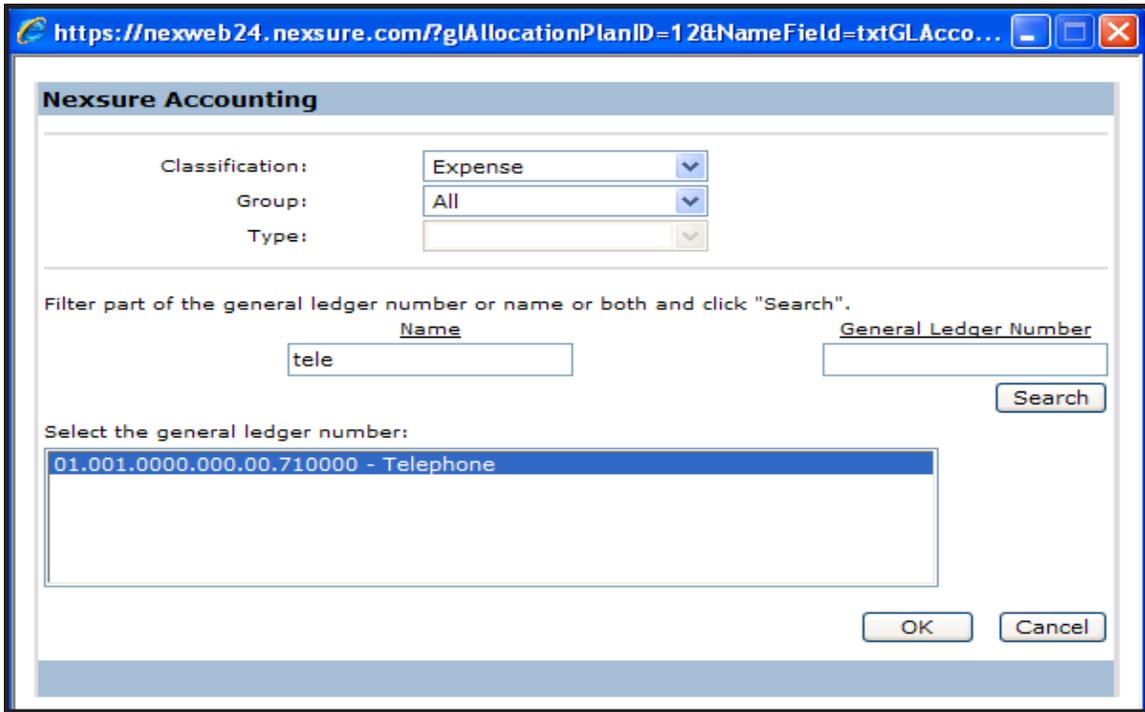
- GL Allocation Name:** A dropdown menu with "Square Footage Distribution" selected.
- GL Account Number:** An empty text input field with an ellipsis (...) button to its right.
- Description:** A text input field containing "Used for all expenses on a square footage basis" with up and down arrow buttons on the right side.
- Type:** A dropdown menu with "Debit" selected.
- Amount:** A text input field containing "500.00".

At the bottom right of the form, there are two buttons: "OK" and "Cancel".

Select the desired template from the **GL Allocation Name** drop-down box.

Click the **Ellipsis**  button to the right of the **GL Account Number** field.

Nexsure will display the **Search GL Allocation Number** pop-up window:



The accounts available for selection depend on the choices made when the allocation template was originally setup. Select the appropriate **Classification** from the drop-down box. Selection of **Group** and **Type** are optional. Enter the **Name** or **General Ledger Number** of the desired account and click the **Search** button. Select the account from the list of displayed results. Click **OK** to accept the selected account.

Nexsure will return to the **GL Allocation** pop-up window:

**Add GL Allocation**

GL Allocation Name: Square Footage Distribution

GL Account Number: 01.001.0000.000.00.710000 - Telephone

Description: Disbtribution broken out by building square footage

Type: Debit

Amount: 500.00

OK Cancel

- The **Description** will default from the original template but may be edited. Nexsure will use this description for each entity allocation line item.

Make a selection in the **Type** drop-down box to indicate whether the allocations for this general ledger account should be **Debit** or **Credit**. Enter the total **Amount** to be allocated for this general ledger account and click the **OK** button to accept the allocation. Nexsure will return to the Journal Entry window and display the allocation breakdown:

Transaction Summary	Print	Post	Abort	Save	Add Allocation	Add Row
<b>Nexsure Accounting</b>						
<b>General Journal Entry</b>						
ACCOUNT NUMBER	DESCRIPTION	DEBIT	CREDIT	CLT	REVERSE	
01.001.0000.000.00.710000 Telephone	Telephone Allocation	0.00	500.00	0		
01.001.0001.002.00.710000 Telephone	Telephone Allocation	125.00	0.00	0		
03.002.0001.004.00.710000 Telephone	Telephone Allocation	125.00	0.00	0		
01.001.0001.001.00.710000 Telephone	Telephone Allocation	250.00	0.00	0		
01.001.0000.000.00.110990 Intra-Office Primary Offset	Telephone Allocation	125.00	0.00	0		
03.002.0000.000.00.220990 Intra-Office Secondary Off	Telephone Allocation	0.00	125.00	0		
<b>Totals:</b>		625.00	625.00			
<b>Out of Balance:</b>		0.00	0.00			

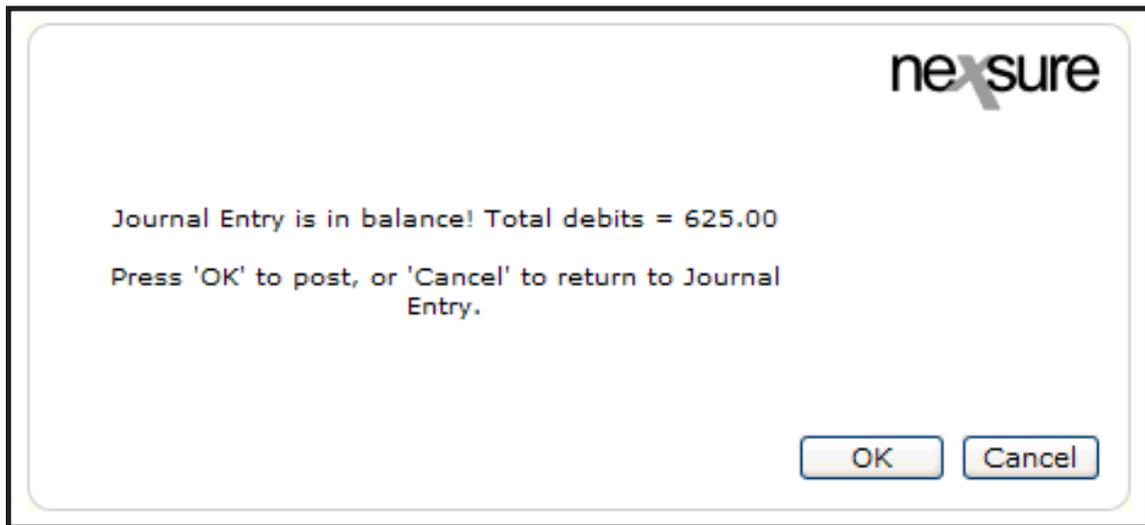
**Note** the two **Intra-Office** accounts at the bottom of the entry. If multiple territories were selected in the original template, two mandatory accounts are used to keep all the territories in balance.

- The **Intra-Office Primary Offset** creates a receivable for the territory in which the journal entry was initiated.

- The **Intra-Office Secondary Offset** creates a payable for all other territories included in this allocation.
- Checks would be written out of the secondary territories to pay the primary; clearing the receivable and payable. If the organization does not intend for the secondary territories to pay the primary, a cross-territory journal entry can be done to clear the receivable and payable

Click the **Save** link on the navigation toolbar to save the entry. Nexsure will display the **Totals**. After verifying that the entry is complete, click the **Post** link on the navigation toolbar.

Nexsure will display the confirmation pop-up window that indicates if the entry is in balance:



Click **OK** to Post the entry to the general ledger. Posting makes the entry permanent and allows the entry to be processed. If an entry is posted in error, it must be reversed and re-entered as a new item. If the entry is not in balance, click **Cancel** and make the necessary changes. Click **Transaction Summary** on the navigation toolbar to exit and return to the list of journal entries.



## Manually Adding Recurring Journal Entries

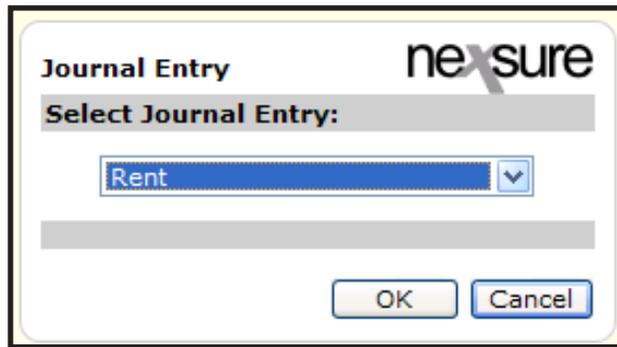
Any entry designated as recurring may be used as a template for new entries.

Navigate to journal entries by clicking the **ORGANIZATION** link on the **Primary** menu. Click the **territory** tab then click the **Details**  icon for the desired territory. Click the **accounting** tab. Click the **Transactions** tab on the second row of tabs. Click the **Journal Entries** tab on the third row of tabs.

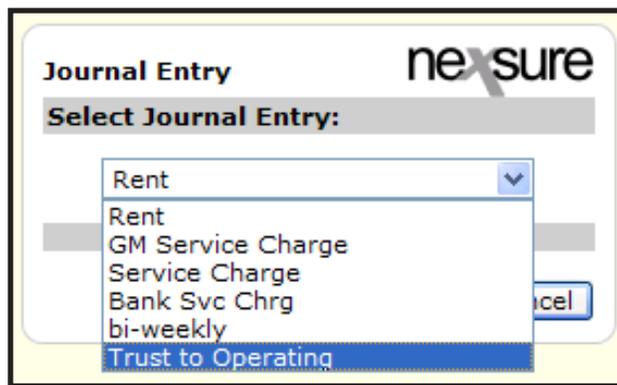
Nexsure will display the following screen:



Click the **[Add Recurring]** link to begin a new entry. Nexsure will display the **Select Journal Entry** pop-up window:



Click the **Select Journal Entry** drop-down box and select the desired recurring entry from the list:



Click the **OK** button to accept the entry.

Nexsure will display the entry as it was originally setup:

Journal Entry ID: [ ] Recurring:  [Set Properties]

Posted:  Frequency: [ ]

Date Booked: 07/13/2007 Start Date: [ ]

Date Created: 7/13/2007 8:38:58 AM Expiration: [ ]

Created By: Betsy Cormier Auto Post:

Reference: Transfer

Description: Trust to Operating

Transaction Summary | Print | Post | Abort | Save | Add Allocation | Add Row

Nexsure Accounting  
General Journal Entry

Account Number	Description	Debit	Credit	LID #	Remove
01.001.0000.000.00.100000 Trust Account	Trust to Operating	0.00	20,000.00	0	
01.001.0000.000.00.100500 Operating Account	Trust to Operating	20,000.00	0.00	0	
Totals:		2,000.00	20,000.00		
Out of Balance:		-18,000.00	18,000.00		

Change the **Date Booked** to reflect new date. Edit the header and line items as needed. Click the **Remove** icon on the right of any line item no longer needed. Clicking the **Save** link on the navigation toolbar will display the **Totals**.

Journal Entry ID: [ ] Recurring:  [Set Properties]

Posted:  Frequency: [ ]

Date Booked: 11/30/2007 Start Date: [ ]

Date Created: 7/13/2007 8:38:58 AM Expiration: [ ]

Created By: Betsy Cormier Auto Post:

**Note:** Clicking the Save link enables all the links in the header and on the navigation toolbar.

After verifying that the entry is complete, click the **Post** link on the navigation toolbar.

Nexsure will display the confirmation pop-up window that indicates if the entry is in balance:



## Reversing, Aborting and Removing Accounting Entries

### Reversing an Accounting Entry

Entries cannot be changed once posted. Corrections are accomplished by reversing the entry and making a corrected entry. Reversing an entry does not remove the original entry; the original and the reversed entry remain in the disbursement summary list.

Accounting transactions frequently have relationships to other transactions. Reversing entries may have adverse effects on related entries. Therefore, the “Reverse” option may be disabled until a related transaction is reversed. These notes discuss the order in which some transactions must be reversed and options that become available upon reversal.

If a Deposit, Disbursement or Journal Entry is included in a Bank Reconciliation, it cannot be reversed.

If an Accounts Payable entry is part of a Disbursement or Receive Payment entry, it cannot be reversed until the disbursement or receive payment is reversed. When the disbursement or receive payment is reversed the accounts payable entries become available for subsequent disbursements and receive payments.

If a Disbursement or Receive Payment is part of a reconciliation then it cannot be reversed until the reconciliation is reversed. When the reconciliation is reversed the invoices attached become available for subsequent reconciliations.

If a Reconciliation is part of a Disbursement or Receive Payment, the reconciliation cannot be reversed until the disbursement or receive payment is reversed. When the disbursement or receive payment is reversed the reconciliation becomes available to subsequent disbursements or receive payments.

Reversing a Receive Payment from a client creates a debit to the client’s account. If a Receive Payment is part of a Deposit, when reversed, the option to apply an NSF charge becomes available.

A reversing entry will post in the next available 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.

Reversing an entry must be done from the entry detail:

Navigate to the entry by clicking the **ORGANIZATION** link on the **Primary** menu. Click the **territory** tab then click the **Details** icon for the desired territory. Click the **accounting** tab and click the **Transactions** tab on the second row of tabs. Click on the entity type from the third row of tabs, Disbursement, Receive Payment, etc. Select the appropriate **Bank** account from the drop-down list for disbursements and deposits only. Click the [Show] filter link and search for the desired entry. Click the **Details** icon of the entry to be reversed.

Nexsure will display the Disbursements tab as shown:

The screenshot shows the 'Disbursements' tab in the Nexsure system. It features a 'Disbursement Summary' section with the following details:

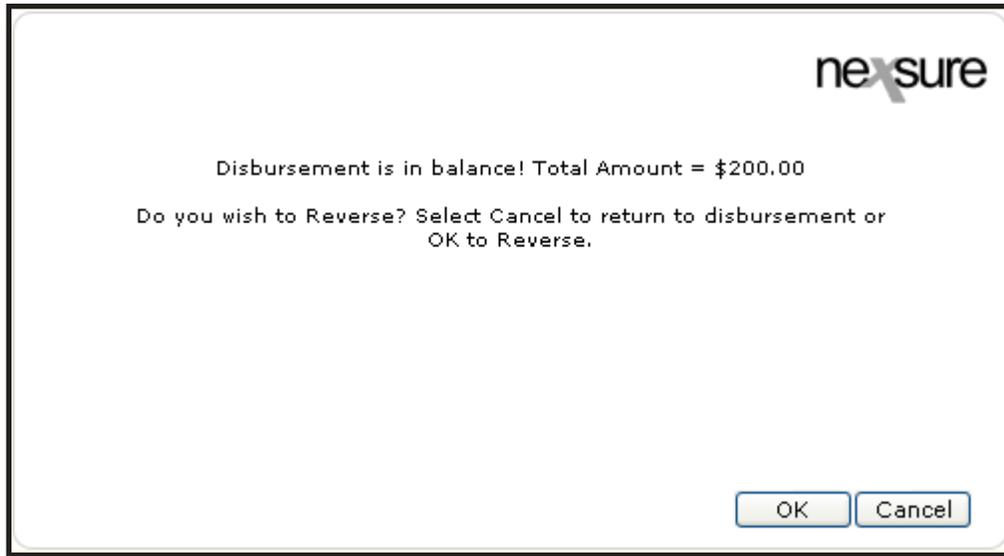
- Disbursement ID: 8
- Posted:  12/7/2005
- Cleared:
- Date Booked: 12/7/2005
- Date Created: 12/7/2005
- Created By: John Doe
- Entity Type: Vendor
- Payee: Office Depot
- Bank Name: Wachovia
- Bank Account #: 567890
- GL Account: 01.001.0000.000.00.100510 Wachovia Operating
- Balance: \$50,000.00
- Disbursement Amount: \$200.00
- Estimated Balance: \$49,800.00
- Check #:
- Description: December 05 Statement

Below the summary is a navigation toolbar with buttons: **Disbursement Summary**, **Pay All Selected**, **Print**, **Reverse**, **Abort**, **Save**, and **Add Row**. The main area displays the payee information for Office Depot (7174 W. Colonial Drive, Orlando, FL 32818) and the 'Date Booked' field (12/7/2005). The 'Disbursement Method' is set to 'Check'. A 'Nexsure Tip' box advises leaving the 'Check #' field blank for automatic assignment. The 'Description' field contains 'December 05 Statement'. A 'Quick Navigation' sidebar on the right lists 'Disbursement Header', 'General Ledger', 'Accounts Payable', and 'Disbursement Posting'. A red asterisk indicates required fields.

Disbursement has been used as the entity in the remainder of this workflow, the steps are the same for reversing any accounting entry.

Click the **Reverse** link on the navigation toolbar to reverse the entry.

Nexsure will display the reversal confirmation pop-up window:



Click the **OK** button to reverse or **Cancel** to abort and return back to the entry.

If **OK** is selected the reversal will be posted. Nexsure will return to the reversed disbursement.

Click the **Quick Navigation > Disbursement Posting** link to display the general ledger posting:

Disbursements

Disbursement ID: 9/8 Posted: <input checked="" type="checkbox"/> 12/7/2005 Cleared: <input type="checkbox"/> Date Booked: 12/7/2005 Date Created: 12/7/2005 Created By: John Doe	Entity Type: Vendor Payee: Office Depot Bank Name: Wachovia Bank Account #: 567890 GL Account: 01.001.0000.000.00.100510 Wachovia Operating Balance: \$49,800.00 Disbursement Amount: (\$200.00) Estimated Balance: \$50,000.00 Check #: Description: December 05 Statement
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**Quick Navigation**  
 Disbursement Header  
 General Ledger  
 Accounts Payable  
**Disbursement Posting**

<b>Disbursement Summary</b>	Pay All Selected	Print	Reverse	Abort	Save	Add Row
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**Disbursement Posting**

Account Number	Account Description	Debit	Credit
01.001.0000.000.00.100510	Wachovia Operating (p)	\$200.00	\$0.00
01.001.0001.001.00.641000	General Office Expense (p)	\$0.00	\$200.00
<b>Total:</b>		<b>\$200.00</b>	<b>\$200.00</b>

**Note:** All entries have been reversed from the general ledger. The Disbursement ID now displays number of the reversal and the original Disbursement ID number, separated with a slash.

Click the **Disbursement Summary** link to exit to the disbursement summary list. Use the filter to search the payee name and corresponding dates. Nexsure will display the original and reversed entries:

Select	Details	Payee	Disbur. ID	Check Number	Description	Amount	Created By	Date Created	Posted	Printed	Cleared	Remove
<input type="checkbox"/>		Office Depot	9/8	0	December 05 Statement(\$200.00)		John Doe	12/07/2005	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--
<input type="checkbox"/>		Office Depot	8/9	0	December 05 Statement	\$200.00	John Doe	12/07/2005	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--

**Note:** Both entries now cross-reference each other with the Disbursement ID numbers.

## Removing and Aborting an Accounting Entry

An entry can not be removed or aborted if it has been posted.

The results are the same for removing or aborting an entry; the entry will no longer exist. The Nexsure assigned ID number for the removed or aborted entry will not be reused.

Navigate to the entry by clicking the **ORGANIZATION** link on the **Primary** menu. Click the **territory** tab then click the **Details** icon for the desired territory. Click the **accounting** tab and click the **transactions** tab on the second row of tabs. Click on the entity type from the third row of tabs, Disbursement, Receive Payment, etc. Select the appropriate **Bank** account from the drop-down list (Disbursements and Deposits only. If otherwise, skip this step). Click the [\[Show\]](#) filter link and search for the desired entry.

Nexsure will display the Disbursement Summary list:

Select	Details	Payee	Disbur. ID	Check Number	Description	Amount	Created By	Date Created	Posted	Printed	Cleared	Remove
<input type="checkbox"/>		American Express	13	0	December 05 Statement	\$500.45	John Doe	12/07/2005	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>		Verizon	10	0	December	\$100.00	John Doe	12/07/2005	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	--

### Remove from the Summary List

To remove the entry from the Summary list, click the **Remove** icon on the far right side of the entry.

Nexsure will display the Delete confirmation pop-up window:



Click **OK** to delete the item or **Cancel** to return the summary list.

### Abort from the Entry Detail

An entry may need to be verified before deciding to abort it.

From the summary list, click the **Details**  icon located on the far left side of the entry in question. Review the entry by clicking each of the **Quick Navigation** links on the right side. If the decision is made to remove the item, click the **Abort** link on the navigation toolbar shown:



Nexsure will display the Delete confirmation pop-up window:



Click OK to delete the entry or Cancel to return to the entry detail.

After clicking **OK**, Nexsure will return to the summary list.



