



Accounting

General Ledger

The General Ledger, the core of the accounting functionality in GAAPinsurance, is where all financial transactions are posted, reconciled, audited and reported. The capabilities of the G/L module include financial statements, multi-company and cost center processing, unlimited subsidiary ledgers, working, detail and summary trial balances, detailed audit trail analysis, year-end processing, and budget entry and reporting. An unlimited number of fiscal years may exist and there is *no requirement* to close an accounting period or fiscal year before processing in a new accounting period. As many accounting periods and fiscal years may stay open as desired since “closing” a period just blocks further posting to that period. Closing an accounting period to posting is very simply done by running a “final” trial balance. Reopening a period is one click and a password. A summary of G/L functions includes:

- **G/L Transaction Posting:**
 - o **General Journal Entries** – Single-entry and double-entry journal entries may be posted to the General Ledger at any time.
 - o **Recurring Journal Entries** – Any journal entry may be used as a template “model” for another journal entry. A template journal entry may also be scheduled with an unlimited number of automatic recurring dates. The “start-of-day” process (first login into GAAPinsurance on any given day) scans for recurring journal entries and creates the appropriate “suspended” JV, awaiting approval to be released and posted to the ledger.
 - o **Chargeback Journal Entries** – The convenience of “allocated” journal entries is provided with the ability to re-allocate or “chargeback” account balances based upon fixed amounts, fixed percentages and relative percentages. This capability typically is used to re-allocate overhead and GA expenses in a multi-company, multi-cost center environment.
 - o **General Ledger Cash Receipts** – Handles the entry of non-billed cash receipts. All cash receipt entries, regardless of source automatically update the deposits journals for future review, analysis and reconciliation.
 - o **Import Journal Vouchers**
 - o **Import Cash Receipts**
 - o **Export Journal Entries**

- **G/L Journal Voucher Reports:**
 - o View or print selected ranges of accounting dates, entry dates, JV numbers, posted journal entries, recurring journal vouchers and budget journal vouchers.

- **G/L Audit Trail Reports:**
 - o **Chart-of-accounts Audit Trail**
 - o **G/L Account Balance Summary**
 - o **G/L Detail Report Generator**
 - o **G/L Budget Status Reports**
 - o **Summary Income and Expense Reports**

- **G/L Budget Functions:**
 - o **Budget Entry**
 - o **Budget Import Process**
 - o **Budget Audit Trail Report**
 - o **Budget Status Reports**
 - o **Budget Spread Codes**



- **Subsidiary Ledger Functions:** Subsidiary ledgers are often used for cost accounting and/or project management purposes. An unlimited number of sub-ledgers may be created. Just as with the general ledger, sub-ledgers may have budgets, may have journal entries (with G/L updates), have full audit trail inquiry functionality and may be included on the financial statements. Sub-ledger functions include:
 - o Open/create or Close a Sub-ledger
 - o Sub-ledger Journal Entries
 - o Sub-ledger Budget Entry
 - o Sub-ledger Audit Reports

- **Transaction Registers:** All accounting transactions have a “batch” tracking number assigned to them. A batch is considered a session of posting and batches may be suspended and recalled on-demand. Transaction registers of batches may be produced based upon the accounting date of the batch (the accounting period to which the activity was applied), the entry date (actual calendar date the batch was posted), company and journal source. Register functions include:
 - o Registers for Selected Batches
 - o Registers for Selected Date Ranges
 - o Suspended Batch Reports

- **Trial Balance Reports:**
 - o Summary Trial Balance
 - o Working Trial Balance
 - o Ledger by Journal Source
 - o Detail General Ledger Reports

- **Financial Statements:** Spreadsheet-like in nature, the financial statements function is one of the most powerful features within GAAPInsurance in that any and ALL accounting periods may be referenced at any time and in any column within the report. Report values are calculated and displayed in real-time mode as you design them. Linkages are direct to the General Ledger so there is no importing, no summarization or pre-manipulation of the data prior to creating your reports. The “auto format” button provides default, “standard” balance sheet and Profit / loss statements with one click. Consolidated reports across cost center and/or company boundaries easily produced. Comparative statements by company and cost center are as easy as selecting the combination of company, cost center and accounting period you wish reported in each column. All reports may be displayed, printed, exported and/or e-mailed on-demand.

Accounts Receivable

The Accounts Receivable module manages the receivables arising from policy processing and MGA business activity. The capabilities of the AR module include invoice and statement printing, aged trial balance, pre-cancellation reports, cash receipts posting, multi-subsidiary trade accounts, a cash position statement, and producer, state, and line-of-business analysis.

- **A/R Transaction Posting:**
 - o A/R Cash Receipts Posting (standard A/R invoices)
 - o A/R General Transaction Posting (debit/credit memos, adjustments, etc)
 - o Insurance Cash Receipts Posting (any receipt involving a policy)
 - o A/R Refund Processing
 - o Finance Charge Generation
 - o A/R Recurring Invoices
 - o Daily Installment Billing Process
 - o Inter-invoice Amount Transfers



- **A/R Aged Trial Balance:** Standard aging of customer invoices for selected A/R accounts, customers, customer types (producers, trade, etc) and the specified as-of-date. Balance selection options include non-zero, debit-balance, credit-balance or all. The report may be summarized by customer, summarized by invoice or generated with full accounting detail and may be displayed (HTML pages), printed and exported. There are two formats of Aged Trial balance, the standard accounting format (30, 60, 90, etc) and the insurance accounting format to include columns for policy-specific information (inception date, insured, etc) and aging of deposits as well as premium balances.
- **A/R Reconciliation:** Invaluable functionality to assist in automatic reconciliation of customer invoices and variance calculations by customer and accounting period.
- **A/R Transaction Codes Analysis:** Reports showing all of the accounting activity for any given range of dates, sorted by A/R transaction code (premium, fee, commission, cash receipt, etc) or description, providing summary totals or detail transactions.
- **Customer Invoice Processing:**
 - o Customer Invoice Inquiry and Review
 - o Customer Invoice Printing
 - o Open Invoice Report by Customer
- **Customer Statement Printing:** Primarily used for any non-insurance related invoicing, but still accurately reflect the open-invoice method of tracking outstanding balances by customer. There are separate producer commission statements for producers to reflect monthly policy activity.
- **Customer Audit Trail Reports:** Reports detailing all of the accounting activity for selected customers, customer types, companies and date ranges.
- **Customer Sales Reports:** This is the Accounts Receivable Module "Report Generator". Filters include minimum balance and range of accounting dates, A/R Trade accounts, locations, zones, customer types, salesmen and transaction category (charges, payments, interest, adjustments). Detail output options include accounting date, entry date, debit, credit, net amount, customer, invoice number, policy number, check number, insured, sub-ledger, G/L account, job code, purchase order and description. Sorting and sub-totals provided by customer ID, customer name, customer type, location, zone and salesman.
- **Transfer Customer Activity:** In the event that a "duplicate" customer was created and has had posted activity, the references and audit trail from one customer may be transferred to and merged with the activity of another customer. This process may also become useful if an existing producer/broker is purchased by another and all activity should be "merged" to just one producer.
- **Deposits Journal:** On-demand deposit journals by bank code, cash account and date range assist in the bank reconciliation process. The detail report is automatically followed by a summary page with totals by G/L account.
- **Insurance Agent Open Invoices Report:** An immediate display or printed report of open policy activity (invoices) by producer (agent) for selected carriers.



Accounts Payable

The Accounts Payable module handles the processing and payment of vendor invoices. The capabilities of the AP module include cash or accrual basis accounting, multiple trade accounts, account current, tax and state or agent fee payables, MGA and producer commission processing, surplus lines taxes, direct deposit processing, bank reconciliation, 1099 processing, and laser check printing.

- **Voucher Processing:** GAAPinsurance is a multi-subsidary ledger system so you may have multiple A/P Trade accounts. All policy activity is automatically posted to the multiple Accounts Payable Balance Sheet accounts that would be typically labeled as A/P Premium Payable, A/P MGA Commissions Payable, A/P Producer Commission Payable and A/P Taxes and Fees Payable. The appropriate payable vouchers are created as the policies are bound. You may also have the more traditional A/P Trade payable account through which business overhead payables are processed, i.e. rent, utilities, etc. Voucher processing functions include:
 - o Voucher Entry
 - o Void A/P Vouchers
 - o Void Insurance Vouchers
 - o Cancel Voucher Balance
 - o Change Payee / Payment Schedule
 - o Voucher Inquiry of Updated Vouchers
 - o Voucher Registers:

- **Payment Selection Processing:** Scheduling or “payment” records are created for each payment that is to be made on a voucher; vouchers may be scheduled for an unlimited number of future payments. This section provides for the process of approving what is to be paid, what has been scheduled and committed for payment and un-approving items that were previously approved for payment. Premium payables are not typically approved through this process, see Account Current Processing for premium payables.
 - o Cash Requirements Report
 - o Scheduled Payments Report
 - o Payment Approval Process
 - o Pending Disbursements Report
 - o Payment Un-approval Process

- **Account Current Processing:** Unless policy issuance is through a program directly managed on behalf of or directly connected to the carrier and the premium trust accounts are managed by the carrier, an “account current” report of policy and endorsement activity eligible for payment for a selected time period is produced. Rules vary by carrier as to when policy premiums, taxes and fees must be reported and paid, but typically all **collected** premium must be forwarded to the carrier within a specified number of days and commissions (MGA and producer) may be taken at that time. GAAPinsurance does have switch setting options that allow MGA commission to be taken when the Account Current is paid, when the Account Current is “locked” or whenever collected, commissionable premium exists. Account Current functions include:
 - o Account Current Assignment
 - o Account Current Review
 - o Account Current Status
 - o Commission Reports (MGA and Producer)
 - o Issue Checks: Account Current (Carrier)
 - o Issue Checks: MGA Commission

- **A/P Cash Receipts:** Return premium endorsements and cancellations may create a situation where a filing agent owes you and it is determined that you are not going to carry the “credit voucher” to be applied toward a future payment to the given agent. In this case you may receive a cash receipt from



a “vendor” and you need to apply the cash against a credit payable, hence the “A/P Cash Receipts” function.

- **A/P Check Processing:** GAAPinsurance provides for complete check printing, i.e. corporate logos, scanned signatures and MICR encoding to be printed using the laser printer, a standard magnetic ink toner cartridge and built-in menu selections. The following functions indicate the flexibility of disbursement capabilities that exist within GAAPinsurance. These functions are in addition to those capabilities provided in the Account Current Processing and Producer Commission Processing sections of the system. Third-party and refund check processing also has the added feature of allowing the disbursement to be net of receivables and payables to the given entity (typically the producer):
 - o Issue Checks: Standard Trade Payables/By Policy/By Vendor/Refunds/Third Party / Filing Fees
 - o Reprint Checks: Insurance (with or without account current report attached)/ Standard
 - o Issued Checks Inquiry
 - o Laser Checks Format Control
 - o Manual Disbursements Posting
 - o Void Checks Process: Insurance/ Standard
 - o Re-instate Void Checks
 - o Disbursements Journal: Insurance/ Standard
 - o Check Registers

- **A/P Vendor Aged Trial Balance:** Standard aging of vendor invoices for selected A/P accounts, companies, vendor types (insurance, trade, etc) and the specified as-of-date. Trial balance reports, along with most reports in GAAPinsurance may be displayed (HTML pages), printed and exported. There are two formats of Aged Trial balance, the standard accounting format (30, 60, 90, etc) and the insurance accounting format to include columns for policy-specific information (inception date, insured, etc) and aging of deposits as well as premium balances.

- **A/P Trial Balance Reconciliation:** Integral functionality to assist in automatic reconciliation of vendor invoices and variance calculations.

- **Bank Reconciliation:**
 - o Bank Reconciliation By Check/By Statement
 - o Check Reconciliation Registers
 - o Deposits Journal
 - o Deposits Inquiry Display

- **Invoice Inquiry and Reporting:** Select any vendor by number or name in order to view (or print) a full audit trail of accounting activity by invoice. The report may be filtered by company, date, check number, voucher number, invoice number and invoice status (open, closed, all).

- **Vendor Audit Trail Reports:**
 - o Detail Audit Trail Reports
 - o Summary Disbursements Reports

- **1099 Forms and Reports:** Any Accounts Payable voucher may have detail activity that is “1099 eligible”. A vendor may be defined with a default 1099 block assignment that will automatically track these eligible amounts whenever a payable is posted to the General Ledger.
 - o 1099 Reports and Forms and Magnetic Media (tape, files, etc)
 - o Clear 1099 Adjustments



- **Transfer Vendor Activity:** In the event that a “duplicate” vendor was created and has had posted activity, the references and audit trail from one vendor may be transferred to and merged with the activity of another vendor. This process may also become useful if an existing producer/broker is purchased by another and all activity should be “merged” to just one producer.