

3 End of Year Tips | Accounting

It's that most wonderful time of the year!

There is so much happening at the end of the year! Producers are scrambling to make end of year numbers. Accountants and bookkeepers are scrambling to close the year's books. Holiday parties and preparations are taking up every spare moment of time. While it's all magical, it's also quite frenetic. Here are 3 tips that will help you focus on areas that will get the most results, now and in the future!

3 Tips That Make a Difference!

- [Check That You Are In Balance](#)
- [Print & Archive Reports Electronically](#)
- [Setup To Get the Reports That You Didn't Think You Could Get Next Year](#)

Want to learn more?

Learn how **you can**:

- Have **accurate numbers** at your fingertips?
- Complete common daily tasks quickly and efficiently, **saving time and money**.
- **Know** exactly where, when and how items post in InStar.
- Check (really know) if you are in balance, providing **confidence in the numbers that you rely on**.
- Identify common errors and fix them. Better yet, learn how to avoid them, **eliminating costly reconciliation issues**.
- **Get the reports you need**, even some you didn't know you could get.

Join us for [Accounting Soup-2-Nuts](#).

Check That You Are In Balance

The following items are the minimum that should be checked at least monthly and annually, prior to closing your books for the period.

END OF YEAR BALANCING CHECKLIST			SAMPLE
Initial OK	Area	Path	Notes
	Unposted Invoices	<i>Accounting > Invoice Listing. Check Unposted</i>	Check that all Invoices that should be posted have been posted. Reconcile un-posted.
	Installment Invoices	<i>Accounting > Invoice Listing. Check Unposted & Installment</i>	Check that upcoming installment invoices are posted and sent according to your schedule. If old items are listed that are not posted and sent, reconcile these items.
	Cash Receipts	<i>Accounting > Cash Receipts. Sort on Deposit column</i>	Check that all Cash Receipts that have been put into the bank and are on InStar bank deposits. Reconcile un-deposited.
	Cash In/Out	<i>Accounting > Checks > Cash In/Out and GL #2001</i>	Make sure all DB payments are cleared in Cash In/Out and 2001 GL account = 0+current. Only current pending "sweep" are open. Reconcile differences.
	Unallocated Customer Payments	<i>Accounting > Reports > Unallocated Customer Payments</i>	Run the Unallocated Customer Payments and make sure that all payments are properly allocated.
	Unallocated Broker Payments	<i>Accounting > Reports > Unallocated Broker Payments</i>	Run the Unallocated Broker Payments and make sure that all payments are properly allocated.
	Check Client Payments	<i>Accounting > Reports > Check Client Payments</i>	Run Check Client Payments
	Company Ledger	<i>Accounting > Company Ledger and GL #2005-COxx</i>	Make sure all AB invoices are paid to the carrier (other than those due after 12/31) and all old items are reconciled. The Co Ledger balance and 2005-COxx is zero + <i>only</i> current

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			outstanding due to be paid after 12/31. Reconcile differences.
		<i>Accounting > Reporting Accounting Differences</i>	There should be no Accounting Differences. If there are, reconcile.
	Producer Ledger	<i>Accounting > Producer Ledger and GL #2006-PRx</i>	Make sure all line items are paid to the producer (other than those due after 12/31) and all old items are reconciled. The Co Ledger balance and 2006-PRx is zero + <i>only</i> current outstanding due to be paid after 12/31. Reconcile differences.
		<i>Accounting > Reporting Accounting Differences</i>	There should be no Accounting Differences. If there are, reconcile.
	Direct Bill Commission Reconciliation	<i>Accounting > Direct Bill Reconciliation</i>	Make sure all line items are reconciled (other than those due to be paid to after 12/31) and all old items are reconciled. If on an accrual basis, GL #1205 should also be reconciled. Reconcile differences. If not reconciling and are on a cash basis, clear old items that are posting to DBCR ledger.
	Global Direct Bill Invoicing	Accounting > Global Direct Bill	Make sure that all commission statements that are entered through GDBI are completed.
	Payroll tax	<i>Accounting > GL</i>	Check that your payroll tax accounts match what was filed on your f941's. Benefits expense accounts match statements. Liability accounts should equal what it outstanding as of 12/31.
	Bank Reconciliation	<i>Accounting > Bank Reconcile</i>	Make sure that all bank accounts are reconciled through 12/31.
	Commission Transfer Tracking	<i>Accounting > Commission Transfer Tracking</i>	Make sure that the amount in the Trust bank account equals the gross amount received by clients, premium

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			finance companies and other parties for payment of premiums, plus any agency minimum balance kept in the account. Reconcile Commission Transfer Tracking. If there are old un-transferred items, reconcile them.
	Late Charges	<i>Accounting > Accounts Receivables</i>	Make sure all late charges are processed. If there are late charges that you are waiving, write them off prior to 12/31.
	Checks	<i>Accounting > Checks</i>	Check that all checks are printed and posted. Reconcile un-posted.
	Vendor Payables	<i>Accounting > Checks</i>	Check that all bills to vendors are paid or setup for payment. Reconcile differences
	Trial Balance	<i>Accounting > Reports > Financial Statements</i>	Run a Trial Balance for each agency and make sure that the difference is zero. Review balances in accounts to see if they seem appropriate. Research and reconcile balances that are unusual.
	Financial Statements	<i>Accounting > Reports > Financial Statements</i>	Run a Balance Sheet and Income and Expense for each agency and make sure that the Assets – Liabilities=Capital. Income-Expense=Retained Earnings. Review balances in accounts to see if they seem appropriate. Research and reconcile balances that are unusual.
	Reports		Print GL Detail by month to Excel. Print all other reports to PDF and place on a secure location that is backed up regularly. Print a full set of financial reports.

Print and Archive Reports Electronically

“You can’t manage what you don’t measure.” Dr. Deming

Everyone is setting New Year’s goals for next year. **Get the baseline reports of how you performed this year, so you can see your improvement next year.**

By capturing these reports electronically you’ll also receive the following benefits:

- Go green.
- Put your data at your fingertips.
- Save time and money.
- Simplify comparison from 2011 to 2012.

You can keep a complete audit trail by printing your reports electronically.

- **Print to PDF:** Many InStar reports have a Print to PDF option built in.
- **Excel:** Many can be printed to Excel, which often captures even more data.
Tip: We recommend running reports to excel for faster and easier analysis throughout the year.
- **Print to your PDF printer:** For those that don’t print directly to PDF or Excel, you can either:
 - Select your PDF printer to print using your PDF writer
 - Print to Screen and copy/paste the data into a Word or Excel document

Don’t forget to run these reports, if you don’t already run them monthly:

- Financial reporting:
 - General Ledger Detail – full detail of all transactions, either by month (larger agencies) or for the year
 - Trial Balance
 - Financial Statements (Balance Sheet and Income & Expense Statement)
 - Transactional History
 - Invoice Detail
 - Cash Receipts
 - Checking
 - Journal entries
- Policy Reports, as desired including:
 - Book of Business
 - Production
 - CSR Volume

These are just a few of the reports you should run. Run those that you rely on now, as well as those that you will need to track your progress next year.

Setup to Get the Reports that You Didn't Think You Could Get

As we enter the New Year, it's the perfect time to make sure that you have the data that you need to manage your business and drive it to the success that you want.

Are you getting all the reports, numbers and statistics that you want from InStar? If not, chances are it's either because you:

- Don't know how to get the reports
- Aren't setup to have the data that you need to get the reports that you want
- Staff isn't consistently following procedures (garbage in. garbage out.)

Often, it's a combination of the three. But, no worries, there is a solution to all three. Here are some tips to help!

- Don't know how to get the reports.
 - A simple solution is to spend an hour and run InStar reports to see what you get. You'll be amazed how much you can get from the standard reports.
 - Get involved in the [National InStar Users Group](#) and ask other users how they get the reports that they use.
- Aren't setup to have the data that you need to get the reports that you want
 - Ask yourself, "Knowing what I know now, how would I have setup my InStar system?" Now's the perfect time to make those changes for the New Year.
 - Get out your InStar Setup Guide. Often we didn't know the full ramifications of our setup when we went live on InStar. Look for places that you can use template tables and coding to get better reporting. For example, with proper setup you should be able to get all the statistics for your E&O application in less than an hour. Cool!
 - Common setup for better reporting:
 - Standardize Plan Codes across all companies so that you can see all of your preferred auto or HO6s.
 - Review your Line of Business codes to get a better view of your book of business, such as all commercial packages with GL, property and auto, accounts without EPLI or niche business.
 - Update your source of business codes so that you can see where your business is coming from and budget your resources accordingly.
 - Update your cancellation reason codes so that you know why you are losing business and can adapt accordingly.

- Update your Transactional Processes so that you can better track the work that is being done in the agency (as well as speeding up the work.)
 - Update your Action codes and Follow-up codes so that you can better track your backlog
- Staff isn't consistently following procedures (garbage in. garbage out.)
 - Have written procedures and workflows
 - Keep them updated
 - Train staff
 - Review them with staff periodically
 - Audit workflows to make sure they are being followed.

Need More Help?

Want to learn reports faster? Want to gain from the experience from other InStar users? Join us for [Accounting Soup-3-Nuts](#) or one of our reporting classes.

Need help getting your setup and coding where it needs to be? Want sample coding used by other agencies? Get [Setup for Success](#). Call us at 877.772.4677 x2

Are you sick of reinventing the wheel? Want [best-practices workflows using InStar](#)? Contact us at 877.772.4677 x2.

Need help auditing your system utilization or workflows? Ask about [system and workflow audits](#). Want to know how well you and your staff know InStar? Ask about the InStar Audit Quiz. Call us at 877.772.4677 x2.

Free Consultation

If you would like more information or help with any of the topics in this document, or any InStar function, please contact PeopleInsure at (877) 772-4677 x2. We'll provide a free 20 minute consultation to discuss your needs and solutions. We'll outline the options that are available to help you get your accounting and workflows where you need them to be to *accelerate your success*.