

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances

Applied TAM – Financial Reports / Checks & Balances

SESSION HANDOUT



SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



Original Author:

Marcia Priest, CIC



AB SOLUTIONS, INC
AGENCY OPERATIONS CONSULTING

8/27/08

Updated By:

Marcia Priest, CIC

AB Solutions, Inc.

08/20/15

Target Audience:

<input checked="" type="checkbox"/>	Accountant/Bookkeeper
<input type="checkbox"/>	CSR
<input type="checkbox"/>	Carrier
<input type="checkbox"/>	IT Manager/Systems Coordinator
<input checked="" type="checkbox"/>	Operations
<input checked="" type="checkbox"/>	Principal/Owner

<input type="checkbox"/>	Producer
<input type="checkbox"/>	Trainer
<input type="checkbox"/>	Vendor
<input type="checkbox"/>	ALL
<input type="checkbox"/>	Other: (describe)

Copyright © 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015 by AB Solutions, Inc., 7211 Haven Ave. #E 283, Rancho Cucamonga, CA 91711. Protection claimed in all forms and matters of copyrightable material and information now allowed by law or hereafter granted including both electronic and conventional distribution of herein products. All rights reserved. Specific product information regarding Applied Systems' The Agency Manager®, Vision®, Epic® and related products and services, including any related manuals, documentation, and/or materials prepared by Applied Systems are the exclusive property of Applied Systems, Inc. Information relating to products and services owned or licensed by third parties (ex: Microsoft, Excel, etc.) and all interests therein are the property of the respective owners, and no endorsement or ownership of third party products or services should be implied by their mention and use. All workflows are suggested and common workflows. Users of this material agree that AB Solutions, ASCnet and Applied Systems cannot be held liable for any omissions or errors within the guide.

Seminar Type: Management

Seminar Level:

Basic: An introductory level course is basic in nature and addresses fundamental concepts. We expect attendees to have a basic level of insurance knowledge, have been oriented to an agency's processes. For functional courses, it is not necessary for the attendee or participant to have previous knowledge of the agency management system or software program.

Class Description: You balance your receivables and payables every month and write checks, but do you have a system of checks and balances in accounting for your organization? Having a solid system of checks and balances can bring benefits in many ways. Ensure your trust account is "in trust." Bring greater accuracy in commissions paid to your producers. Ensure your organization is getting the amount of commission it should from carriers. Most importantly, a proper system of checks and balances can protect you and your business from dishonest employees. This session will discuss various checks and balances for accounting and provide actionable thoughts to set them up. Attendees should have an understanding of Applied TAM.

Learning Outcomes:

- Discuss the different types of checks and balances that should be in place in your accounting department.
- Implement different methods and capabilities in Applied TAM to ensure your producer commission rates are paid correctly throughout the life of a policy.
- Identify different points where there should be a separation of duties and where Applied TAM's security can help force that separation.
- Set up reports you can run in Applied TAM to provide insight into a given check or balance.

Assumptions: This seminar is based on the following
Applied TAM Version 2015

Table of Contents

Checks and Balances within Reports	5
Reports Review	5
Accounts Receivable	6
Company Payables in Balance to Last Month End Mode.....	8
Income Statement	9
Balance Sheet	11
Review Balance Sheet details for:	11
Status of Accounts.....	12
Changes Report	13
Miscellaneous Production.....	13
Earned Commissions Report.....	14
Premium Trust Account Reconciliation	15
Producer Report	16
Exclusion Report	17
“Separation of Duties”	18
Cash Handling – Controls.....	18
Client Credit Card Payments	19
Bank Records.....	19
Bank Statements	20
Bank Reconciliations	21
Agency Credit Cards	22
Payroll Handling.....	22
Additional Tools for Checks and Balances	23
TAM Security Settings	23
Other TAM Settings available	23
Preventative Measures	24
Review – What are your checks and balances?	25
Appendices:	26
Appendix A – Aged Receivable Report Sample	26
Appendix B - Company Payables	28
Appendix C – Income Statement	29
Appendix D - Balance Sheet.....	30
Appendix E - Miscellaneous Production.....	31

Checks and Balances within Reports

Our class description says “You balance your receivables and payables every month...” but are you certain that is really true? Whether you are the agency owner or are a member of the agency’s staff, reports need to be run on a regular basis, and need to be provided to your Management Team so that they know for sure that receivables and payables are not only in balance but have good clean detail. Keeping receivables and payables in balance is a great first step, but a look at the details is also very important. And sometimes having a separate set of eyes (or report criteria) that looks at this a bit differently than “the usual method” is very helpful. Let’s start with several reports that support the financial statements. And let’s look at the “nitty gritty” details even though things may be “in balance”.

Reports Review

Basic Premises for the Accounting Department (for any of this to make sense):

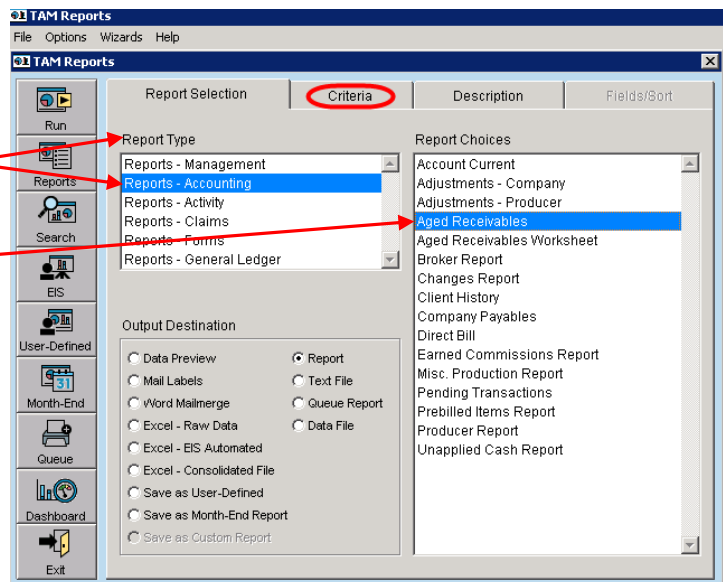
- No items are ever paid to the companies for Agency Bill premiums that are not invoiced first (whether or not the client has paid you).
- TAM’s Agency Bill Reconciliation routine **MUST** be used for paying Agency Billed items.

If these two things are not happening then you are not using the system the way it is intended and you are leaving your agency at risk for producing faulty financial statements. Reports **MUST** be run to validate that you are in balance, and should be provided to your Management Team as one of your checks and balances.

First, some basic instructions

To Run Reports in TAM:

1. From Home Base select the **Reports** Button
2. From TAM Reports select the **Report Type**
3. Then select the report needed in the **Report Choices** window
4. Next select the **Criteria** tab (circled) and review the criteria for the report you have selected.
5. The suggested criteria for each report we are reviewing is included in each report section.



Accounts Receivable

This report lists all balances due from and to customers. It should be run AFTER the Month End process has been posted. Some things that are important here are:

- Make sure that zero balances are not excluded, nor credit balances
- Balance to Month End mode may give you extra details that show zeros, but this report can never be recreated after the next month is closed, so it is always a good idea to keep a copy in PDF format.
- Suggestion is to show the Prebills for future months, so that you can check to see they aren't too far in the future.

Parameters (Accounting Reports / Aged Receivables)

Report Mode		Balance to Month End
Agencies		All Agencies (Run separately for each agency)
Branch		All Branches
Department		All Departments
Age Date		Current system date defaults OK to use
Age Categories		Up to 30, 31-60, 61-90, Over 90
Mailmerge Data		Exclude Mailmerge Data
Age which clients?		All Clients w/o Direct Bill
Customers		All Customers
Customer Service Reps		All CSRs
Producer		All Producers
Lines of Business		All Lines of Business
Prebill Option		Items in or after the month <u>after</u> the last closed
Balances		All balances
Customer codes		All Customer Codes
Output		Complete report
Sort option		Customer
Company to Print		Billing company
Consolidate Congloms?		No

Review Accounts Receivable details for:

- The “test” for being in balance, is to look at the total numbers on this report. The Prebill column subtracted from the Total Balance ties to the Accounts Receivable balance on the balance sheet, and should also match to the balancing routine you are running either with Night Utilities or before you close the month. But even though you balance, what are the details in this report?
- Prebill column: Look for items in a future accounting month too far in the future (October 16 or 25 instead of October 15). This error can usually be easily fixed if caught early. This column may have many entries (and some balances will be zero) depending upon when in the month the report is run. If you run this report at the end of September with August closed, anything that occurred on customer accounts (new invoices, payments applied, etc.) fall into Prebill. Once the next month is reached, these zero balance items will fall off the report – unless they are too far in the future.
- Small Balances either due the agency or the client that are un-cleared which should be written off. How long have they been there? Who will write this off? Is there a separate person in accounting who will do this, or is this something your account managers can help with instead?
- Credit balances on items that have not been returned to the client (they will have a big Y in the “Pd” column by the item number for TAM). What is the process to ensure these credits are returned? Who has the authority to clear these credits? Be aware that in many cases the producer is not paying back their share of the commission until the refund is made.
- Unapplied items where the customer balances are zero, or obvious “in and out” items (which may affect income numbers for cash based agencies).
- Review the balances due from customers in general, and how old they are. Watch for balances where the agency has already paid the company (a big Y in the “Pd” column by the item number for TAM). These are advanced items.
- Be aware of the Date and Amount Last Pmt fields listed below each client.
- Watch for finance company balances (or broker balances if broker billing, lienholder balances for lender bills).

See the sample in Appendix A for some examples of items “not quite right”.

Company Payables in Balance to Last Month End Mode

This report lists UN-reconciled items due the company (according to the system Reconciliation routines). This report must be run **AFTER** the month is posted, and the Date Selection field may need to be changed before running the report. The special thing about this report is the Summary Page.

Parameters (Accounting Reports / Company Payables)

Report Mode		Balance to Month End
Agencies		All Agencies (Run separately for each agency)
Branch		All Branches
Department		All Departments
Billing Company		All Billing Companies
Date Selection		Items Due Before a month, select the month AFTER the one last closed. (NOTE – this criteria needs checking before running as it does not update correctly when Month End is initiated).
Company Paid/Unpaid		Unpaid to Company
Customer Paid/Unpaid		All items
Lines of Business		All Lines of Business
Binder Bills		Exclude Binder Bill Items
Major Sort		Billing Company
Minor Sort		Customer
Sub Total by Customer		No
Output		Complete - Do Not Page Break and also be sure to print the Summary
Extra criteria		None

Review Company Payables for:

- Summary Page – Review the last 3 columns. The “Net Owed” amount should match the Acct Balance (the general ledger balance) for each company unless prepayments were made (i.e., an item due in October was paid in September). Even though this report may show that your companies are in balance, does the total “Acct Balance” total match to your Company Payables total on the Balance Sheet?
- Compare the Summary Page to the Balance Sheet for the Company Payables area. If the Account Balance total on this report does not match the Company Payables total on the Balance Sheet, review the detail on the Balance Sheet for the companies that are missing on the Company Payables report. In order to appear on the Company Payables report, there must be something left in the system to flag. If there is nothing available to flag, there might still be a GL balance.
- Watch the report and the balance sheet for companies that are always direct bill as they should not appear in either report.
- Always work for zeros in the last column of the summary page which shows that the detail for unpaid items on each company matches to the general ledger balance.

- Accounting staff should understand why there is an out of balance situation and be prepared to explain these items (pre-payments or a refund for a credit that was received from the company and not flagged in a timely manner).
- Again the details are important. Look at the detail items in the report. Are there old items that have in's and out's that have not been cleaned up? Are there old items where the client has paid us but we have not paid the company? Are there credits appearing on the report (so that means we haven't been paid by the company – or perhaps we have but the items weren't reconciled) where the client balance is zero (so we either paid them back or applied the credit somewhere else)? Are there old items that are not "real"?

Main principle in TAM agency bill accounting is that everything must be paid to the companies after being reconciled, and paid for the same amount as reconciled. This way the reconciliation of the details matches the transaction on the general ledger side. There are two main ways to get out of balance in the company payables. Having the payment not match the reconciliation is the first issue – or not doing a reconciliation at all. Secondly is having a reconciliation completed in TAM with no offsetting GL transaction. Flagging off old items that are "almost" in and out (without reaching a zero balance) or that you just need to "make it go away" will put you out of balance unless some other journal entry happens to correct that action.

Please see the Company Payables report in Appendix B for some examples.

Income Statement

This report shows the income and expenses for the month just closed. There are alternate ways to run this report that might be more meaningful for your Management Team. Using a comparison with a prior year (if there is history) or with budget numbers (if they are entered in TAM) is a good option. Optionally (or additionally) run this report using the Accounting Month criteria of Full Year (or first six months or last six months) to review the period selected, rather than just the individual month for TAM. Using the full or partial year options do not allow comparison figures.

These are the "sums" of all of the details entered during a month. These details should be reviewed by several people to make sure nothing is missed and everything is understood. Question why an expense is high in one month, or missing for several months.

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



Parameters (General Ledger / Income Statement)

Agencies		All Agencies
Branch		All Branches
Department		All Departments
Level of Detail		Complete Subacct Detail
Accounting Month		Single Month and pick the month just closed or Full Year (and pick the current year)
Comparison		Comp(w/%) w/ prior year (if in system) OR Comp(w/%)w/Budget Yr (if Budgets are entered) - note, these options are not available for Full Year mode
Account Numbers		Show account numbers
Zero balances		Suppress Zero Balance Accounts
Report by Agency		Summarize by Agency (or Separate if > 1)
Report by Branch		Summarize by Branch (or Separate if using for profit centers)
Report by Department		Summarize by Department (or Separate)
Sort Option		Summarize by Account
Extra criteria		None

Review Income Statement details for:

- Income swings from month to month and one year to the prior or to budgeted amounts (if using and entered)
- Expense swings, or particularly high expense in an area for the month
- Is there a large expense (computers let's say) that should be capitalized and not just expensed out all at one time?
- For the Full Year criteria, review income swings from month to month, is this typical each year that there is a "bump" because of a common expiration date that causes this?
- Consistency in percentages (if percentages shown)

Please refer to Appendix C for sample report output.

Balance Sheet

Like the Income Statement, there are many options for the Balance Sheet output. It is possible to run the balance sheet accounts in a month by month view (for comparing one month to another). Like the Income Statement, using a comparison with a prior year (if there is history) or with budget numbers (if they are entered) is another good option.

Parameters (General Ledger / Balance Sheet)

Agencies		All Agencies
Level of Detail		Complete Subacct Detail
Accounting Month		Specific Month / Full Year (and pick the current year) / 1 st Half of Year or 2 nd Hal of Year
Comparison		No Comparative Figures / Compare w/ Yr (not available in Full year or 1 st or 2 nd half year views)
Account Numbers		Show account numbers
Zero balances		Suppress Zero Balance Accounts
Reporting		Summarize Agencies (or Separate if > 1)

Review Balance Sheet details for:

- Bank account balances that look realistic (in the last closed month column as well as the current month) for the Full Year version
- EFT “Sweep” or “Swipe” accounts without a zero balance (or a general trend that this account increasing and not being cleared), perhaps internal procedures need to be amended so that the accounts are cleared before the month is closed. This is less of an issue using a Miscellaneous Disbursement that posts to the client like a Direct Bill Advance check does, but is there still an account out there with a balance in it that could be old?
- Check the Company Payables area against the Company Payables report for out of balance issues (i.e., direct bill income posted to the payable, or DB return commissions posted to the payable instead of income – will have to look at the Status of Accounts for details)
- Look for ever growing liability accounts, like producer payables – or for producers who will not be paid, or loan or credit card payable accounts that don’t appear to clear and/or are moving in the wrong direction.
- Make sure that the total Assets number matches the Total Liabilities and Net Worth amount. Though this happens rarely, if it does contact Applied Support for assistance in running the utility to repair the balances.

Appendix D includes a portion of a Balance Sheet with some suggested items to review.

Status of Accounts

The Status will provide the detail behind the numbers showing on the Income Statement and Balance Sheet.

Parameters (General Ledger / Status of Accounts)

Agencies		All Agencies (Run separately for each agency)
Branch		All Branches
Department		All Departments
Account		All Accounts
Accounting Month		Month you are reviewing
Inactive Accounts		Include with Balances > 0
Subtotal by Month		Yes
Include Month-end JE's		No ** (Unless you are reviewing an accounting month that is not yet closed, then Yes)
Sort Option		Agcy,Brch,Dept,Account,Subcct
Page Break on		None

Review the Status of Accounts for:

- Detail on any items causing a question in your mind (i.e., Why are bank charges or miscellaneous expenses so high this month?).
- Review the descriptions that have been included on checks issued so that you are sure you can understand what was being paid.
- Everything should be understood and clearly described on this report, what expenses are paid, where the income is coming from
- The status is a starting place for finding when things may have gone out of balance or out of whack.

Changes Report

This TAM report lists all the changes made to transactions, as well as deletions, and includes the ID of the operator who made the change or deletion. This report is usually printed as a part of Close Day, but can give a different perspective when run for the longer period to spot trends on who is changing and/or deleting invoices. This would be a great report for a manager to review for training issues and to see who is deleting and revising invoices and to ask the “why” questions.

Parameters (Accounting Reports / Changes Report)

Agencies		All Agencies (Run separately for each agency if > 1)
Branch		All Branches
Department		All Departments
Month		Month you are reviewing
Output		Complete Report

Review the Change Report for:

- What is being changed, and why? Could training improve the situation?
- What is being deleted, and why? What is your agency standard for deleting (i.e., if anyone has seen the invoice the rule is to reverse and re-enter), do deleted invoices fit your rule?

Miscellaneous Production

The Miscellaneous Production report gives a listing of User Defined Transactions, Agency Fees, and Write Offs.

Parameters (Accounting Reports / Misc Production)

Agencies		All Agencies (Run separately for each agency if > 1)
Branch		All Branches
Department		All Departments
Which Clients?		All Clients
Accounting Month		Month you are reviewing
Transaction type		All Transactions
Sort Option		Customer
Output		Complete Report

Review Miscellaneous Production for:

- Run for all transaction types but pay particular attention to any Write Off and JNL areas.
- Watch the amounts on the Small Balances waived, and “multiple” write offs where a large amount is written off in small increments. What account is it on, is it real? Is there a need to consider amending the Security for Write Off amounts for some personnel? Are they trying to write off something that shouldn’t be written off?
- Watch the amounts for Bad Debt write offs. Same concerns as with Small Balances waived, are they really Bad Debts?
- For TAM, JNL Transactions are transactions that affect the client and are offset to a general ledger number. Anything done with a JNL transaction should be reviewed for the offsetting GL account. Any JNL transactions entered can have an adverse effect on the Earned Commissions report results.
- Other items such as any of the old format EFT “Sweeps” or “Swipes” can be viewed here as well as other user defined transactions.
- Do you use MEM bills and/or FINS?
- Who is using these codes and is it appropriate for them to be used by those who are creating these transactions?

See Appendix E for a sample report.

Earned Commissions Report

This report validates the month end journal entry, moving from Unearned Commission to Earned Commission Income, for Cash based agencies for Agency Bill. This report also provides an indication of the amount available to move from Trust to Operating for States with Trust Accounting, though it is known to not be completely accurate for TAM Accrual based agencies.

Parameters (Accounting Reports / Earned Commissions Report)

Agencies		All Agencies (Run separately for each agency if > 1)
Branch		All Branches
Department		All Departments
Transactions		Payments and Returns
Accounting month		Month you are reviewing
Full/partial		Include Partially Paid/Returned Items
Sort		Customer
Output		Complete Report – or Summary (depending on the detail you wish to view)

Review Earned Commissions for:

- Total amount available for transfer from Trust to Operating. Note that this report does not “know” what amounts have been transferred, it only tracks the commissions on the invoices paid for the month.
- Be aware that TAM JNL transactions do not affect this report in the same manner as Bad Debt Write Offs and Small Balances Waived. With a JNL transaction, the report acts as if the client actually paid the item, where with a standard write off the report does a better job of reducing the amount available to transfer.
- If you are Accrual based for Agency Bill, this report is known to not be accurate where adjustments were made to invoicing after the premium was paid. Applied Systems advises that the better report to use for transferring commissions from Trust to Operating is the Premium Trust Account Reconciliation report.

Premium Trust Account Reconciliation

This report provides the agency with an indication of what should be in the Agency trust accounts at any point in time. In TAM the report cannot be run for a date in the past, only the current date.

The report indicates what the MINIMUM trust balance should be based upon amounts received from the client and paid to the carriers. The results of this report must be manually compared to the actual trust account balances.

Parameters (General Ledger / Premium Trust Account Rec.)

Agencies		All Agencies (Run separately for each agency if > 1)
Sort Option		Customer (or Accounting Month to review old items)
Subtotal by Sort Option		Yes
Output		Summary (or Complete – be warned this can print many pages in complete mode)

Review Premium Trust Account Reconciliation for:

- Compare the minimum balance calculation against the total in all Trust cash accounts.
- If the report is run in detail, sort on Accounting Month to see if there are old items that may need a utility run to clean them up.
- Use some method to track the changes that occur between times the report is run. A simple spreadsheet can be set up to see what the report indicates as a minimum balance each time it is run, and if you like you can even use the “Balance Sheet Method” of determining what should be in trust for comparison purposes for the same timeframe.

Be aware that the logic behind this report is very different from the traditional “Balance Sheet Method” and is generally more conservative. The balance sheet method uses the equation of what has been billed plus what is in the bank versus what balances show remaining to be paid to the carriers. The premium trust reconciliation report on the other hand is based upon the portions of the billed premiums that are paid by the customer and include the amounts already paid to the carriers (even if the client has not paid). The premium trust method also tracks “cash on account” where there is no offsetting invoicing to apply the payment to, as well as unpaid refunds to insureds where the carrier has refunded the net return premium to the agency.

Producer Report

Making sure that your producers get paid the correct amounts on the premiums they produce is very important. Unlike some other parts of TAM where we can reconcile items, there isn’t the same functionality at this time for producer payables. So we need to take care in setting up the policy screens and creating the transaction, use the tools that we can to help support the commission rates they should be paid, and review the reports to make sure the amounts on the report appear to be correct.

The Producer Report can be run in several modes, but the general recommendation is to review the format for which your accounting system is set to pay your Producers (see suggested criteria listed below), and supports the Month End Journal Entries posted to the liability and expense accounts for Producers (if generating journal entries). You may wish to experiment with other versions of this report (particularly the “all invoiced” option); to view what has transpired during a month, whether or not the client has paid the premium.

Parameters (Accounting Reports / Producer Report)

Mode		Commissions due Producers
Agencies		All Agencies (Run separately for each agency if > 1)
Branch		All Branches
Department		All Departments
Accounting Month		Month you are reviewing
Producer		All Producers
Territory		All Territories
Agency Billed Items		Partially paid items <i>(may vary depending on accounting setup – should default with the mode selected)</i>
Direct Bill Items		All invoiced items <i>(may vary depending on accounting setup – should default with the mode selected)</i>
Print Agency Comm.		Yes (or No if you would rather not distribute to the Producers with the agency numbers shown)
Include Zero Comm.		Yes (to catch errors)
Sort option		Customer
Show GL Data		No or Yes. A Yes includes the opening and ending balances from the producer’s payable account.
Output		Complete

Review Producer Reports for:

- Detail (to correct producer commission percentages) and totals for each Producer
- Also check the zero items to be confirm they are not errors needing correction.

Exclusion Report

Now that we have reviewed paying the producers their correct commissions, let's visit this report that helps us confirm we are getting paid. The Exclusion report is designed to detect direct bill policies that the agency is not receiving commission payments on. It is intended to facilitate the Record Commissions, No Reconciliation method of handling direct bill. It displays any Billing Screen within the selected Effective Date range that has not had a transaction entered on it within the selected Transaction Date Range.

This report is very useful in making sure that the agency has received at least one commission payment for each direct bill policy entered in the system. It is not as useful for helping to make sure that additional payments after the first are being received. The results of this report are adversely affected by issues such as late endorsements (after the expiration date), final audit billings, and late payments of direct bill commissions for the prior policy. All of these will result in the omission of policies from this report.

Parameters (Management Reports / Exclusion Report)

Agencies		All Agencies (Run separately for each agency if > 1)
Branch		All Branches / Selected Branches
Department		All Departments / Selected Departments
Transaction Date		Range of Dates / Range of Months - This is the range that transactions must be within to remove a policy from the report. The range must be broad enough to include the timeframe to have received at least one commission payment.
Billing Companies		All Companies
Policy Type		All Policy Types
Transaction Type		NEW, REN & REW along with any similar user defined transaction types you may use.
Bill Mode		Direct Bill Only
Effective Date		Range of Dates - The Effective Date on the Billing Screens used to include the policies to be evaluated for this report. The policies meeting this criteria will appear on the report unless there is a transaction for them that falls within the Transaction Date range noted above.
Risk		Groups risks, Show 1 st Risk
Sort Option		BCO + Policy Type
Extra Criteria		Policy.status <> "CANxCIRxCNPxCCRxNON" (any of your out of force status codes).

Review Exclusion Report for:

- A “perfect” report would be blank, indicating that all policies within the effective date range have had one direct bill payment applied to them.
- What items are still “left” on this report? Why? Is it a transaction date timing issue that a change of criteria would help?
- How about for agencies using transact and reconcile? Are there different settings that could be used (the answer of course is YES!)? The report can also be used for agency billed items as well to confirm that all policies effective in the month have been invoiced before the month is closed.

“Separation of Duties”

Another “Check and Balance” is the use of the concept of separation of duties. It is the idea of having more than one person required to complete a task. In business the separation by sharing of more than one individual in a single task is an internal control intended to prevent fraud and error (as defined by Wikipedia). This is often difficult particularly in smaller agencies, but the point is not to allow one individual to control a process from start to finish. There are some simple alternatives to consider if there aren’t enough people to fully separate duties that are discussed with each section that follows.

We all make mistakes and separation of duties allows those honest mistakes to be caught before they can cause problems or issues. Use of the concept allows the honest people to sleep at night, and helps to keep those who may be less honest in check.

Cash Handling – Controls

If you take cash at your agency what controls do you have in place to ensure that the money makes it to the bank? Here are some possible suggestions:

- Print a “Receipt for Cash”, create a document template, or use the old fashioned receipt book.
- Some agencies actually make a photocopy of the cash received
- Create a CASH activity:
 - CASH defaults in TAM when printing a receipt for cash (Homebase / Options / Print receipt for cash)
 - Could default as the activity on a document in TAM
 - or could be manually added
- Copy of “the paperwork” to the agency bookkeeper with the cash
- Bookkeeper counts the cash in the presence of the person issuing the receipt
- How do you control making change and ensuring that the “change” box is kept supplied and accurate?
- Have a secure location for storing the cash until deposited at the bank.

- Perhaps create a specific Activity Report for any CASH activities to compare to the total cash received.
- Confirm that bank couriers can carry cash or develop a safe method to get the cash to the bank.

Client Credit Card Payments

Do you take client credit cards for payment of either direct or agency billed items? If so, be certain you have solid procedures for how transactions are handled. Include such things as:

- What reports are run from the credit card company to confirm that all entries are entered on your system to credit your client's accounts?
- How are the entries made to the system?
- How are the charges from the credit card company handled in your system?
 - Are they charged by the credit card company on each "deposit" or is it a one-time per month charge?
 - What GL account is used for the credit card fee expenses if one is needed?
- Do you ask your clients for direct billed items to go directly to the carrier with their information so that their credit card numbers never go through your hands?
- How is the data taken from the client? Signature required from the customer?
- Once credit card details are taken, is that customer data stored in your system?
 - Is it fully secure to match the privacy requirements in the states where you do business?
 - Many agencies choose not to keep this information and destroy all details once entered into the credit card system.

Bank Records

It is essential that you are reconciling your bank statements in a timely manner. Whether you close your month right at the end of the month, or wait until the bank statements are in, your Agency Owners should be looking at the reconciliation reports available from the system along with a copy of the bank statement to confirm that the reconciled system balance matches the bank's balance. If this is not done, the financial data on the balance sheet and the review of the trust position simply cannot be trusted.

Accounting people may say that they don't reconcile in your system, but that they are in balance with the bank. That may be true but there is no way a check can be run on the system to confirm the bank balances. Simply put, my recommendation to Agency Owners is to consider getting new accounting people if they do not do the bank recs in the system.

Bank Statements

Here are some control suggestions and/or questions for Bank Statements:

- Who opens the bank account statements when they come in the mail? Can they be sent to the Agency Owner's home address?
- Who reviews the bank statements and cancelled checks other than the person responsible for doing the bank recs?
- Who can sign checks? Is there more than one signature required on checks over a certain amount?
- Is there a different person who reconciles the bank statements? Someone who doesn't issue and/or sign checks should be doing this job unless there are some other controls in place.
- Who has access to check stock? Is it locked up? How about other extra boxes of checks, are they in the supply room where they might be available to anyone with access to that room?
- Are the checks issued through the system or handwritten or typed?
- Who signs checks, is there supporting detail provided for this process? Does the signer look at the supporting detail (invoice, bill or statement)?
- Does someone review the bank statements for out of order check numbers (perhaps stolen from one of those boxes in the supply closet)?

Bank Reconciliations

Provide a physical copy of the bank statements from the bank and the Reconciliation Worksheets for all bank accounts to the Agency Principals on a monthly basis. Here is a sample below (though old) from TAM.

The last page of the reconciliation worksheet from TAM shows what the Balance on the Bank Statement is per the TAM records. This should be compared to the ending balance shown on the bank's statement and it should match or there should be some reason recorded on the paperwork of why it didn't match (i.e., a "live" payroll check that didn't clear as a part of the journal entry that was made to record the payroll for the entire office, or an error made by the bank where TAM is correct and the bank is fixing their error).

Compare this number to the balance on the actual Bank Statement to make sure that they match.

Also review the details on the reconciliation pages showing:

RECONCILIATION WORKSHEET		Page 4
Date:	10/14/2007	
Journal 1	1010 Premium Trust Checking Account	Last Check 1754
		Last Misc. 22
Agency	1	Last Deposit 79
Current Balance	70,184.51	
Plus: Outstanding Withdrawals	34,985.37	
Less: Outstanding Deposits	46,988.55	
Balance on Bank Statement	58,161.33	

Outstanding checks:

- Why haven't they cleared? Who are they to? Are they for companies where perhaps coverage never got bound?

Outstanding Miscellaneous Withdrawals:

- Was it an EFT that we recorded that the company didn't withdraw? Is there a charge that we expected would have been withdrawn and it wasn't done?

Outstanding Deposits:

- There shouldn't be outstanding deposits for the prior month (or before) unless it happened at the end of the month and was in transit. If there are deposits showing, ask for the details and find out why.

Remember the basic premise that the bank **MUST** be right or everything else is suspect!

Agency Credit Cards

Do you have credit cards that are used by office staff?

- Who reviews the credit card statements and pays the bills?
- Is there any “separation of duties” there?
- Can these records be reviewed online for your Agency Owner to have the opportunity to view the details?
- Along similar lines, if reimbursing staff members for use of their personal credit cards are receipts required before reimbursement can be issued?

Payroll Handling

How is the payroll handled in your agency?

- Who is responsible for reviewing time cards or attendance records?
- Who provides the numbers to your payroll company, and how is that done, over the phone, online?
- Is anyone reviewing the online reports or approving the payroll?

When payroll reports are received in your office:

- Who receives them?
- Who opens them?
- What process is followed for entering the payroll numbers into your system?
- How are the disbursements recorded and who does that step?

What if “live checks” must be issued because of an error in payroll or an employee has an urgent need for an advance?

- Is there a fair process in place for these special circumstances?
- How do you ensure that the adjustments are made with the payroll company?

Quarterly Payroll reports and W-2's:

- Is anyone reviewing them to see the individual year to date numbers for individuals?

How can you break this up a bit so that one person isn't in control of all of the parts (unless of course you have an agency owner doing payroll)?

It is suggested that someone from your Management Team review the payroll reports on a regular basis so that there are “no surprises” at the end of the year.

Additional Tools for Checks and Balances

TAM Security Settings

There are some controls you can put into place by reviewing settings in Security Manager. Here are a few suggestions.

- Accounting – Cash Disbursements and Cash Receipts: All of the criteria should be reviewed for accounting staff. Who has access to issuing and printing checks? Who has access to Bank Reconciliations?
- Customer – Transactions: Adding MEM's, Deleting, JNL transactions, Journal Entry (J/E between items), the ability to use User Defined Transactions, and Writeoffs are all available in this area.
- Can staff delete customer transactions? Perhaps this should only be for managers?
- Does everyone have access to JNL transactions? And who reviews how often JNLs are used and what for?
- Broker – Transactions and Lienholder – Transactions: Both have similar controls as in Customers if you are using these transactions in your agency.
- Write off Maximums can be established for each individual who should have access to write items off. This is located on each individual's User Account screen in the Write-Off's area.
- Cash Journal: Security can be controlled for each journal separately.
- Reports: Limit reporting for staff members who do not need full access to only those areas that they need to do their work.
- Vendor: Does everyone need access here? What about the ability to review attachments?

Other TAM Settings available

Here are a few additional settings which may be of assistance towards improvement of data entry so there's less to review during your checks and balances processes.

- Producer Commission Defaults: For each producer (this is available in brokers and companies too) access Options, Commission defaults. The set up can be done for specific or all companies and for specific or all policy types. The descriptions are free form for agency specific wording and many defaults can be added.
- Within System Setup there is a setting for "Commission Default Indicator" that can be turned on which will **bold** the Company / Broker / Producer code on the billing screen to indicate that a double click will show the defaults that have been entered.
- Each user can set up Customer Screen Defaults and Billing Screen Defaults. They are available from Options on any Customer (also Prospect) and policy list. These options aid with consistent data entry and also improve user efficiency.

Preventative Measures

These are situations which can cause issues for your agency. Any tools you can use or processes you can change to deal with the items on this list are encouraged. Include your Management Team in these discussions as they also need to be involved in some of these decisions and review processes.

1. Bank Accounts that are not audited and there are accounting or managerial staff who have signature authority.
2. Company Payables that are out of balance, so no one notices if funds leave the agency when they shouldn't. Or personnel have the option to do "creative invoicing" because no one ever follows up on closing out the item detail. Are insured or finance company checks deposited into anyone else's account other than the agency trust account?
3. Accounts Receivable being out of balance or out of control and no one regularly reviews this report and uses it as the tool it should be.
4. Are your insureds educated when to expect return premiums? Do we get refunds to them in a timely manner if at all?
5. Bank recs are generally being done in most agencies, but do you know they are being done correctly? Sometimes they are not. Many times it is not that the person doesn't know how to do a bank rec, but that they don't know how to get the information into the system in a way that makes the bank recs straightforward.
6. Are producers paid on "invoiced" or "paid" basis? Do they review their reports and report any inaccuracies? If paid on a "paid" item basis, are they provided reports on "invoiced" items to allow them to review that detail? Are your producer payable liability accounts supportable and explainable? Are you clearing the liability as it is created?
7. Are other accrual accounts (such as payroll taxes, carrier sweeps, loan or credit card payable accounts) clearing as they should?
8. Are ALL payments out of trust or operating scrutinized by someone other than the person making out the check? Could someone be paying their personal bills through your operating account and you wouldn't notice...or changing who the check is payable to between the time it is written/signed and/or entered into computer? Is there control in place over the check numbers so that the last one used yesterday is one number less than the first one today? Are your checks typed instead of system entered and printed?
9. Is anyone reviewing the Payroll records?

Review – What are your checks and balances?

- What can you do to ensure that your financial statements have valid balances?
- Can you add a new report to support some of those numbers?
- Or is there a different way to run a report that helps with the review process?
- Is there a way to confirm that someone is reviewing the details in all of the reports and that they are being run with the correct criteria and on a timely basis?
- Is there a process where a separation of duties can be employed to make things more secure for the agency?
- Are there any security settings you could change to eliminate any doubt of someone doing something they shouldn't do either by accident or on purpose?
- Are there other tools you could employ to aid the staff in being both more accurate and proficient?

Appendix A – Aged Receivable Report Sample

Aged From: 04/05/15

Trn Date	Item PdA	B	D	Tran	Type	Due Date	Month	BB	Pr1	BCO	LOB	Pre-Bill	Up to 30	31 to 60	61 to 90	Over 90	Balance	
DAYROB1 Robert Day																		
12/19/07	2673	Y	1	1	2	REN	PCKG	01/13/08	Jan08	B	CJH	CHB	C				10,190.94	10,190.94
													0.00	0.00	0.00	0.00	10,190.94	10,190.94
Ph-r708-876-3873		Fax708-383-3833																
HAWEJO1 J. A. Hawes Insurance Services																		
11/01/12	2685	Y	1	1	2	NEW	WC-S	11/23/12	Nov12	B	KNJ	GAI	C				1.00	1.00
													0.00	0.00	0.00	0.00	1.00	1.00
Ph-r708-331-9210		Fax708-331-9223																
ABBOJO1 Joseph W. Abbot																		
09/20/10	2677	1	1	3	AFE	HOME	09/20/10	Sep10	D	RFN	PRO	P					15.00	15.00
09/01/14	3164	1	1	1	PAY		09/01/14	Sep14	A	RFN							-15.00	-15.00
													0.00	0.00	0.00	0.00	0.00	0.00
Ph-r708-798-8345		Ph-b		Date:09/01/14		Amount Last Pmt:		15.00										
BOOKR-1 Mary Lewis D/B/A																		
11/01/12	2681	Y	1	1	2	REN	GL-S	11/01/12	Nov12	A	KNJ	PEN	C				1.75	1.75
													0.00	0.00	0.00	0.00	1.75	1.75
Ph-r708-798-3994		Ph-b708-799-5501		Date:04/01/14		Amount Last Pmt:		1968.25										
BOXHI-1 Box Hill Systems Corporation																		
07/12/11	2935	Y	1	1	2	AUD	PCKG	07/12/11	Jul11	A	JKR	SEL	C				-100,000.00	-100,000.00
08/01/14	3151	1	1	1	PAY		08/01/14	Aug14	A	KNJ							-10,999.73	-10,999.73
02/28/15	3246	1	1	2	RIS	PCKG	03/11/15	Mar15	A	JKR	SEL	C		11,500.00			11,500.00	11,500.00
03/31/15	3264	1	1	2	RIS	PCKG	04/11/15	Apr15	A	JKR	SEL	C		11,500.00			11,500.00	11,500.00
04/30/15	3282	1	1	2	RIS	PCKG	05/11/15	May15	A	JKR	SEL	C		11,500.00			11,500.00	11,500.00
													11,500.00	23,000.00	0.00	0.00	-110,999.73	-76,499.73
Ph-r		Ph-b708-756-4900		Date:03/05/15		Amount Last Pmt:		11500.00										

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



COLEM-1 COLEMAN DISTRIBUTORS, INC.														
03/05/14	2983	1 1 2	REN	WC-S	05/07/25	May25	A	GGOHIC	C	9,567.00				9,567.00
05/05/14	2983	1 1 2	CRP	WC-S	05/05/14	May14	A	GGOHIC	C			-9,567.00		-9,567.00
03/05/14	2984	1 1 2	AFE	WC-S	05/07/25	May25	A	GGOHIC	C	500.00				500.00
05/05/14	2984	1 1 2	CRP	WC-S	05/05/14	May14	A	GGOHIC	C			-500.00		-500.00
03/31/15	3265	1 1 2	RIS	PCKG	04/05/15	Apr15	A	GGOHIC	C		12,000.00			12,000.00
04/30/15	3284	1 1 2	RIS	PCKG	05/05/15	May15	A	GGOHIC	C	12,000.00				12,000.00
										22,067.00	12,000.00	0.00	0.00	-10,067.00
														24,000.00
Ph: 708-474-9948 Date: 05/05/14 Amount Last Pmt: 10000.00														
This is an example of a prebill WAY too far out.														
SMITKE1 Keith Smith														
11/05/14	3206	1 1 1	PAY		11/05/14	Nov14	A	RFN						
										0.00	0.00	0.00	0.00	
														-773.00
														-773.00
Ph: 708-474-9948 Ph: 6847-663-2610 Date: 11/05/14 Amount Last Pmt: 773.00														
A payment sitting on one account that looks like it should be on the other.														
SMITKE2 Kelly Smith Family Trust														
11/16/12	2691	Y 1 1 3	REN	AUTO	11/16/12	Nov12	A	GGA AOI	P					955.00
07/01/14	3146	1 1 2	REN	AUTO	07/15/14	Jul14	A	GGA HAR	P					773.00
										0.00	0.00	0.00	0.00	
														1,728.00
Ph: 249-773-8257 Ph: 6773-654-5000 Date: 07/01/14 Amount Last Pmt: 955.00														
It appears that advance payments have been done for this client consistently. What about trust funds?														
TYSON-1 Tyson and Associates Transport														
02/28/14	2964	Y 1 1 1	RIS	TR-S	03/15/14	Mar14	A	KRM HAR	C					23.75
05/05/14	3106	Y 1 1 1	RIS	TR-S	01/15/15	Jan15	A	KRM HAR	C					1,648.75
05/05/14	3107	Y 1 1 1	RIS	TR-S	02/15/15	Feb15	A	KRM HAR	C					1,648.75
10/01/14	3191	1 1 1	PAY		10/01/14	Oct14	A	KRM						-30.00
02/28/15	3252	1 1 1	RIS	TR-S	03/15/15	Mar15	A	KRM HAR	C		2,000.00			2,000.00
03/31/15	3271	1 1 1	RIS	TR-S	04/15/15	Apr15	A	KRM HAR	C		2,000.00			2,000.00
04/30/15	3289	1 1 1	RIS	TR-S	05/15/15	May15	A	KRM HAR	C	2,000.00				2,000.00
										2,000.00	4,000.00	1,648.75	1,648.75	-6.25
														9,291.25
Ph: 708-487-9621 Date: 03/05/15 Amount Last Pmt: 1648.75														

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



Appendix B - Company Payables

Company Payables - Summary					
		08/23/15	08:26:47	Page	1
Company	Client Balance	Amount	Net Owed	Acct Balance	Amt Not Bal
CUI Commercial Union Insurance	361.00	361.00	306.85	306.85	0.00
GAI Great American Insurance Co.	26,120.00	26,120.00	21,679.60	12,530.52	9,149.08
HAR Hartford Insurance Company	2,773.00	2,773.00	2,440.24	2,440.24	0.00
SEL Selective Insurance Company	16,100.00	16,100.00	13,317.00	72,563.61	-59,246.61
Totals	45,354.00	45,354.00	37,743.69	87,841.22	-50,097.53

LIABILITIES	
2000 Company Payables	
AET Co. Pay-AETNA Companies	-85.00
AOI Co. Pay-Auto Owners Insurance	0.00
ASI Co. Pay-American States Ins.	2,950.00
CHB Chubb Insurance Group	-9,284.87
CRU Crum & Forster Insurance	13,450.00
CUI Commercial Union Insurance	306.85
FFI Fireman's Fund Insurance	17,550.00
GAI Great American Insurance Co.	12,530.52
HAR Hartford Insurance Company	2,440.24
HIC Hanover Insurance Company	2,080.55
MIG Merchants Insurance Group	3,508.70
PEN Pennsylvania National Ins. Co.	-1,319.99
PRO Progressive	0.00
REL Reliance Insurance Company	-2,754.13
SAF Safeco	0.00
SEL Selective Insurance Company	72,563.61
TRA The Travelers Insurance Co.	-557.60
Total Company Payables	113,378.88

Look at all of these companies that are not listed on the Company Payables Summary. There are GL balances without any detail to reconcile.

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



Appendix C – Income Statement

	January	February	March	April*	May	June	1st Half
INCOME							
4000 P&C Agency Bill Commission	10,864.57	10,517.52	11,334.12	0.00	0.00	0.00	32,716.21
4001 Direct Bill Commission Income	18,044.15	11,262.35	10,751.18	0.00	0.00	0.00	40,057.68
4002 Life/Health Commission Income	5,078.37	1,945.21	1,859.10	0.00	0.00	0.00	8,882.68
*** Sub Total COMMISSION INCOME	33,987.09	23,725.08	23,944.40	0.00	0.00	0.00	81,656.57
4230 Contingency Income	0.00	0.00	25,892.44	0.00			25,892.44
*** Sub Total OTHER INCOME	0.00	0.00	25,892.44	0.00			25,892.44
TOTAL INCOME	33,987.09	23,725.08	49,836.84				107,549.01
EXPENSES							
5000 Producer Commission Expense	1,574.12	1,572.50	1,253.75	0.00	0.00	0.00	4,400.37
5010 Broker Commission Expense	240.00	0.00	0.00	0.00	0.00	0.00	240.00
5090 Automobile Expense							
GAS Automobile Exp Gasoline	589.45	459.82	429.65	0.00	0.00	0.00	1,478.92
Total Account 5090	589.45	459.82	429.65	0.00	0.00	0.00	1,478.92
5240 Advertising	1,000.00	1,000.00	0.00	0.00	0.00	0.00	2,000.00
*** Sub Total SELLING EXPENSE	3,403.57	3,032.32	1,683.40	0.00	0.00	0.00	8,119.29
5000 Salaries Executive	10,000.00	10,000.00	10,000.00	0.00	0.00	0.00	30,000.00
5010 Salaries Office	6,800.00	6,500.00	6,500.00	0.00	0.00	0.00	19,800.00
5050 Licenses & Permits	0.00	500.00	0.00	0.00	0.00	0.00	500.00
5090 Postage	45.52	0.00	0.00	0.00	0.00	0.00	45.52
5100 Office Supplies	0.00	289.53	268.82	0.00	0.00	0.00	558.35
5150 Travel & Entertainment	0.00	748.29	0.00	0.00	0.00	0.00	748.29
5170 Education & Training	0.00	525.00	0.00	0.00	0.00	0.00	525.00
5190 Computer Expense	541.85	541.85	541.85	0.00	0.00	0.00	1,625.55
5250 Rent	3,000.00	3,000.00	3,000.00	0.00	0.00	0.00	9,000.00
5280 Utilities	550.25	525.85	452.64				1,528.74
5500 Depreciation Expense	752.00	752.00	752.00				3,008.00
*** Sub Total OPERATING EXPENSE	21,689.62	23,382.52	21,515.31				67,339.45
TOTAL EXPENSES	25,093.19	26,414.84	23,198.71	752.00	0.00	0.00	75,458.74
NET PROFIT-LOSS	8,893.90	2,689.75	26,638.13	752.00	0.00	0.00	32,090.27

How do the monthly income numbers compare?

Same with expenses and don't forget the individual balances.

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



Appendix D - Balance Sheet

REL Reliance Insurance Company	2,754.13	2,754.13	2,754.13	2,754.13	0.00	0.00
SEL Selective Insurance Company	88,538.81	72,583.81	72,583.81	88,600.81	0.00	0.00
TRA The Travelers Insurance Co.	557.80	557.80	557.80	557.80	0.00	0.00
Total Company Payables	133,724.78	129,249.78	113,378.88	184,994.28		
2005 Unearned Commissions	8,293.93	9,793.93	12,798.78	2,832.18	0.00	0.00
2020 Pending Payables Account	9,190.28	9,190.28	9,190.28	9,190.28	0.00	0.00
2050 Producer Payables						
CJH Carl J. Henderson	58.25	112.50	225.00	225.00		
GGG Gary Goodman	10,898.25	12,358.00	8,441.75	8,441.75		
JKR Joseph K. Reihel	1,197.54	1,197.54	1,197.54	1,197.54		
KNJ Karen N. Johnson	14,545.25	14,588.92	14,828.59	14,828.59		
KRM Kevin R. Mathison	158.89	0.00	15.83	15.83		
RFN Robert F. Nobile	9,358.77	9,358.77	9,358.77	9,358.77		
Total Producer Payables	15,103.33	18,503.11	12,758.88	12,758.88		
2300 FICA Tax Employee Withholding	47,198.71	47,198.71	47,198.71	47,198.71	0.00	0.00
2310 Federal Tax Employee Withholdg	58,103.41	58,103.41	58,103.41	58,103.41		
2320 State Tax Employee Withholding	17,898.83	17,898.83	17,898.83	17,898.83		
2340 Medicare Employee Withholding	10,249.58	10,249.58	10,249.58	10,249.58		
2350 Employer FICA/Medicare W/H	19,187.84	19,187.84	19,187.84	19,187.84	0.00	0.00
***Sub Total SHORT TERM LIABILITIES	281,985.15	257,409.93	234,789.93	298,389.93	0.00	0.00
2100 Loans Payable						
AUTO Loan K. Mathison Auto	13,820.58	13,820.58	13,820.58	13,820.58		
BANK Loan Bank One Software	10,028.53	10,028.53	10,028.53	10,028.53		
COMP Loan Computer Hardware	52,871.81	52,871.81	51,371.81	51,371.81		

What is in this pending payables account and why is it static?

Are these producer payable balances accurate and real? Are they changing from new commissions or payments made?

Should these accounts even be here based on how you do payroll? And why are they static?

Are the loan balances changing with payments as they should?

SESSION HANDOUT

Applied TAM – Financial Reports / Checks & Balances



Appendix E - Miscellaneous Production

MISCELLANEOUS PRODUCTION REPORT

07/21/12 13:13:18 Page 2

For: Are there multiple write offs for the same client? If so WHY?

Customer	Trm Date	Item	A	B	D	Tran	Acct #	Type	Eff Date	B	Pr1	Pr2	Pr3	ICO	Policy #	Amount
RBMC0-1	03/16/99	82	1	1	2	JE2		PCKG	03/16/99	A	RFN			NOR	2969049100	-0.01
OMALSE1	07/06/99	127	1	1	1	JE2			07/06/99	A	CJH					0.01
TERRE-1	11/22/99	247	1	1	2	JE2		AR-S	11/22/99	A	RFN			SEL	3215784022856	-1.00
DESIG-1	05/11/09	413	1	1	2	JE2		PCKG	05/11/09	A	KNJ			GAI	4756236987	-0.35
OMALSE1	05/11/09	383	1	1	1	JE2			05/11/09	A	CJH					-0.84
TYSON-1	06/01/10	384	1	1	1	JE2			06/01/10	A	KRM					-0.65
BOXHI-1	07/28/10	645	1	1	2	JE2		PCKG	07/28/10	A	JKR			SEL	660724J7247	-0.24
Total JE2:																-3.08
COLEB-1	09/08/08	473	1	1	1	JNL	2050-RFN	WVC-S	06/15/00	D	GGO			HAN	487501267	1,148.04
CENTR-1	11/04/08	482	1	1	1	JNL	2050-GGO	PCKG	10/15/08	A	JKR			PEN	4346J4326868	-5,547.00
ADLEDE1	04/22/10	631	1	1	1	JNL	2050-GGO	HOME	05/17/08	D	GGO			SEL	CC9876889345	-120.00
BOXHI-1	06/10/10	682	1	1	1	JNL	2050-JKR	PCKG	05/01/10	A	JKR			SEL	660724J7247	-25.00
Total JNL:																-4,543.96

Is it correct that these accounts should be affected by these JNL transactions and are the amounts okay?