



## Accountmate Newsletter

March 2009

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## **Our goal**

At Purtil & Company, we believe our best client is a well-informed client, one who welcomes ideas and challenges us with ideas. Our strengths are in planning, strategies and actions where we can put our knowhow to work as opposed to the book-and-forms work favored by many accounting firms. This newsletter is part of that information effort, but it's not the only part. In addition to this, we want you to feel free to ask us anything. If it's a quick email, and doesn't require extensive research or effort on part, our policy is to absorb the cost internally. That will also let us identify bigger opportunities as they emerge.

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## Updated 2009 Payroll Tax Subscription due to Stimulus Package

There is a newly released payroll tax subscription due to the recently passed stimulus package. The update includes new revised federal withholding tax tables necessary to implement the **The American Recovery and Reinvestment Act of 2009 (ARRA)**. The update should be applied as soon as possible but *no later than April 1<sup>st</sup>*. For more information about this new law and how it affects payroll taxes, you can click on these links to the IRS website:

[Tax Provisions in the ARRA of 2009](#)

[IRS Notice 1036](#)

If you would like us to install the update for you, please let us know.

### *Also...*

The Internal Revenue Service has revised the **2009 Form 941** (Employer's Quarterly Federal Tax Return). AccountMate is currently working on an update to the 2009 Payroll Subscription Program to comply with the revised form. As soon as the update becomes available, we will issue an announcement.

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## **AccountMate 7 introduces Positive Pay**

With statistics showing a rapid rise in check fraud as well as the increasing sophistication of criminals, businesses are taking a combination of precautions for fraud prevention. A key enhancement introduced in AccountMate 7 is the ability to generate a Positive Pay file that can be sent to your bank. This file helps protect your company from check fraud by identifying the check transactions you have authorized.

While the use of Positive Pay files has gained wide acceptance, there is no single file format prescribed for all banks. There are numerous banks that accept Positive Pay transactions and these banks have their own pre-set formats. AccountMate has created Positive Pay templates for a select number of widely used banks. These banks are as follows:

1. Bank of America (BOFA)
2. CNB Bank, Inc. (CNB)
3. Hong Kong Shanghai Banking Corporation (HSBC)
4. LaSalle Bank ABN AMRO (LASALLE)
5. Wachovia Connection (WACHOVIA)
6. Fifth Third Bank (FIFTHTHIRD)

For banks not on this list, we will work directly with your bank to create an acceptable Positive Pay file that adheres to the bank's format. Contact us for more information.

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The **Bank Reconciliation Report** function generates a set of reports showing information about the latest reconciliation for each bank account. This set of reports includes the following:

### 1. Bank Reconciliation Deposits and Other Receipts Report

This report displays transaction details of deposits recorded using the **Record Bank Deposit** function in the Accounts Receivable (AR) module as well as deposits, other receipts and bank transfers entered in the Bank Reconciliation (BR) module.

This report shows the transaction's type, date, number, description, source module, and the status of the transaction whether it is marked Verified or Unverified in the system. A summary and the total of the values shown in this report is provided in the **Bank Reconciliation Bank Summary Report**.

Type	Transaction #	Trn Date	Reference	Description	Src	Unverified	Verified	
Bank # : BOFA (Bank of America)		Currency Code : USD (Dollars)						
Deposit	1009	01/12/08	AR Deposit	Bank Deposit	AR	0.00	1,000.00	
Deposit	1010	01/14/08	AR Deposit	Check deposit	AR	0.00	1,000.00	
Deposit	1011	01/25/08	AR Deposit	Deposits	AR	10,504.98	0.00	
Transfer	1000000002	01/25/08	DM # 15654500012	Replenishment of funds	BR	30,000.00	0.00	
BOFA: 4 Record(s)						Total for BOFA :	\$ 60,504.98	\$ 2,000.00

## 2. Bank Reconciliation Checks and Other Disbursements Report

This report displays transaction details of checks and other disbursements entered using the Record Checks/Other Disbursements function in BR, and checks entered in the Accounts Payable (AP) and Payroll (PR) modules.

This report shows the transaction's date, number, description, source module, and information whether the transaction is outstanding or marked Cancelled in the system. The transactions displayed on this report are summarized and shown in the **Bank Reconciliation Bank Summary Report**.

01/31/08	03:32:18 PM	National Office Supply, Inc.				Page 2 of 3	
Printed By: Supervisor		<b>Bank Reconciliation Checks and Other Disbursements Report</b>					
<u>Type</u>	<u>Transaction #</u>	<u>Trj Date</u>	<u>Reference</u>	<u>Description</u>	<u>Src</u>	<u>Unverified</u>	<u>Verified</u>
Bank #:	BOFA (Bank of America)		Currency Code : USD (Dollars)				
Check	3013	01/21/08	AFF1	Aero Furniture Factory, Inc.	AP	0.00	-15,000.00
Check	3014	01/23/08	AFF1	Aero Furniture Factory, Inc.	AP	0.00	-24,461.54
Check	3015	01/25/08	UFFE4	United Furniture Emporium	AP	-4,000.00	0.00
BOFA: 3 Record(s)				Total for BOFA:		\$ -4,000.00	\$ -39,461.54

### 3. Bank Reconciliation Bank Summary Report

This report provides summarized information about the bank account and the latest bank reconciliation project which includes the calculated bank balance, calculated book balance, and any out-of-balance amounts.

01/31/08 03:32:18 PM		National Office Supply, Inc.		Page 3 of 3	
Printed By: Supervisor		<b>Bank Reconciliation Bank Summary Report</b>			
<b>Bank # : BOFA</b> <b>Bank Name : Bank of America</b> <b>Bank Account # : 44793-75226</b> <b>Account Description : Checking Account</b> <b>GL Account # : 110100-000-00 (Cash In Bank - General)</b> <b>Currency Code : USD (Dollars)</b>					
===== Bank Reconciliation =====					
Previous Statement Balance on	06/30/07	_____		_____	93,265.00
Total of	2 Deposits/ Other Receipts Verified for	_____		_____	2,000.00
Total of	2 Checks Cancelled/ Other Disbursements Cancelled for	_____	(	_____	39,461.84 )
Calculated Bank Balance as of	01/31/08	_____		_____	55,803.21
Ending Statement Balance on	01/31/08	_____		_____	55,803.21
Out of Balance by		_____		_____	0.00
===== Calculated Book Balance =====					
Calculated Bank Balance as of	01/31/08	_____		_____	55,803.21
Plus	2 Deposits/ Other receipts In-Transit for	_____		_____	60,504.98
Less	1 Outstanding Checks/ Other Disbursements for	_____	(	_____	4,000.00 )
Calculated Book Balance		_____		_____	112,308.19

The **Calculated Bank Balance** as of [date] is computed by adding to or deducting from the Previous Statement Balance the verified deposits/other receipts or cancelled checks/other disbursements, respectively. These include transactions that are marked as Cancelled or Verified in the Reconcile Bank Account function from the date in the Previous Statement Balance field to the Report Date specified in the report criteria.

The value shown on the **Previous Statement Balance on** [date] field is either the amount of the most recent reconciled bank balance; or, if the bank account has not been reconciled, the bank statement balance indicated in the **Previous Statement** area of the **Bank Account Maintenance** function. The details of these transactions are provided in the Bank Reconciliation Deposits and Other Receipts Report and the Bank Reconciliation Checks and Other Disbursements Report, as discussed in the preceding sections.

The **Calculated Book Balance as of** [date] is computed by adding the deposits/other receipts in-transit and deducting the outstanding checks and other disbursements from the **Calculated Bank Balance** amount. These transactions include deposits/other receipts in-transit, outstanding checks/other disbursements and bank transfers that are not yet marked as Cancelled in the system. The details of these transactions are provided in the **Bank Reconciliation Deposits and Other Receipts Report** and the **Bank Reconciliation Checks and Other Disbursement Report**, as discussed in the preceding sections.

An out-of-balance occurs when the **Calculated Bank Balance** does not match with the ending balance shown on the bank statement. The out of balance amount is shown in the report in the **Out of Balance** by field.

The **Calculated Book Balance** in this report should match the total unadjusted amount recorded in the GL account ID assigned to the bank account. If each bank account has its own specific GL account ID, each bank account amount will be reflected separately in the General Ledger module. If several bank accounts use the same GL account ID, you need to add all calculated book balances for the bank accounts that share the same GL account ID; then compare that amount with the total amount recorded in the GL account ID.

After completing the reconciliation of the bank account, adjust the Cash in Bank account balance recorded as necessary by creating a journal entry in the General Ledger module.

Understanding the Bank Reconciliation Report's content as discussed in this document will give you a summary on the status of your cash accounts. Use the report as reference to monitor book and bank balances of individual accounts to help you make intelligent decisions and to better manage your cash flow.

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## AccountMate Tips:

### Module: IC

**TIP:** *Starting in version 7, AccountMate keeps history records for inventory adjustments, received inventory transfer transactions and warehouse inventory transfers. Users can now generate the Inventory Adjustment Report, Received Warehouse Inventory Transfer Report and Warehouse Inventory Transfer Report for transactions created and posted in a closed period.*

### Module: GL

**Q:** *Some GL Account IDs that should show up in the Statement of Financial Position do not appear. What could cause this?*

**A:** Verify that the missing GL Account IDs are assigned the proper Account Group ID and that the Account Group ID is assigned the proper Account Category.

### Module: GL

**Q:** *How can I retrieve the journal entries of a batch that was posted then voided?*

**A:** You can retrieve voided journal entries only if you marked the **Save New Batch After Void** checkbox in the **Void Posted Batch** window when you voided the posted journal entry batch. Checking this option triggers AccountMate to automatically create a new un-posted batch with the same journal entries.

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## Contact list

You can contact any Purtil & Company employee by using the employee's first name and our company email location. Or, just click the employee's name below. So, for John, the email address would be [john@purtil.com](mailto:john@purtil.com).

[John Purtil](#)

Financial and tax planning, business software, business planning, IRS problems, family businesses.

[Allen Horner](#)

Tax and financial planning, business planning, financial statements, IRS problems.

[Olga Bubnova](#)

Tax returns, financial statements, tax planning.

[Ann Groom](#)

Tax returns, client accounting, business software.

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Business software, tax returns, client accounting.

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Administration, client accounts, collections.

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**Circular 230 disclosure**

Under U.S. Treasury Department Regulations, we are required to inform you that, unless otherwise expressly indicated, any federal tax advice contained in this communication, including attachments, enclosures and links is not intended or written to be used, and may not be used, for the purpose of (I) avoiding tax-related penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.

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