Service Bureau General Ledger (SBGL) Guide
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Why should you reconcile? The future of your service bureau depends on it!

**The Importance of Reconciliation**

Maintaining a reconciled service bureau can be a daunting task. Is it really worth the trouble? Think about it this way:

When you open a bank account, you expect that the bank reconciles their systems on a daily, if not hourly, basis. You expect this because the bank is holding your money and has a legal and ethical responsibility as custodian of your funds to account for each penny that it takes in and gives out.

Your clients expect no less from you.

You draft funds from your clients. Those clients expect you to fulfill your obligation and disburse those funds to a third party. Your clients probably would not be willing to release those funds to you if they did not have complete confidence that you could identify—at any point in time—the following:

- Exactly what funds you are holding on their behalf
- To whom and when those funds will be paid out

Reconciliation is important not only from the standpoint of client confidence, but also because nothing can be more detrimental to the profitability of your service bureau than losing track of client funds.

For example, what happens to a bounced draft?

- In a reconciled system, that bounced draft will be accounted for from the time it is deducted from your bank account until those funds are recovered.
- In a non-reconciled system, there is an increased possibility that you could make a payment to a tax agency on behalf of that client without knowing that you have not actually received those funds.

Now you must spend valuable time and resources trying to recover funds from the client. If you do not recover the bounced draft and you have already made payment to a third party on behalf of your client, you will ultimately take that money out of your operating account.

In the case of a $20,000 tax payment, think about how many payrolls you will have to process to recover that payment.

Millennium is designed to be a comprehensive system to provide you with the tools necessary to reconcile your service bureau on a daily basis.
Chapter 1

What This Guide Covers

This guide explains:

- How a “service bureau” in Millennium works
- The steps to set up the service bureau in Millennium to facilitate implementation of your customized reconciliation program

This guide assumes you already have some background knowledge of payroll, general ledger practices, and principles of accounting. If you need more help concerning those subjects, please refer to other sources of information.
Part 1 — Concepts

The chapters in this section of the book offer explanations of how the service bureau general ledger works in Millennium.
Part 1 — Concepts
Chapter 2

Basic Concepts

The service bureau general ledger in Millennium is designed to track escrow liabilities and billing entries produced as a result of processing payrolls, paying taxes & other liabilities, and creating invoices in Millennium.

The ledger is divided into four sub-ledgers:

- Billing
- Direct deposit
- Trust
- Tax

Ledger Entries Made During Payroll Processing

When Millennium processes a payroll, it makes certain entries to the service bureau general ledger. The entries are listed in the sub-sections that follow.

Direct Deposit Sub-Ledger

1. Calculate employee direct deposits:
   - Debit direct deposit receivable
   - Credit direct deposit liability
2. Create ACH impound:
   - Debit cash
   - Credit direct deposit receivable
3. Create ACH payments to employees:
   - Debit direct deposit liability
   - Credit cash

Trust Sub-Ledger

Agency checks and checks cut from service bureau bank account

1. Calculate employee checks
   - Debit trust receivable
   - Credit trust liability
Chapter 2

2. Cut employee checks:
   - Debit trust liability
   - Credit trust cash
3. Create ACH impound
   - Debit cash
   - Credit trust receivable

**Tax Sub-Ledger**

1. Calculate tax liabilities
   - Debit tax receivable
   - Credit tax liability – no deposit pending
2. Create tax deposit
   - Debit tax liability – no deposit pending
   - Credit tax liability – deposit pending
3. Create ACH impound
   - Debit tax cash
   - Credit tax receivable
4. Create ACH tax payment or cut tax check
   - Debit tax liability – deposit pending
   - Credit cash

**Billing Sub-Ledger**

1. Calculate invoice
   - Debit billing receivable
   - Credit billing revenue
2. Create ACH impound
   - Debit cash
   - Credit billing receivable

Balance sheets for the direct deposit, trust, and tax ledgers are created in Millennium based on these journal entries. You can view the balance sheets by:

- Sub-ledger in the aggregate
- Client

For example, you can view all of your client liabilities at a glance at any point in time.
Bank Reconciliation

Each time an entry is made to a cash account in the ledger, that entry becomes available to be cleared via the bank reconciliation.

- If you have the ability to receive your bank statement electronically, you can import that file and enable Millennium to match the entries on your bank file against the entries that have posted to your cash sub-ledgers.
- If you do not receive your bank files electronically, you can still use Millennium to clear the line items on your bank statement manually.

Once your bank statement is posted in Millennium (either by import or manually), simply enter the statement date and ending bank balance on the Bank Reconciliation tab in Millennium. When the net of the deposits and payments marked as “cleared” equals the difference between the ending and beginning bank balances, the marked items can be marked as “reconciled.”

The steps you take to reconcile bank balances are explained in Chapter 8, “Bank Reconciliation.”

Ledger Reconciliation

Once the bank reconciliation is complete, you can reconcile the ledger balances to the bank balance. Simply compare the adjusted bank balance (ending bank balance plus or minus outstanding items) to the cash balances in the sub-ledgers in Millennium.

If variances exist, you can use some Millennium reports to isolate and correct the error.

The steps you take to reconcile ledger balances are explained in Chapter 9, “Ledger Reconciliation.”

Summary

If you use the reconciliation tools in Millennium in conjunction with a disciplined, “closed” reconciliation program, you can prevent costly overpayments and quickly identify deficits in bank drafts. The combination can save your service bureau from unnecessary expenditures of money, time, and resources.

Figure 1 illustrates the concept of a closed reconciliation program, which is the way it is designed to work in Millennium:
The service bureau general ledger has other features, including the ability to:

- Create manual journal entries
- Create user-defined accounts
- Create ACH files manually

All of these abilities are explained in other chapters.
Chapter 3

Chart of Accounts

In Millennium, the chart of accounts is broken down into four sub-ledgers:

- Direct deposit
- Trust
- Tax
- Billing

The chart is designed to facilitate balance sheets for direct deposit, trust, and tax. Each balance sheet has cash and receivables on the asset side and payables on the liability/equity side.

The billing ledger has cash and receivables on the asset side and revenue on the liability/equity side.

Each ledger can be customized by adding user-defined accounts.

Structure

Each account is divided into three segments:

- **GL1** — Identifies whether the entry belongs to the billing, direct deposit, trust, or tax ledger.
- **GL2** — Identifies whether the entry is to cash, accounts receivable, revenue, or a payable.
- **GL3** — Characterizes GL2 further by identifying to whom the payables will be paid (or the invoice number in the case of the billing ledger).

Suspense Accounts

Each ledger also contains a suspense account to facilitate double-sided entries in the service bureau general ledger. Millennium uses the suspense accounts for specific entries that post while a payroll is being processed.

Note

If the sum of the entries posted to the suspense account does not equal $0 after the payroll has been processed, there is a flaw in the logic of the setup of the company and/or payroll.
For example, you have blocked transfers for a full tax service client. During payroll processing:

- The system posts a credit to the Liability accounts and an offsetting debit to the Suspense account.
- Because transfers are blocked, the system will not post a debit to the Accounts Receivable ledger and a credit to relieve the Suspense account.

The result is:

- A debit balance remains in the tax Suspense account.
- The Suspense account balance alerts you that, because the client is set up as full tax, the service bureau is accepting the liabilities; however, since transfers are blocked no money is being received from the client.
- You need to address the issue prior to relieving the tax liability.

**The Chart of Accounts**

**Billing Ledger**

<table>
<thead>
<tr>
<th>Table 1: Billing ledger accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-1</td>
</tr>
<tr>
<td>1-2</td>
</tr>
<tr>
<td>1-4</td>
</tr>
<tr>
<td>1-5-1</td>
</tr>
<tr>
<td>1-5-2</td>
</tr>
<tr>
<td>1-5-x</td>
</tr>
<tr>
<td>1-9</td>
</tr>
</tbody>
</table>

**Direct Deposit Ledger**

<table>
<thead>
<tr>
<th>Table 2: Direct Deposit ledger accounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-1</td>
</tr>
<tr>
<td>2-2</td>
</tr>
<tr>
<td>2-3</td>
</tr>
<tr>
<td>2-5-x</td>
</tr>
<tr>
<td>2-9</td>
</tr>
</tbody>
</table>
Trust Ledger

Table 3: Trust ledger accounts

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-1</td>
<td>Trust Cash</td>
</tr>
<tr>
<td>3-2</td>
<td>Trust Accounts Receivable</td>
</tr>
<tr>
<td>3-3-x</td>
<td>Trust Liability</td>
</tr>
<tr>
<td>3-4-x</td>
<td>Trust Liability (deposit pending)</td>
</tr>
<tr>
<td>3-5</td>
<td>User-Defined</td>
</tr>
<tr>
<td>3-9</td>
<td>Suspense Account</td>
</tr>
</tbody>
</table>

Tax Ledger

Table 4: Tax ledger accounts

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-1</td>
<td>Tax Cash</td>
</tr>
<tr>
<td>5-2</td>
<td>Tax Accounts Receivable</td>
</tr>
<tr>
<td>5-3-x</td>
<td>Tax Liability</td>
</tr>
<tr>
<td>5-4-x</td>
<td>Tax Liability (deposit pending)</td>
</tr>
<tr>
<td>5-5</td>
<td>User-Defined</td>
</tr>
<tr>
<td>5-9</td>
<td>Suspense Account</td>
</tr>
</tbody>
</table>
You can make journal entries yourself in the system (see “Posting Manual Journal Entries” on page 42); however, Millennium makes the vast majority of entries automatically while it processes payroll and creates the resulting ACH files.

This chapter explains the logic used by Millennium to make the following entries:

- Billing Journal Entries
- Direct Deposit Journal Entries
- Trust Journal Entries
- Tax Journal Entries

**Billing Journal Entries**

Invoices are created:

- Automatically, when Millennium processes payroll
  - or -
- Manually, when you use the System > Controller > AR > Invoices tab

Figure 2 is a T-account diagram of the entries made when an invoice is created and the funds are received:

<table>
<thead>
<tr>
<th>Line</th>
<th>Billing Cash</th>
<th>Billing A/R</th>
<th>Billing Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dr $20</td>
<td>Cr $20</td>
<td>Dr $20</td>
</tr>
<tr>
<td>2</td>
<td>$20</td>
<td>$20</td>
<td>$20</td>
</tr>
</tbody>
</table>

- Line 1: Payroll is processed & invoice is calculated –or– Manual invoice is created
- Line 2: ACH impound file is created –or– Check is received & posted

Figure 3 illustrates the system logic that creates billing journal entries automatically during payroll processing:
Direct Deposit Journal Entries

When a payroll is processed, Millennium calculates direct deposits based on information set up at the company and employee levels.

After payroll processing, the service bureau creates ACH files to impound the funds from the client and send the funds to the employee. After all of the ACH files are created, the direct deposit balance sheet zeroes out because nothing is owed to either the service bureau or the employee.

Figure 4 is a T-account diagram of the entries made when direct deposits are calculated, drafted from the client, and transmitted to employees:
Figure 4: Direct Deposit journal entries: T-accounts

<table>
<thead>
<tr>
<th></th>
<th>2-1 DD Cash</th>
<th>2-2 DD A/R</th>
<th>2-3 DD Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$50</td>
<td>$50</td>
<td>$50</td>
</tr>
<tr>
<td>2</td>
<td>$50</td>
<td>Cr</td>
<td>$50</td>
</tr>
<tr>
<td>3</td>
<td>Dr</td>
<td>$50</td>
<td>$50</td>
</tr>
</tbody>
</table>

- Line 1: Payroll is processed & employee direct deposits are calculated
- Line 2: ACH impound file is created to impound funds from client
- Line 3: ACH file is created to transmit direct deposits to employees

Figure 5 illustrates how the system creates direct deposit journal entries:

Figure 5: Direct Deposit journal entries: system logic
Trust Journal Entries

The trust ledger is used to track:

- Third-party agency funds collected on behalf of your client
- Trust payroll checks (payroll checks drawn on the service bureau bank account)

Agency Checks

Figure 6 is a T-account diagram of the entries made when an agency check is calculated, printed, and the ACH impound file is created:

Figure 6: Trust journal entries: T-accounts for agency checks

<table>
<thead>
<tr>
<th>Line</th>
<th>3-1 Trust Cash</th>
<th>3-2 Trust A/R</th>
<th>3-3-x Trust Liability</th>
<th>3-4-x Trust Liability, dep. pending</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dr $25</td>
<td>Cr $25</td>
<td>Dr $25</td>
<td>Cr $25</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>Cr $25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Dr $25</td>
<td>Cr $25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Line 1: Payroll is processed & agency deduction is calculated
- Line 2: Agency check is calculated
- Line 3: Agency check is printed
- Line 4: ACH impound file is created

Figure 7 illustrates how the system creates trust journal entries for agency checks:
Figure 7: Trust journal entries: system logic for agency checks

- Payroll is submitted
- Calculate agency deductions based on company & employee settings
  - Post journal entries:
    - Debit 3-2 [Trust A/R]
    - Credit 3-3-x [Trust Liability]
- Calculate agency checks based on frequency due & company calendar
  - Post journal entries:
    - Debit 3-3-x [Trust Liability]
    - Credit 3-4-x [Trust Liability, dep. pend.]
- Print agency checks
  - Post journal entries:
    - Debit 3-4-x [Trust Liability, dep. pend.]
    - Credit 3-1 [Trust Cash]
- Add credit entry to outstanding items list
  - Create ACH impound file
  - Post journal entries:
    - Debit 3-1 [Trust Cash]
    - Credit 3-2 [Trust A/R]
  - Add debit entry to outstanding items list
  - Post bank statement (including impound & agency check clearing), manually or via import
  - Clear debit & credit entries from outstanding items list
Chapter 4

Trust Checks

Figure 8 is a T-account diagram of the entries made when a trust payroll check is calculated, printed, and the ACH impound file is created:

Figure 8: Trust journal entries: T-accounts for trust checks

---

<table>
<thead>
<tr>
<th>Line</th>
<th>Trust Cash 3-1</th>
<th>Trust A/R 3-2</th>
<th>Trust Liability 3-3-x</th>
<th>Trust Liability, dep. pending 3-4-x</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Dr $30</td>
<td>Cr $30</td>
<td>Dr $30</td>
<td>Cr $30</td>
</tr>
<tr>
<td>2</td>
<td>$30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>$30</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Line 1: Payroll is processed & payroll is calculated
- Line 2: Payroll check is printed
- Line 3: ACH impound file is created

Figure 9 illustrates how the system creates trust journal entries for trust checks:

Figure 9: Trust journal entries: system logic for trust checks

---

1. Payroll is submitted
   - Calculate payroll checks
   - Post journal entries: Debit 3-2 [Trust A/R] Credit 3-3 [Trust Liability]
   - Print payroll checks
   - Post journal entries: Debit 3-3 [Trust Liability] Credit 3-1 [Trust Cash]
   - Add credit entry to outstanding items list
   - Post bank statement (including impound & payroll check clearing), manually or via import
   - Add debit entry to outstanding items list
   - Clear debit & credit entries from outstanding items list
**Tax Journal Entries**

*Figure 10* is a T-account diagram of the entries made when a tax liability and deposit are calculated, the ACH impound is created, and the tax is paid:

*Figure 10: Tax journal entries: T-accounts*

<table>
<thead>
<tr>
<th>Line</th>
<th>Dr</th>
<th>Cr</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>$10</td>
</tr>
<tr>
<td>2</td>
<td>$10</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>$10</td>
<td>$10</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>$10</td>
</tr>
</tbody>
</table>

- Line 1: Payroll is processed & tax liabilities are calculated
- Line 2: Tax deposit is calculated
- Line 3: ACH impound file is created
- Line 4: Tax payment ACH or check is created

*Figure 11* illustrates how the system creates tax journal entries:
Payroll is submitted

Calculate tax liabilities

Post journal entries:
Debit 5-2 [Tax A/R]
Credit 5-3-x [Tax Liability]

Create tax deposits

Add debit entry to outstanding items list

Create tax payment ACH file or Print tax check

Post journal entries:
Debit 5-4-x [Tax Liability, dep. pend.] Credit 5-1 [Tax Cash]

Add credit entry to outstanding items list

Post bank statement (including impound & tax payment clearing), manually or via import

Clear debit & credit entry from outstanding items list
Part 2 — Setup

The chapters contained in this section of the book concern the options you must choose to set up your service bureau general ledger.
Part 2 — Setup
Chapter 5

Setting Up the Service Bureau General Ledger

To configure your system to use the service bureau general ledger, you must perform the following major steps:

A. Set Up the Four Main Bank Accounts
B. Set Up Client Ledger Balances

The first step towards using Millennium to perform your daily reconciliation is setting up the service bureau general ledger screens properly.

The correct setup of the Millennium general ledger will assist in producing an accurate and timely reconciliation of your client funds.

Set Up the Four Main Bank Accounts

Note

Whether you are a new service bureau, a service bureau converting to Millennium, or a current Millennium user just beginning to use the service bureau general ledger, it is recommended that you open new bank accounts.

In order to reduce each reconciliation task to its most manageable form, bank accounts should be structured to mirror the ledger.

To do this, open the following bank accounts:

- Billing
- Direct Deposit
- Trust
- Tax

If you choose not to use this bank account structure, you can still use Millennium to reconcile; however, you will be reconciling two or more ledger accounts to one bank account.

Once you have opened your bank accounts, set them up in Millennium.

To create a new bank account in Millennium, perform the following steps:

Chapter 5

The system displays the Bank Accounts page, as shown in Figure 12:

Figure 12: Bank Accounts page

The Bank Data Import, Bank Reconciliation, and Reconciled Items tabs are discussed in Chapter 8, “Bank Reconciliation.”

2. To add a new service bureau account, click on the yellow asterisk button:

Figure 13: The yellow asterisk (new item) button

The system displays the Enter New Code for the Agency dialog:
3. Type the name of the bank account in the text field and click the OK button.

The system adds the new account to the item list on the Bank Accounts page (Figure 12 on page 30).

4. Be sure your new account is selected (highlighted in the items list) and click the General sub-tab:

![General sub-page]

From top-to-bottom and left-to-right, the fields on the General sub-page are as follows:

- **Description** Enter a description of the bank account.
- **Account** Enter the bank account's identifying number for normal (as opposed to ACH) processing.
- **Transit** Enter the bank account's ABA number for normal (as opposed to ACH) processing.
- **Next Check #** Enter the next check number to be used when the bank account is used. This number is updated with each processing.
- **Account/Transit for ACH** Enter numbers similar to the Account and Transit numbers—but the ones that pertain to ACH transactions.
Chapter 5

You must fill in these fields, even if they are identical to the values of the Account and Transit fields.

**Checking**  If you put a check in this check box, this account is identified as a checking account for ACH.

**Service Bureau Bank Account**  If you put a check in this check box, this account serves as a service bureau bank account. Because this guide deals with service bureau general ledger, be sure this check box is checked.

If you leave it unchecked, the system will not post any entries to the SBGL.

---

**Note**

If you leave the Service Bureau Bank Account check box unchecked, the system will not post journal entries for transactions using this bank account.

---

**Print Company Address on Check**  If you put a check in this check box, the company’s address will be included on printed checks.

5. Fill in the fields with the appropriate information.

6. Click on the Bank Information sub-tab:

![Bank Information sub-page](image)

Obtain the information for this sub-page from a copy of—or a cancelled check for—the account you are setting up.

From top-to-bottom and left-to-right, the fields on the Bank Information sub-page are as follows:

**ABA Transit Routing Number**  The system uses the value of the Transit field on the General sub-page as the default value of this field.

An example of routing numbers on a check is shown in Figure 17:
Fractional Routing Number

Enter the bank's fractional routing number, which is located on the face of its checks.

An example of a fractional routing number is shown in Figure 18:

For a complete explanation about the American Bankers Association (ABA) system of transit & fractional routing numbers, see the following sites (which were legitimate links at the time of publishing):

http://www.bankersonline.com/articles/bhv14n01/bhv14n01a9.html
http://www.sxlist.com/techref/ecommerce/bank/routingnumber/index.htm
http://www.findroutingnumbers.com/

Bank Name  Enter the name of the bank.

Address, City, State, Zip

Enter the bank's address information.
7. Fill in the fields with the appropriate information.

8. Click on the **Account Name/Address** sub-tab:

![Figure 19: Account Name/Address sub-page]

The name and address information that is printed on checks/vouchers defaults from the name & address information on the [company] > Company Maintenance > Master Company Setup > Demographics tab.

Use this sub-page if you want the printed name & address information using this account is different from the default information.

The fields on the Account Name/Address sub-page are as follows:

- **Name**  
  The name of the client company.

- **Address, City, State, Zip**  
  The address of the client company.

- **Country**  
  The country where the client is located.

- **Use this name/address on face of check**  
  Check this box if you want the Name and Address information entered on this tab to be printed on checks & vouchers for this account.

9. Fill in the fields with the appropriate information.

10. Click on the **Check Messages** sub-tab:
Use this sub-page to define text messages that will appear on the face of the check or direct deposit voucher.

The fields on the Check Messages sub-page are as follows:

**Check Message 1, 2** A message that will be printed on the check.

**Direct Deposit Voucher Message**

1. Fill in the fields with the appropriate information.
2. Click on the **Signature/Logo** sub-tab:

Use this sub-page to indicate which files to use for the signature and/or logos that will be printed on checks and vouchers drawn of the account.

The fields on the Bank Information sub-page are as follows:

**Signature** The full path to a file of an authorized signature. The file can be in JPG, GIF, or PNG format.

Click the ellipsis (...) button to browse for the file.
Chapter 5

**Logo**  The full path to a company logo file. The file can be in JPG, GIF, or PNG format.

Click the ellipsis (...) button to browse for the file.

**Print Logo on check**  Put a check in this check box if you want the logo to appear on the check.

13. Fill in the fields with the appropriate information.
14. Save your work by pressing [F11] or clicking the Save (diskette) icon.
15. Once you have created each bank account, proceed to the next section ("Set Up Client Ledger Balances").

**Set Up Client Ledger Balances**

Once you have set up your bank accounts, you are ready to start calculating and adding beginning balances to Millennium for each of your clients.

Calculating funds to transfer depends on whether you are starting:

- **As an Existing Millennium User**
  You are already using Millennium, but you are just starting to use the SBGL, you must start at a clean break—the beginning of a quarter.

- **As a New Millennium User**
  You have been using another software application, but are now converting to Millennium 3.

Use the **Beginning Ledger Balances tab** to work with beginning balances. For more explanations about the fields on that tabbed page, see Chapter 7, “The General Ledger Dialog.”

**As an Existing Millennium User**

Starting to use the SBGL at the beginning of a quarter allows you to skip the step of calculating beginning client balances since all tax deposits should have been created with the last payroll processing of the quarter. This allows you begin reconciling all of your clients at one time.

Here is a checklist to follow when using this method:

1. Set up new bank accounts in Millennium.
2. Set up process to receive electronic files from bank.
3. Set up and test bank file import in Millennium.
4. Set up the new bank accounts in each client’s company setup.
5. Set up additional transfers in each client’s company setup with the new quarter start date and add ending dates (the day prior to the new quarter start date) to the existing transfers.
6. Delete all ledger entries for each client.
   Contact Customer Service for help in setting up a scheduled task to run nightly.

7. Uncheck the Service Bureau Bank Account field on old bank accounts.

As a New Millennium User

If you are converting to Millennium from another payroll software, the steps are the same as "As a New Millennium User" except:

A. You set up transfers initially.

B. There is no need to delete ledgers.
Chapter 5
Chapter 6

Other General Ledger Features

Some of the other features included in the Millennium service bureau general ledger include:

- Viewing Balance Sheets
- Posting Manual Journal Entries
- Viewing Posted Journal Entries
- Closing a Period
- Creating User-Defined Accounts
- Creating ACH Fix Files Manually

This chapter explains each of these features.

**Viewing Balance Sheets**

You can view the billing, direct deposit, trust, or tax balance sheets either at an aggregate level or at an individual company level.

To view billing, direct deposit, and trust balance sheets, select **System > Controller > General Ledger** and click the appropriate tab for the aggregate balance sheets.

To view the balance sheet of a particular company, use the **Company** drop-down list in the page header to select the appropriate company.

An example of each kind of balance sheet follows.
• The **Billing Balance Sheet** tab:

**Figure 22: Billing Balance Sheet page**

![Billing Balance Sheet](image)

- **Description**
  - Cash: 597.21
  - A/R: 0.00
  - Total Asset: 597.21

- **Liabilities**
  - Total Liabilities: 0.00

- **Revenues**
  - Invoice 150076: 28.56
  - Interest: 568.65
  - Total Revenues: 597.21

- **Expenses**
  - Total Expenses: 0.00
  - Balance (Asset vs. Liab, Rev, Exp): 0.00

• The **Direct Deposit Escrow Balance Sheet** tab:

**Figure 23: Direct Deposit Escrow Balance Sheet page**

![Direct Deposit Escrow Balance Sheet](image)

- **Description**
  - Total Asset: 0.00
  - Total Liabilities: 0.00

- **Revenues**
  - Total Revenue: 0.00

- **Expenses**
  - Total Expenses: 0.00
• The **Trust Escrow Balance Sheet** tab:

**Figure 24: Trust Escrow Balance Sheet page**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>353.15</td>
</tr>
<tr>
<td>AR</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total Asset</strong></td>
<td>353.15</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>AR-DCSE</td>
<td>140.00</td>
</tr>
<tr>
<td>AR-MM</td>
<td>163.15</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>303.15</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>0.00</td>
</tr>
<tr>
<td>Balance (Asset vs Liab, Rev, Exp)</td>
<td>0.00</td>
</tr>
</tbody>
</table>

To view the tax balance sheets, select **System > Controller > Tax**:  

**Figure 25: Tax Escrow Balance Sheet page**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>2158.95</td>
</tr>
<tr>
<td>AR</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total Asset</strong></td>
<td>2158.95</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td>AR-DCSE</td>
<td>837.35</td>
</tr>
<tr>
<td>AR-PUTA</td>
<td>23.81</td>
</tr>
<tr>
<td>AR-MA</td>
<td>94.99</td>
</tr>
<tr>
<td>AR-MASII</td>
<td>208.61</td>
</tr>
<tr>
<td>AR-MBSII</td>
<td>508.00</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>2165.96</td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>0.00</td>
</tr>
<tr>
<td>Balance (Asset vs Liab, Rev, Exp)</td>
<td>0.00</td>
</tr>
</tbody>
</table>
Chapter 6

**Posting Manual Journal Entries**

Millennium will automatically post the majority of entries needed through processing of payrolls and the creation of ACH files. There will be times, however, when you may need to post an entry manually.

For example, if an item that was not generated by Millennium posts to your bank account (for example, bank fees), you must add the transaction to the ledger manually in order to reconcile your bank account.

To add a manual entry, perform the following steps:


   The system displays the Manual Journal Entries page, as shown in **Figure 26**:

   ![Manual Journal Entries page](image)

   2. Click on the *Journal Group ID* drop-down list and select **Add New Journal Group**.

      The system displays the Enter New Journal Group Name dialog, as shown in **Figure 27**:

      ![Enter New Journal Group Name dialog](image)

      The system creates a default name in the format shown in **Figure 27**. You can change the text, if desired.

   3. Name your journal group and click the *OK* button.

      The manual journal entry screen is presented in a grid format, as shown in **Figure 28**: 

      ![Manual Journal Entry Screen](image)
The top row of each grid contains the items that apply to each line in that entry. This information only needs to be entered one time in each grid. The subsequent rows in each grid contain the account numbers, descriptions (which are optional), and the debit or credit amount.

4. To create additional rows in the grid, simply hit the down arrow or tab keys.

---

**Note**

In order to post an entry, the debits and credits must balance. Additionally, if you have a 1 in the GL2 position, you must have a bank account in the header row. This allows Millennium to post a line item to the outstanding items tab for the appropriate bank account.

---

You can enter multiple entries on one screen.

5. Once you have completed one balanced entry simply hit enter and a new grid will appear.

6. Click the *Post Entries* button for any of the entries on the screen to be transferred to the ledger.

For explanations of the fields on this page, see "Manual Journal Entries tab" on page 55.
Viewing Posted Journal Entries

To view journal entries that have been posted to the ledger, perform the following steps:

1. Select the **System > Controller > General Ledger > Posted Journal Entries** tab.

The system displays the Posted Journal Entries page, as shown in Figure 29:

Figure 29: Posted Journal Entries page

2. Use the **Limit View By** and **Company** fields to filter the entries.

The combination of these fields allows you to view them by Entry Date, Ledger Date, Ledger, company, and entry date.

3. Click the **Get Posted Entries** button.

For explanations of the fields on this page, see “Posted Journal Entries tab” on page 56.
Closing a Period

**WARNING**

*Do not* select the System > Controller > General Ledger > Close Period tab. This feature should never be used.

Creating User-Defined Accounts

You may have a specific need for a general ledger account number that is not already set up in the ledger.

To define any GL3, perform the following steps:

1. Select the System > Controller > General Ledger > User Define Accts tab.

   The system displays the User Defined Accounts page, as shown in Figure 30:

   ![Figure 30: User Defined Accts page](image.png)

   - **Fees**
     - **Name:** Fees
     - **Account ID:** 001
     - **Description:** Bank Fees
     - **Type:** Expense
   
   - **Interest**
     - **Account ID:** 002
     - **Description:** Interest
     - **Type:** Revenue

Details:

**Fees**

- **Name:** Fees
  - This is an MPl defined account and cannot be changed
- **Account ID (GP):** 001
  - [Input note: if numeric, it must be greater than 99]
- **Description:** Bank Fees
- **Account Type:** Expense
Note
The only criterion is that if your user-defined account is numeric, it must be greater than 99.

2. Click the new button to add a new account.
3. Enter your new account name.
4. Next, enter the ID, description, and account type (asset, liability, revenue, or expense).
   When entering a manual journal entry, you can now enter your new account number in the GL3 field.
   For explanations of the fields on this page, see “User Define Accts tab” on page 57.

Creating ACH Fix Files Manually

When you process a payroll, Millennium creates ACH entries based on the information set up at the service bureau and company levels. Those ACH entries are stored in the ACH Warehouse.

The service bureau must then create the files from the ACH Warehouse and transmit them to the bank for processing.

Situations may arise that require you to create an ACH item outside of the regular payroll process. The creation of those ACH items are called an “ACH fix.”

Note
Because of the nature of creating an ACH item manually, Millennium does not post the journal entries automatically.

Any entries associated with the manually created ACH file must be posted through the manual journal entry screen in Millennium.

For steps on how to create an ACH item manually, please see the Automated Clearing House (ACH) Guide.
Part 3 — Reference

The chapter in this part of the book offers field-by-field explanations for each page of the general ledger pages.
Part 3 — Reference
Chapter 7

The General Ledger Dialog

Overview

To work with the service bureau general ledger in Millennium, select System > Controller > General Ledger.

The system displays several tabbed pages, each of which performs a different function and provides particular information. The system begins with the Beginning Ledger Balances tab and displays the subsequent tabs left-to-right in alphabetical order.

A brief explanation of each page follows.

Beginning Ledger Balances tab

When you select System > Controller > General Ledger, the system displays the Ledger Beginning Balances page (Beginning Ledger Balances tab), as shown in Figure 31:

![Figure 31: Ledger Beginning Balances page]

Millennium adds a beginning balance to this item list whenever you manually create a new one. The system never adds beginning balances automatically.
Chapter 7

Explanations of the columns of the item list are as follows:

**Company**  The code or ID that represents the company to which this ledger entry belongs.

**As Of**  The entry date of the entry.

**GL1, GL2, GL3**  The appropriate portions of the account to which this entry pertains.

**Amount**  The ledger entry’s beginning balance. If the amount is:
- Negative, a debit balance as a negative amount
- Enter a credit balance as a positive amount.

**D/C**  Indicates whether this is a debit or credit.

Explanations of the fields on the **Beginning Balance Entry** sub-tab are as follows:

**As of Date**  Enter the entry date.

**Ledger Acct**  Type the GL1, GL2, and GL3 entries for this account. Follow the chart of accounts.

**Amount**  Enter the ledger balance. If the balance is a:
- Debit, type a negative amount
- Credit, type a positive amount

**unmarked drop-down list**  Use this drop-down list to indicate whether this account is a debit or credit. Valid entries are:
- **C** — Credit
- **D** — Debit

To add a new beginning balance, perform the following:

1. Click on the yellow asterisk button:

   **Figure 32: The yellow asterisk (new item) button**

   ![Figure 32: The yellow asterisk (new item) button]

   The system displays the Choose a Company dialog:
2. Use the drop-down list to select the company in which you want to create a beginning balance for its ledger.

3. Click the OK button.

   The system adds the new ledger entry to the item list on the Ledger Beginning Balances page (Figure 31 on page 49).

4. Fill in the fields on the **Beginning Balance Entry** sub-tab with the appropriate information.

5. Save your work by pressing [F11] or clicking the diskette (save) icon.

**Billing Balance Sheet tab**

When you select the **Billing Balance Sheet** tab, the system displays the Billing Balance Sheet page, as shown in Figure 34:

Explanations of the field in the page header and columns of the item list are as follows:
Company  Use this drop-down list to determine the data you see. Valid entries are:

- a company code — to display the balance sheet for that specific company
- blank — to display an aggregate balance sheet for all companies

Description  This column indicates each particular line item.

Amount  This column indicates the monetary amount of each particular line item.

Close Period tab

If you select the **Close Period** tab, the system displays the Close Ledger Period page, as shown in Figure 35:

**Figure 35: Close Ledger Period page**

Close Ledger Period

Use this screen to close the service bureau general ledger for a month or other accounting period.

Once closed, you cannot make any changes to the ledger. You cannot add new entries, you can’t do anything.

This does **NOT** close the month for check reconciliation, only the ledger.

There is **NO** “reopen”. Once closed, there is no undo, and no going back.

**WARNING**

*Do not* select the **Close Period** tab. This feature should never be used.
Delete Ledger tab

When you select the **Delete Ledger** tab, the system displays the Delete All Ledger Entries page, as shown in Figure 36:

Use this page to delete all ledger entries for a particular company.

**Note**

Use this page cautiously, as there is no “undo” capability.

Explanations of the field in the page header and columns of the item list are as follows:

- **Company**: Use this drop-down list to select the company whose ledger you want to review or delete.
- **Co**: The code or ID that represents the company to which this ledger entry belongs.
- **Ledger Dt**: The date/time stamp of when this ledger entry (line item) was added to the item list.
- **gl1, gl2, gl3**: The appropriate portions of the account to which this entry pertains.
- **DC**: Indicates whether this is a debit or credit.
Chapter 7

**Amount** The ledger entry's beginning balance. If the amount is:
- Negative, a debit balance as a negative amount
- Enter a credit balance as a positive amount.

**Entry Dt** The date of the ledger entry.

## Direct Deposit Escrow Balance Sheet tab

When you select the **Direct Deposit Escrow Balance Sheet** tab, the system displays the Direct Deposit Escrow Balance Sheet page, as shown in **Figure 37:**

![Figure 37: Direct Deposit Escrow Balance Sheet page](image)

**Company** Use this drop-down list to determine the data you see. Valid entries are:
- a company code — to display the balance sheet for that specific company
- blank — to display an aggregate balance sheet for all companies

**Description** This column indicates each particular line item.

**Amount** This column indicates the monetary amount of each particular line item.
Manual Journal Entries tab

When you select the **Manual Journal Entries** tab, the system displays the Manual Journal Entries page, as shown in Figure 38:

![Figure 38: Manual Journal Entries page](image)

Explanations of the field in the page header and columns of the item list are as follows:

**Journal Group ID**  The name of this group of entries.

**Delete Group**  Use this button to delete the group that is currently listed in the *Journal Group ID* field.
Chapter 7

**Posted Journal Entries tab**

When you select the *Posted Journal Entries* tab, the system displays the Posted Journal Entries page, as shown in *Figure 39*:

*Figure 39: Posted Journal Entries page*

Explanations of the fields and button in the page header are as follows:

**Limit View By**  Use this drop-down list to narrow-down the entries you view on the page. Valid selections are:

- Today’s Entries
- Entries by Entry Date
- Entries by Ledger Date
- Only Billing
- Only Direct Deposit
- Only Trust Escrow
- Only Tax Escrow

**Company**  Enter a company code to narrow-down the entries you view on the page to those of that particular company.

**Date From, Thru**  Enter beginning and ending dates to narrow-down the entries you see to those that fall within that date range.

**Get Posted Entries**  Click on this button to see the posted journal entries, limited to those that meet the criteria you defined in the other fields.
**Trust Balance Sheet tab**

When you select the **Trust Escrow Balance Sheet** tab, the system displays the Trust Escrow Balance Sheet page, as shown in Figure 40:

![Figure 40: Trust Escrow Balance Sheet page](image)

Explanations of the fields in the page header and columns of the item list are as follows:

- **Company**  
  Use this drop-down list to determine the data you see. Valid entries are:
  - a company code — to display the balance sheet for that specific company
  - blank — to display an aggregate balance sheet for all companies

- **Description**  
  This column indicates each particular line item.

- **Amount**  
  This column indicates the monetary amount of each particular line item.

**User Define Accts tab**

When you select the **User Define Accts** tab, the system displays the User Defined Accounts page, as shown in Figure 41:
Figure 41: User Defined Accounts page

<table>
<thead>
<tr>
<th>Fees</th>
<th>Name</th>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest</td>
<td>Interest</td>
<td>002</td>
<td>Revenue</td>
</tr>
<tr>
<td>Fees</td>
<td>Bank Fees</td>
<td>001</td>
<td>Expense</td>
</tr>
</tbody>
</table>

Explanations of the columns of the item list are as follows:

- **Name**  The account name.
- **Account ID**  The code or ID that represents the user-defined account.
- **Description**  A brief explanation of this account.
- **Type**  The type of account.

Explanations of the fields on the Details sub-tab are as follows:

- **Name**  Enter the account name.
- **Account ID (gl3)**  Enter the account identifier.
- **Description**  Enter a brief explanation of this account.
- **Account Type**  Use this drop-down list to select the type of account you are defining. Valid entries are:
  - **Asset**
  - **Liability**
  - **Revenue**
  - **Expense**
Part 4 — How To

The chapters contained in this section of the book offer step-by-step instructions on how to perform various general ledger tasks in Millennium.
Part 4 — How To
Bank Reconciliation

The first step towards reconciling the service bureau general ledger daily is the bank reconciliation.

How often you can reconcile is limited by how often you receive a bank statement:

- If you receive a bank statement on a daily basis, you can reconcile daily.
  Most banks make their data available on a daily basis. Reconciling daily simplifies your reconciliation process to its most manageable size.
- If your bank does not send out daily statements, reconcile as often as you can.

Millennium performs reconciliation through the use of import files sent by the banks. The system interprets the data through the use of scripts, each one tailored for each bank and the format they use to provide the information.

**Note**

Millennium provides warning and error messages for imports that do not provide “clean” results. Errors must be researched and corrected. Warnings, however, are not always indications of trouble.

For example, a bank may include entry types (transaction codes) that are not industry standard. In such cases, Millennium indicates an “Invalid bankFileEntryType” warning. However, you can continue to proceed with your reconciliation process because the warning is not going to interfere with your accounting.

Be sure to check with Customer Support if you have any questions about warnings.

If you have trouble with your reconciliations, contact Customer Support.

**Setting Up Your Bank File Import**

If you receive your bank statement electronically, you must determine the file format: BAI, CSV, or fixed length. The format the bank sends you determines your bank file import settings.

To set up Millennium to import a BAI file, perform the following steps:

1. Select **System > Setup > Misc tab > Bank File Setup** option.

   The system displays the Bank File Setup page, as shown in **Figure 42:**
2. To add a new bank file setup account, click on the yellow asterisk button:

Figure 43: The yellow asterisk (new item) button

The system displays the Enter Code and Job Class for New Bank File Setup dialog:

Figure 44: Enter Code and Job Class for New Bank File Setup dialog

3. Enter an alphanumeric ID in the Enter a Code field.
   Do not use special characters. Use letters, numerals, and spaces only.

4. Use the Select a Job Class drop-down list to select the appropriate job class. Valid entries are:
• **BankFileBAI** — BAI file
• **BankFileGeneric** — CSV file

Select the job class according to the type of file you are importing. For more instructions, see the appropriate section:

• BAI Import Setup
• CSV Import Setup
• Fixed Length Import Setup

5. Click the **OK** button.
   The system returns you to the Bank File Setup page (Figure 42 on page 62).

6. In the **Bank File Setup** sub-tab, enter a concise explanation of what this bank file imports in the **Description** field.

7. Click on the **Properties** button.
   Enter the appropriate information according to the type of file you are importing. For more instructions, see the appropriate section:

   • BAI Import Setup
   • CSV Import Setup
   • Fixed Length Import Setup

8. To ensure that this import setup will work properly, click on the **Test Import** button.

**BAI Import Setup**

If you are setting up the bank file import definition for BAI (Bank Administration Institute) format:

• When you are at **Step 4**, select **BankFileBAI** in the **Select a Job Class** drop-down list.
• When you are at **Step 7**, the system displays the Bank File BAI Import properties dialog, as shown in Figure 45:
Explanations of the fields are as follows:

**Filename**
Enter the full path and file name of the file you wish to import. The path must be a UNC path that is visible to the process server.

**Matching Level**
Select the radio button that indicates the degree to which the system should work to match the bank transactions with your general ledger entries. Valid choices are:

- **No Matching** — do not try to match any items
  If you use this option, no items match when the file is imported.

- **Exact Matching** — use items that are exact matches
  If you use this option, the system matches items based on the transaction ID. This choice is rarely used.

- **Best Fit Matching** — use items that are close to exact matches
  If you use this option, the system matches items based on the amount, the company code, and the entry date. This choice is used most often.

**Match Bank Accounts using**
Select the radio button that indicates how you want to match bank accounts. Valid choices are:

- **Transit/Account**
  If you use this option, the system determines matches using the bank’s transit number (routing number) and account ID.

- **ACH Transit/Account**
  If you use this option, the system determines matches using the bank’s ACH transit number (routing number) and account ID.

- **Both**
  If you use this option, the system determines matches using both methods mentioned above.
**Post Matching Entries**  Put a check in this check box if you want the matched entries to post automatically.

**Print Report**  Put a check in this check box if you want to automatically print a report about the import.

You can print the report after reconciliation is complete, but this is not recommended.

**Report Printer**  Use this drop-down list to select the printer on which the report will print.

  a. Enter the appropriate information.
  b. Click the OK button.

---

**Note**

Because a BAI file contains discretionary fields that are bank-specific, you may have to write a script to map the discretionary field data. To ensure that as many entries as possible are matched in Millennium via the bank file import, it is recommended that you contact Customer Support prior to setting up your bank file.

---

**CSV Import Setup**

If you are setting up the bank file import definition for CSV (comma-separated values) format:

- When you are at Step 4 on page 62, select **BankFileGeneric** in the **Select a Job Class** drop-down list

- When you are at Step 7 on page 62, the system displays the Generic Bank File Import properties dialog, as shown in Figure 46:
Explanations of the fields are as follows:

**Filename**  Enter the full path and file name of the file you wish to import.

**File Type**  Select **CSV** from the drop-down list.

**Matching Level**  Select the radio button that indicates the degree to which the system should work to match the bank transactions with your general ledger entries. Valid choices are:

- **No Matching** — do not try to match any items
  If you use this option, no items match when the file is imported.

- **Exact Matching** — use items that are exact matches
  If you use this option, the system matches items based on the transaction ID. This choice is rarely used.

- **Best Fit Matching** — use items that are close to exact matches
  If you use this option, the system matches items based on the amount, the company code, and the entry date. This choice is used most often.

**Match Bank Accounts using**  Select the radio button that indicates how you want to match bank accounts. Valid choices are:

- **Transit/Account**
  If you use this option, the system determines matches using the bank's transit number (routing number) and account ID.
• **ACH Transit/Account**
  If you use this option, the system determines matches using the bank’s ACH transit number (routing number) and account ID.

• **Both**
  If you use this option, the system determines matches using both methods mentioned above.

**Post Matching Entries** Put a check in this check box if you want the matched entries to post automatically.

**Print Report** Put a check in this check box if you want to automatically print a report about the import.

**Report Printer** Use this drop-down list to select the printer on which the report will print.

a. Enter the appropriate information.

b. Click the *Next* button.

The system displays the Generic Bank File Properties: Fixed Values dialog, as shown in Figure 47:

![Generic Bank File Properties: Fixed Values dialog](image)

- Choose whether or not you would like Millennium to read the bank transit, account number, entry type, and debit or credit from the file or if you would like that information to be fixed for this particular import.

- Click the *Next* button.
The system displays the Generic Bank File Properties: CSV dialog, as shown in Figure 48:

![Generic Bank File Properties: CSV dialog]

**e.** Enter the field positions for each type of data listed.

---

**Note**

This dialog is usually left blank; a script is written to position fields.

---

**f.** Click the **Finish** button.

The system returns you to the Bank File Setup page (Figure 42 on page 62).

**g.** Click the **Test Import** button to test your import configuration.

---

**Fixed Length Import Setup**

If you are setting up the bank file import definition for fixed length format:

- When you are at **Step 4** on page 62, select **BankFileGeneric** in the **Select a Job Class** drop-down list.

- When you are at **Step 7** on page 62, the system displays the Generic Bank File Import properties dialog, as shown in Figure 49:
Explanations of the fields are as follows:

**Filename**  Enter the full path and file name of the file you wish to import.

**File Type**  Select **Fixed Len** from the drop-down list.

**Matching Level**  Select the radio button that indicates the degree to which the system should work to match the bank transactions with your general ledger entries. Valid choices are:

- **No Matching** — do not try to match any items
  
  If you use this option, no items match when the file is imported.

- **Exact Matching** — use items that are exact matches
  
  If you use this option, the system matches items based on the transaction ID. This choice is rarely used.

- **Best Fit Matching** — use items that are close to exact matches
  
  If you use this option, the system matches items based on the amount, the company code, and the entry date. This choice is used most often.

**Match Bank Accounts using**  Select the radio button that indicates how you want to match bank accounts. Valid choices are:

- **Transit/Account**
  
  If you use this option, the system determines matches using the bank’s transit number (routing number) and account ID.
• **ACH Transit/Account**
  If you use this option, the system determines matches using the bank's ACH transit number (routing number) and account ID.

• **Both**
  If you use this option, the system determines matches using both methods mentioned above.

**Post Matching Entries**
Put a check in this check box if you want the matched entries to post automatically.

**Print Report**
Put a check in this check box if you want to automatically print a report about the import.

**Report Printer**
Use this drop-down list to select the printer on which the report will print

a. Enter the appropriate information.
b. Click the **Next** button.

The system displays the Generic Bank File Properties: Fixed Values dialog, as shown in **Figure 50**:

**Figure 50: Generic Bank File Properties: Fixed Values dialog**

![Generic Bank File Properties: Fixed Values dialog](image)

c. Choose whether or not you would like Millennium to read the bank transit, account number, entry type, and debit or credit from the file or if you would like that information to be fixed for this particular import.
d. Click the **Next** button.
The system displays the Generic Bank File Properties: Fixed Length dialog, as shown in Figure 51:

Figure 51: Generic Bank File Properties: Fixed Length dialog

- Enter the starting position and length for each type of data listed.
- Click the Finish button.

The system returns you to the Bank File Setup page (Figure 42 on page 62).

- Click the Test Import button to test your import configuration.

**Importing Your Bank Statement**

To import your bank statement, perform the following steps:

1. Select System > Controller > Cash > Bank Data Import tab.

   The system displays the Bank Import Data page, as shown in Figure 52:
2. To add a new bank file import, click on the yellow asterisk button:

   Figure 53: The yellow asterisk (new item) button

   The system displays the bank file import options you can select:

   Figure 54: New bank file import options

3. Select the type of bank import file you are importing.
   The system displays the following message:
4. Click the **OK** button.

5. Check the job’s success by selecting **System > Operations > Job Queue** tab.
   - If the job was unsuccessful, determine the error, handle it accordingly, and try again.
   - If the job was successful, proceed to the next step.

6. Refresh the screen to review the status of the import

   The system displays the **General** sub-tab, showing the transaction type, the number of open items, and number of matched items, as shown in Figure 56:

   ![Figure 56: The General sub-tab](image)

   If the imported bank file is a BAI file and contains summary information, that information is displayed on the **Summary** sub-tab, as shown in Figure 57:
You can view the summary data for all accounts or by a single account using the *Account Filter* drop-down list.

7. Once you have imported your bank file, you must handle any unmatched items not posted during the bank import.

To review for unmatched items, click on the *Record Details* sub-tab. The system displays a list of unmatched records, as shown in Figure 58:
All amounts are positive. Bank item credits match to journal entry debits and vice versa.

You can filter the list by account or record type.
8. Be sure the Include Matched Entries check box is **not** checked.
9. Right-click on any item on the list to reveal a pop-up list of options.

If you click on an **Matched** item, the options shown in **Figure 59** are available:
If you click on an **Open** item, the options shown in Figure 60 are available:

10. If you are looking at an **Open** item, select **Match** to choose the matching entry. When you select **Match**, the system displays the Bank File Transaction dialog, Reconcile Entry Matching page, as shown in Figure 61:
11. If no matching items are available, uncheck the *Only show reasonable matches* check box to show all open cash items for that company number, as shown in Figure 62:

**Figure 62: Reconcile Entry Matching dialog**
12. If there are still no matching entries available in this dialog, review the Bank Reconciliation tab for possible matching entries. If you:

- Find a matching entry, clear the entry (see Step 5 and beyond under “Bank Reconciliation” on page 78)
- Do not find an entry, you must post a journal entry to record the item (see “Viewing Posted Journal Entries” on page 44)

**Bank Reconciliation**

Perform the following steps:

1. Select **System > Controller > Cash > Bank Reconciliation** tab.
2. Choose the appropriate bank account.

   - If you have used the bank reconciliation screen already, skip to Figure 64 on page 79.
   - If this is the first time you use the bank reconciliation screen, the system displays the Beginning Balance dialog, as shown in Figure 63:

   ![Beginning Balance dialog](image)

   - Enter a beginning balance in the *Balance* field.
   - Enter a beginning balance date in the *Date* field.
     - The date must be prior to the first entry date on the SBGL. It is recommended that you use *1/1/1980*.
   - Click the *OK* button.

   The system displays the Bank Reconciliation page, as shown in Figure 64:
3. Enter the statement date in the *Statement Date* field.
4. Enter the ending balance in the *Ending Balance* field.
   
   All items cleared via a bank file import will have a check mark in the *Clr* column and be highlighted in dark blue or gray, as shown in Figure 64.
5. Check off any entries not cleared by a bank file import.
6. Once the difference between the ending balance and beginning balance is equal to the net of deposits and payments cleared, click the *Reconcile Now* button at the bottom of the page.
   
   The system requests confirmation of the reconciliation, as shown in Figure 65:

   ![Image of Bank reconciliation confirmation dialog]

   **Figure 65: Bank reconciliation confirmation dialog**

   7. Click the *OK* button.
   
   The system returns you to the Bank Reconciliation page with the items cleared.
8. Repeat these steps for all bank statements.

What does the highlighting on the Bank Reconciliation page mean?

There are two types of coloring for the SBGL Bank Reconciliation screen: “normal” entries have a pale color; “highlighted” entries can be in dark blue, green, or gray. The highlighted colors indicate the following:

- Blue — These items are cleared via import; that is, they matched an entry that was imported as part of the bank file import.
- Green — These items have an effective date on or before the statement date.
- Gray — These items are a future date; they are past the statement date.

Reconciled Items

To view a summary of all completed bank reconciliations, perform the following steps:

1. Select System > Controller > Cash > Reconciled Items tab.

   The system displays the Reconciled Items page, as shown in :

   ![Reconciled Items page](image)

2. Use the Account drop-down list to select the appropriate bank account.
3. Use the *Reconciled Period* drop-down list to select the appropriate reconciled period. The system displays the details of the reconciliation, including opening and closing balances and cleared items.
Ledger Reconciliation

After you have reconciled your bank statements, you should reconcile your ledger balances to the adjusted bank balance. This step ensures that your balance sheets are in sync with your bank balances.

Figure 67 illustrates the ledger reconciliation process:

Figure 67: Ledger reconciliation process

1. Run report MPI_5301 (GL Balance Sheet)
2. Run report MPI_5204 (Uncleared Items)
3. Open Bank Reconciliation and Ledger Reconciliation spreadsheets
4. Populate Ledger Reconciliation spreadsheet
5. Is the variance = $0?
6. Identify and resolve discrepancy
7. Save the spreadsheet
8. Re-run report MPI_5301 (GL Balance Sheet)
9. Re-run report MPI_5204 (Uncleared Items)
The formula for the ledger reconciliation is a simple one:

\[(\text{Ending Bank Balance}) \ (\pm) \ (\text{Uncleared Items}) = (\text{Ledger Balance})\]

**Ledger Reconciliation Format**

The ledger reconciliation formula is as follows:

Figure 68: Ledger reconciliation format

---

### Variances

Chapter 4, “The General Journal” states that each time an entry posts to a Millennium cash account (that is, \(\text{GL2} = 1\)), an entry is added to the Outstanding Items tab so that the item will be available for clearing when it hits the appropriate bank account. If an error occurs that causes an entry to post to a cash account without a bank account being specified, the ledger will not balance with the bank.

The first step to researching variances is to run the MPI_5203 (SB Ledger Activity) report. Filter the report to return only entries posted to \(\text{GL2} = 1\) for a specified time period. The report lists the bank account associated with each entry. You can quickly scan the report to find the entry that is missing a bank account.

To correct the incorrect entry, post a new manual journal entry offsetting the incorrect entry with no bank account and reentering the entry with a bank account. The result will be a debit and credit to the same account in which one line has a bank account and one line does not.

You can then re-run the MPI_5204 (Uncleared Items) report and populate your reconciliation spreadsheet with the updated information. This step should correct any variances that existed on the prior reconciliation.
Returned Items

When bank drafting your clients (taking money from your clients via ACH) and sending direct deposits, some ACH items are inevitably returned. Whether they are debits or credits, it is very important that you address them quickly to mitigate your risks.

Using your bank statement, identify those items that are returns. The items are typically included in the statement from the bank in one lump sum for credits and another lump sum for debits.

The bank typically supplies a separate report that provides the details of each returned line item deposit or deduction. You must have that detailed report to identify both the clients and the specific line items.

The process for handling returns is also dependent on whether:

- All of your returns are posted to a single bank account (see “Returns Posted to a Single Account” below)
- or -

- Your returns are posted to the accounts through which the deposit or payment originally flowed (see “Returns Posted to Individual Accounts” on page 86)

In either case, you must set up a user-defined account for returned items. For more information, see “Creating User-Defined Accounts” on page 45.

Returns Posted to a Single Account

Returns Deposited in Your Bank Account

For returns that are deposited in your bank account, perform the following steps:

1. Create a manual journal entry to post individual returns to each client’s ledger as a debit to $x-1$, where $x$ equals the ledger associated with the bank account from which the returns are offset.

   For example, if your returns are offset against the trust bank account, debit 3-1 (or whichever ledger you reconcile to your trust bank account).

2. Create a manual journal entry to make the offsetting credit go to 3-5-Returns.

3. Create an ACH Fix file to return these funds to the client.

4. When the ACH Fix file is posted, post it as a credit to 3-1 and a debit to 3-5-Returns.
5. Notify the client that you are returning the funds to them so that they may give the funds to the employee (if it is a returned direct deposit).

Returns Deducted from Your Bank Account

For returns that are deducted from your bank account (bounced drafts), perform the following steps:

1. Create a manual journal entry to post the individual returns to each client’s trust balance sheet as a credit to 3-1.
2. Create a manual journal entry to make the offsetting debit go to 3-5-Returns.
3. Notify the client and make arrangements to recover the funds.
4. [Optional] You can put the account on administrative hold in order to prevent further processing.

Returns Posted to Individual Accounts

Returns Deposited in Your Bank Account

For returns that are deposited in your bank account, perform the following steps:

1. Create a manual journal entry to post individual returns to each client’s ledger as a debit to x-1, where x equals the ledger associated with the bank account from which the return was offset.
   
   For example, if the returned item you are posting was a rejected direct deposit, debit 2-1.
2. Create a manual journal entry to make the offsetting credit go to 2-5-Returns.
3. Create an ACH Fix file to return these funds to the client.
4. When the ACH Fix file is posted, post it as a credit to 2-1 and a debit to 2-5-Returns.
5. Notify the client that you are returning the funds to them so that they may give the funds to the employee (if it is a returned direct deposit).

Returns Deducted from Your Bank Account

For returns that are deducted from your bank account (bounced drafts), perform the following steps:

1. Create a manual journal entry to post the individual returns to each client’s balance sheet as a credit to x-1.
2. Create a manual journal entry to make the offsetting debit go to x-5-Returns.
3. Notify the client and make arrangements to recover the funds.
4. [Optional] You can put the account on administrative hold in order to prevent further processing.
Chapter 11

SBGL Reconciliation Program

This chapter provides you with “best practice” recommendations for establishing your own service bureau general ledger reconciliation program.

Service bureaus should reconcile bank accounts and sub-ledgers on a daily basis. Here are some recommended steps to perform each day to ensure that each client’s SBGL account remains in balance.

**Daily Reconciliations**

1. Perform a bank reconciliation daily.
   a. Verify that all transactions that posted to bank statement are recorded in Millennium.
   b. Run the GL Bank Reconciliation report (MPI_5206) in summary or detail mode after the reconciliation is complete.
2. Perform a ledger reconciliation daily.
   a. Verify that every dollar in the bank account can be allocated to a specific client.
   b. Verify that there are sufficient funds to remit every payable.

**Daily Internal Control Review**

1. Run and review the GL Balance Sheet report (MPI_5301) daily and reviewed for the following:
   
   Assets = Liabilities + Revenue

   In other words, ensure that the Suspense balance = $0.
2. Run and review the Uncleared Items report (MPI_5204) daily for aged ledger entries that have not posted to the bank statement.
3. Run and review the Negative Liabilities report (MPI_5401) daily to ensure that no negative liabilities exist for a client.
   
   Client negative liabilities indicate more taxes have been paid than funds collected for that tax.
4. Review your Accounts Receivable daily to ensure that items in the receivable accounts are valid.
Note

If the service bureau is 100% ACH, any balances in the receivable accounts should be also in the ACH warehouse. Clearing the ACH warehouse of all transfers and direct deposits should result in $0 receivable balances.
This chapter describes the reports you can use in Millennium to manage the service bureau general ledger. They include:

- Tax Liability vs. Tax Ledger Report (MPI_4003)
- SB Ledger Activity (MPI_5203)
- Uncleared Item Report (MPI_5204)
- Marked to Clear (MPI_5205)
- GL Balance Sheet (MPI_5301)
- Negative Liabilities (MPI_5401)
- Bank Import Details (MPI_5402)
- Bank Import Transactions (MPI_5403)

**Tax Liability vs. Tax Ledger Report (MPI_4003)**

The Tax Liability vs. Tax Ledger report was created to identify variances between the miscellaneous checks tab and the SBGL balances in Millennium. To obtain accurate results on the report, the tax ledgers in the SBGL must be an accurate reflection of what has been impounded and paid for each client in Millennium. Additionally, all tax payments paid must be recorded on the Miscellaneous Checks tab in Millennium.

For more information, see the MPI_4003 Tax Liability vs. Tax Ledger Report task sheet.

**SB Ledger Activity (MPI_5203)**

You can run the SB Ledger Activity report at the:

- System level for all companies or a company set
  - or -
- Company level for information regarding a specific client

The report lists entries made to each ledger account for the dates you specify.

For more information, see the MPI_5203 SB Ledger Activity Report task sheet.
Chapter 12

**Uncleared Item Report (MPI_5204)**

The Uncleared Item Report is a list of items that have not cleared the bank as of the last bank reconciliation performed in Millennium.

The report prints a separate page for each bank account set up in Millennium.

For more information, see the *MPI_5204 Uncleared Item Report* task sheet.

**Marked to Clear (MPI_5205)**

The Marked to Clear report lists all transactions for which the *Clr* box is checked on the Bank Reconciliation tab (see Figure 64 on page 79).

For more information, see the *MPI_5205 Marked to Clear Report* task sheet.

**GL Balance Sheet (MPI_5301)**

The GL Balance Sheet report is the report version of the various balance sheet tabs in Millennium.

For more information, see the *MPI_5301 GL Balance Sheet Report* task sheet.

**Negative Liabilities (MPI_5401)**

The Negative Liabilities report is an exception report that returns a value for liabilities (GL2 = 3 or 4) on the direct deposit, trust, or tax balance sheets (GL1 = 2, 3, or 5) that are less than zero at the time the report is run.

This control report can be monitored to ensure total payments have not exceeded liabilities.

Additionally, if returned ACH items are posted to a liability account (GL2 = 3 or 4), the report can be used to monitor bounced drafts.

For more information, see the *MPI_5401 Negative Liabilities Report* task sheet.

**Bank Import Details (MPI_5402)**

The Bank Import Details report is run each time a bank file is imported if the "Print Report" box is checked when setting up the bank file import.

For more information, see the *MPI_5402 Bank Import Details Report* task sheet.
Bank Import Transactions (MPI_5403)

The Bank Import Transactions report is a companion report to the Bank Import Details report (MPI_5402) and gives details of all of the transactions included in the bank file import.

For more information, see the MPI_5403 Bank Import Transactions Report task sheet.
This chapter walks you through the steps to set up a report to look up trust and agency checks posted to the service bureau general ledger. You will be able to find the check date, check amount, bank account, and cleared date associated with the check.

To find specific information regarding a service bureau check, you will use the SB Ledger Activity report (MPI_5203).

---

**Note**

You must run the report from the company level, not the system level. Therefore, you will need to know the company associated with the check.

---

To set up the report, perform the following steps:


   The system displays the lookup filters on the Miscellaneous page, as shown in Figure 69:
2. To add a new lookup filter, click on the yellow asterisk button:

   Figure 70: The yellow asterisk (new item) button

The system displays the Enter New Code dialog:

   Figure 71: Enter New Code dialog

3. Enter **Check** in the text field and click the **OK** button.

   The system returns you to the Miscellaneous page and places the cursor in the Code Setup sub-page, as shown in Figure 72:
4. Enter **Check Number** in the **Description** field.

5. Enter the following into the **Filter SQL** text box:

```sql
//RETURNS NUMBER SSbentries.checknumber
SELECT e.checknumber as [Key], e.checknumber AS [Desc]
FROM SSbentries e
```

6. Click the diskette (Save) icon or press **F11** to save the new lookup filter.

7. Add report **MPI_5203** (SB Ledger Activity) to the company’s **Reporting** node, as shown in **Figure 73**:

8. Right-click on the report and select **Properties** from the pop-up menu.

9. Select the **Date Selection** tab.

10. Enter a date range that includes the date the check was processed. The range should be as narrow as possible.

11. Select the **Data Selection** tab.

12. In the **Range 1** drop-down list, select **Check**.

13. Enter the check number that you are researching in the **From** and **Thru** fields.

14. Put a dot in the **Current Company** radio button.

     Your Data Selection page should look similar to the example in **Figure 74**:
15. Select the Additional Formulas tab.

16. Enter GL3 in the Formula Value column for Ledger Info 1.

17. Enter Payroll in the Formula Value column for Ledger Info 2.

18. Enter Check Number in the Formula Value column for Ledger Info 3.


20. Put a check in the Include No Co check box.

21. Leave the Formula Value column for GL1 blank.

22. Enter 1 in the Formula Value column for GL2.

23. Enter All in the Formula Value column for GL3.

24. Leave the Formula Value column for GL Amount Threshold blank.

Your Additional Formulas page should look similar to the example in Figure 75:
25. Click the OK button.
   
   Now you are ready to run the report
   
   If the Date Cleared field is not populated, the check has not cleared as of the most recent bank reconciliation.
Chapter 13
This chapter guides you through explanations and solutions to common problems within the service bureau general ledger.

This chapter covers the following topics:

- Suspense Account Balances
- Negative Liabilities On Balance Sheet
- Payments or Deposits Duplicated on Bank Reconciliation Page
- Transaction From Bank Statement Not Posted in Millennium
- Aged Transaction on Uncleared Item Report
- Negative A/R on Balance Sheet
- Manual Journal Entry
  - Invalid GL2 Account Error Message
- Bank File Import
  - Another SBankFileImport Record Exists with Same File ID Error Message
- Asset/Liability Variance

**Suspense Account Balances**

If your suspense account has a balance, review Table 5 for the possible cause, explanation, and solution:

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
</table>
| Transfers were blocked during payroll processing. | The entry posted during GenTaxLiab job to credit liability and debit suspense. No GenACHTrans job ran; therefore, no entry was posted to debit A/R and credit suspense. | Depending on the individual situation, post a manual journal entry to either:  
  - debit Liabilities and credit Suspense  
  - debit Cash and credit Suspense |
| Quarterlies were reset after ACH Credit or EFT Debit payment files were created. | During the process payments portion of performing quarterlies, entries are posted to debit 5-3-\(x\) and credit 5-4-\(x\). When the ACH file is created, an entry is posted to debit 5-4-\(x\) and credit 5-1. If the quarterlies are reset at this point, entries are posted to debit 5-4-\(x\) and credit 5-9. | Because quarterlies were reset, the ACH file should not have been sent. You must:  
  - Reverse the ACH file that was originally created.  
  - Post an entry to debit 5-9-\(x\) and credit 5-4-\(x\). |
**Table 5: Causes of Suspense account balances (2 of 2)**

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
</table>
| Beginning balances were added using the **Beginning Ledger Balances** tab.     | You use the **Beginning Ledger Balances** tab when your service bureau begins using the SBGL and chooses not to open new bank accounts. Your organization uses this tab to allocate its current balances among clients, which is accomplished by building the balance sheet for each client. Millennium does not perform edit checks to ensure that the assets equal the liabilities when adding beginning balances. | You must:  
  - Select the company.  
  - Enter the beginning balance **Balance Thru** date.  
  - Ensure that Assets = Liabilities.  
  - If they are not equal, correct the amounts and/or accounts entered. |
| This was a setup run and a Tax Service was set to **Notice** on the **Services** tab that includes the date of the setup run. | If the company’s Tax Service is not set to **Notice** on the date of the setup run, Millennium treats the payroll as though transfers are being blocked (it will credit Liabilities and debit Suspense). | Post a journal entry to:  
  - debit the individual Liabilities – and –  
  - credit the Suspense account |
| When the payroll processed, the Tax Transfer destination account was a service bureau account, but the Service Level field was set to **None** or **Mini**. | When the payroll processed, Millennium posted entries to debit 5-2 and credit 5-9 based on the tax transfer setting (select **Company Maintenance > Master Company Setup > Transfers** tab > **Tax type > Destination Account** field).  
  Since the tax service level was not set to **Full** (select **Company Maintenance > Master Company Setup > Services** tab > **Tax service > Service Level** field), Millennium did not post the entry to credit the Liabilities and debit the Suspense account. | Depending on the individual situation, post a manual journal entry to either:  
  - credit Liabilities and debit Suspense – or –  
  - credit Cash and debit Suspense |
| A tax liability was manually added on the **Tax Liability** tab (either [company] > **Payroll Manager** or System > **Tax > Manage**) and L (liability) was selected in **Transaction Type**, but the **Create Impound** check box was left empty. | When the liability was manually added, the service bureau general ledger was updated to reflect the additional liability.  
  Since no impound was created, Millennium did not update an asset account; therefore, the offset to the liability was posted to the suspense account. | What you do depends on the situation:  
  - If the funds need to be impounded (or refunded in the case of a negative liability), create an ACH fix file and post a manual journal entry to Cash with the offset to Suspense.  
  - If the service bureau is not accepting the liability, post a manual journal entry to reverse the entry posted to the Liability with the offset to Suspense. |
| The client is a **Full** tax service client and the tax deposit method is set to **None** for any tax codes included in the payroll run. | When the payroll processed, based on the company’s Tax Service and Tax Transfer setup, Millennium debits A/R (5-2) and credits Suspense (5-9).  
  Because the tax deposit method is set to **None**, Millennium does not credit the Liability and debit 5-9.  
  This results in a Suspense account balance. | What you do depends on the situation:  
  - If the tax should be paid, post a manual journal entry to credit Liability and debit Suspense.  
  - If the tax deposit generated when the payroll was processed, create a miscellaneous check to pay the tax by the appropriate method in order to make the payment from your service bureau bank account. |
**Negative Liabilities On Balance Sheet**

If your balance sheet contains negative liabilities, review Table 6 for the possible cause, explanation, and solution:

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Both of these statements are true:</td>
<td>The service bureau is paying the liabilities but has not collected all of the funds from the client.</td>
<td>You must:</td>
</tr>
<tr>
<td>• The negative liability is for a client who started during the quarter.</td>
<td></td>
<td>• Create an ACH Fix file to draft the client.</td>
</tr>
<tr>
<td>• You collected all taxes prior to the client's start date that you have paid.</td>
<td></td>
<td>• Post a journal entry to credit 5-3-x and debit 5-1.</td>
</tr>
<tr>
<td>• Funds were collected at the old rate prior to the rate change and at the new rate after the rate change. If the rate increased, funds need to be collected for additional SUI due.</td>
<td></td>
<td>• Implement a procedure to collect prior quarter taxes that will be paid from Millennium when loading year to dates for new clients.</td>
</tr>
<tr>
<td>Both of these statements are true:</td>
<td>The ACH tax payment file or the EFT Debit file was recreated without reversing the original file.</td>
<td>You must:</td>
</tr>
<tr>
<td>• The negative liability is for unemployment and the client is not a new start-up during the quarter.</td>
<td></td>
<td>• Create an ACH Fix file to draft the client.</td>
</tr>
<tr>
<td>• The SUI rate changed during the quarter.</td>
<td></td>
<td>• Post a journal entry to credit 5-3-x and debit 5-1.</td>
</tr>
<tr>
<td>• Journal entries are posted to debit 5-4-x and credit 5-1 each time a check is printed. Thus, the payment is recorded twice.</td>
<td></td>
<td>• Implement a procedure to run the SUI Audit Wizard when changing a SUI rate mid-quarter. You can also run the SUI Audit Wizard across all companies prior to running quarterlies.</td>
</tr>
<tr>
<td>A tax payment check was reprinted.</td>
<td>Journal entries are posted to debit 5-4-x and credit 5-1 each time a check is printed. Thus, the payment is recorded twice.</td>
<td>Reverse the original ACH or EFT file not sent to the bank. Be sure not to transmit the reversal file to the bank.</td>
</tr>
<tr>
<td>A second batch to void checks was processed without utilizing delete prior days deposit.</td>
<td>Voiding payroll checks can result in negative tax liabilities. If delete prior days deposit is not used and the tax deposit has already been generated, a negative balance in the 5-3 account will result.</td>
<td>Post a manual journal entry to void the duplicate check entry (debit 5-1 and credit 5-4-x).</td>
</tr>
<tr>
<td>In order to recover the taxes refunded with the payroll:</td>
<td></td>
<td>• Create an ACH fix file to impound the client.</td>
</tr>
<tr>
<td>• Post a journal entry to credit 5-3-x (where x equals the tax code) and debit 5-1.</td>
<td></td>
<td>• Post a journal entry to credit 5-3-x and debit 5-1.</td>
</tr>
<tr>
<td>Keep in mind that when/if another payroll processes within the same quarter and additional liabilities are incurred, the new tax deposit will be reduced by the negative amount. The amount of the negative liability will need to be refunded to the client at that time. If your service bureau is reasonably confident that another payroll with tax liabilities will be processed within the same quarter, you may choose to carry the negative balance.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Chapter 14

Payments or Deposits Duplicated on Bank Reconciliation Page

If you have duplicate payments or deposits on the Bank Reconciliation tab, review Table 7 for the possible cause, explanation, and solution:

Table 7: Causes of duplicate payments/deposits on the Bank Reconciliation screen

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ACH file or EFT Debit file was recreated without reversing the original file.</td>
<td>Journal entries are posted to debit or credit the cash account each time the ACH or EFT file is created. Thus, the payment or impound is recorded twice.</td>
<td>Reverse the original ACH or EFT file not sent to the bank. Be sure not to transmit the reversal file to the bank.</td>
</tr>
<tr>
<td>A tax payment check was reprinted.</td>
<td>Journal entries are posted to debit 5-4-x and credit 5-1 each time a check is printed. Thus, the payment is recorded twice.</td>
<td>Post a manual journal entry to void the duplicate check entry (that is, debit 5-1 and credit 5-4-x).</td>
</tr>
</tbody>
</table>

Transaction From Bank Statement Not Posted in Millennium

If a transaction from a bank statement did not post in your system, review Table 8 for the possible cause, explanation, and solution:

Table 8: Causes of a bank statement transaction not posting

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The transaction was initiated by the bank. Examples include an ACH rejection, bank fees, and so on.</td>
<td>If the transaction was not initiated by Millennium, you must post it manually.</td>
<td>Post the transaction by creating a manual journal entry.</td>
</tr>
<tr>
<td>The transaction was initiated by your service bureau outside of Millennium. Examples include a wire transfer, a transfer between accounts, and so on.</td>
<td>If the transaction was not initiated by Millennium, you must post it manually.</td>
<td>Post the transaction by creating a manual journal entry.</td>
</tr>
<tr>
<td>The transaction was initiated by your service bureau as an ACH Fix file and a manual journal entry was posted.</td>
<td>If the transaction was initiated by an ACH Fix file, you must post it manually.</td>
<td>Post the transaction by creating a manual journal entry.</td>
</tr>
</tbody>
</table>

Aged Transaction on Uncleared Item Report

If you have an aged transaction on the Uncleared Item report, review Table 9 for the possible cause, explanation, and solution:
Table 9: Causes of an aged transaction on the Uncleared Item report

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The ACH file was created but not transmitted to bank.</td>
<td>When an ACH file is created, entries are posted to credit or debit cash. If the ACH file is not transmitted to a bank, the payment or impound will never post to the bank statement.</td>
<td>Depending on the situation, either reverse or transmit the ACH file.</td>
</tr>
<tr>
<td>A manual journal entry was posted but no ACH Fix file or bank account transfer was generated to clear the cash entry.</td>
<td>If a manual journal entry is posted to Cash and the entry was not to record a transaction that already occurred, you have to generate an ACH fix file or bank account transfer in order to clear the cash entry.</td>
<td>Generate an ACH Fix file or bank account transfer.</td>
</tr>
</tbody>
</table>

**Negative A/R on Balance Sheet**

If you have a negative Accounts Receivable account on a balance sheet, review Table 10 for the possible cause, explanation, and solution:

Table 10: Causes of negative Accounts Receivable on the balance sheet

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>An ACH file was recreated without reversing the original file.</td>
<td>Journal entries are posted to debit or credit the A/R account each time the ACH file is created. Thus, the impound is recorded twice.</td>
<td>Reverse the original ACH file if it was not sent to the bank. Be sure you do not transmit the reversal file to the bank.</td>
</tr>
<tr>
<td>The payroll was deleted after the ACH files were created.</td>
<td>Journal entries are posted to debit A/R and credit liabilities when the payroll is processed. When the ACH file is created, journal entries are posted to debit Cash and credit A/R. If the payroll run is subsequently deleted, the entries to debit A/R and credit Liability are voided, thus leaving a credit balance in the A/R account.</td>
<td>Reverse the entire ACH file if it was not sent to the bank. If the file was sent to the bank, the balance sheet is accurate and you must determine if you need to transmit an ACH file that reverses the impound to the bank.</td>
</tr>
</tbody>
</table>

**Manual Journal Entry**

Invalid GL2 Account Error Message

Table 11: Causes of an invalid GL2 account error message in a manual journal entry

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is an extra row in the journal entry with only the GL1 field populated.</td>
<td>Hitting the Tab key while on the credit field on a journal entry causes an additional row to be available in the entry. The GL1 field defaults to the GL1 entered on the previous row.</td>
<td>Delete the additional row by highlighting the GL1 field on the invalid row and pressing Ctrl+D.</td>
</tr>
</tbody>
</table>
Bank File Import

Another SBankFileImport Record Exists with Same File ID Error Message

Table 12: Causes of another bank file import record

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The bank file is in the CSV format.</td>
<td>The bank file identifier that prevents a file from being imported twice is determined by the created date and time of the file. In some instances, overwriting the prior days' CSV file with the current file will only change the modified date and time of the file—not the created date and time.</td>
<td>Delete or rename the previously imported file from the network prior to saving the current file.</td>
</tr>
</tbody>
</table>

Asset/Liability Variance

Table 13: Causes of a variance of an asset or liability

<table>
<thead>
<tr>
<th>Possible Cause</th>
<th>Explanation</th>
<th>Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>All of the following are true:</td>
<td>Voiding a check in a payroll batch posts entries to both offset and void the original entries posted. If the check service is set to Printback, there is no journal entry to record the original check posted during the payroll processing. Accordingly, the offsetting entries are posted but there is no original entry to void. This results in a one-sided entry.</td>
<td>Contact Customer Support for assistance.</td>
</tr>
<tr>
<td>• The variance is on the trust ledger.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• The check service is set to Printback.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• A trust (service bureau) check was voided.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All of the following are true:</td>
<td>Voiding a check in a payroll batch posts entries to both offset and void the original entries posted. If the void differs in amount from the original check, the offsetting entries and the voided entries are different. This results in an Asset/Liability variance equal to the difference between the original and voided check.</td>
<td>Contact Customer Support for assistance.</td>
</tr>
<tr>
<td>• The variance is on the trust ledger.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• A voided trust account check differs in amount from the original check.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>For example, there was a direct deposit entry in the original check. If that entry was manually removed from the pay entry grid prior to processing the VM batch, the voided check is a different amount than the original check.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All of the following are true:</td>
<td>Delete prior days deposit looks for a process number prior to the current batch. If a deposit was manually added with a process number higher than the current batch, a one-sided entry is posted. Additionally, you will see an error on the job queue.</td>
<td>Contact Customer Support for assistance.</td>
</tr>
<tr>
<td>• The variance is on the tax ledger.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• The selection Delete prior days deposit was made on a batch.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• There was a manual deposit in the payroll manager on a prior batch within the same deposit period.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All of the following are true:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• The variance is on the tax ledger.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• The selection Delete prior days deposit was made on a batch.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• A deposit was manually added with a process number higher than the current batch to which the one-sided entry is posted. Additionally, you will see an error on the job queue.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• There was a manual deposit in the payroll manager on a prior batch within the same deposit period.</td>
<td></td>
<td></td>
</tr>
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