General Ledger

Back Office Reference Guide

Version 4

ORION™ *Perceptive Software.*
Measurable Results.

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About This Guide

This guide provides detailed instructions for using the General Ledger (GL) functions of the back office application developed by Orion Law Management Systems, Inc.

Audience

This guide is intended for use by back office personnel who perform GL functions.

Version

This guide corresponds to Version 4 of the Orion application.

Organization

This document includes the following chapters.

Chapter Title		Contents
1	General Ledger System Overview	Introduction to fundamental concepts for using the Orion General Ledger module
2	System Maintenance	Detailed instructions for setting up source codes and GL accounts
3	Transactions	Instructions for processing General Ledger transactions
4	End of Period Processing	Instructions for closing the month and the fiscal year
5	Financial Statements	Instructions for printing financial statements and setting up GL report styles
6	Account Status	Instructions for viewing the status of accounts and transactions
7	General Ledger Reports	Instructions for printing General Ledger reports

Conventions Used in This Guide

With the exception of Chapter 1, all chapters in this guide contain step-by-step instructions for performing specific system tasks. Each task in the chapter includes the following components:

- Introduction
- Prerequisites, if applicable
- Steps (detailed instructions, including screen illustrations)
- Field Descriptions

Related Documentation

For more information, see the following Orion guides:

- *Accounts Payable Back Office Reference Guide*
- *Accounts Receivable Back Office Reference Guide*
- *Administration Back Office Reference Guide*
- *Billing Back Office Reference Guide*
- *Desktop Back Office Reference Guide*
- *File Management Back Office Reference Guide*

Support Services

Orion Law Management Systems, Inc. offers several support options.

If you have a question about your software, first look in the printed documentation. If you cannot find the answer, use the following link to contact our support staff:

http://www.orionlaw.com/support.htm

Chapter 1

General Ledger System Overview

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Chapter Overview

This chapter provides an overview of the General Ledger system, including daily, special, and periodic processing.

Introduction to General Ledger

The Orion General Ledger module is the core application in all Orion accounting installations. The data structures controlled by this module form a complete record of your Chart of Accounts and the transactions posted to them.

In essence, the General Ledger module is where data from the other accounting modules is "collected" in order to create financial statements for the firm. At the end of every month, you perform the following tasks:

- Review and edit transactions
- Enter adjusting journal entries
- Post all transactions
- Create income statements and balance sheets

Various functions are included in the software to enable you to view all transactions related to any single or multiple accounts at the touch of a key. Balances for all accounting periods of current and prior fiscal years, budget data, and comparisons of the account balance to the previous period, or to the same period of the previous year, are equally easy to display.

The main work of this module is in processing transaction journal entries. Once the module has been properly set up, you can:

- Enter transactions individually
- Edit transaction data created by other modules
- Print lists of both posted and unposted transactions in a variety of formats for problem analysis
- Post transactions to individual General Ledger accounts

Recurring transactions can be set up and posted each month or as necessary.

The Report Styler program allows you to set up as many different types of financial statements as you need. The General Ledger module also includes a variety of standard journal and history reports.

Orion's Interface

Orion's General Ledger collects transactions created through posting in other applications. These transactions are gathered in the General Ledger for financial reporting purposes. All transactions appear in the General Ledger as Unapproved. This gives you one more opportunity to edit them before posting. You can approve and post General Ledger transactions at any time and as often as you wish. The frequency should be determined by your internal accounting procedures. If you run financials frequently throughout the month, you may wish to approve and post transactions several times in the month, maybe even daily. Most firms prefer to wait until the end of the month. You should evaluate your internal procedures and determine the frequency required to meet these procedures.

In addition to the General Ledger transactions created in each module, the Accounts Payable module feeds information into the Billing and Accounts Receivable module. Specifically, any time a voucher is posted that includes charges that have been distributed to a client-matter and entered with a client advance (CA) code, the client-matter file is updated with these expenses for billing. Additionally, you can create trust and retainer transactions in voucher entry that also update the client-matter's ledger file. Below is a more detailed explanation of these transactions as well as others. Understanding the path each transaction takes will help you maintain accurate balances and ensure you can make adjustments when necessary.

You can set up and review General Ledger interface accounts in Accounts Receivable, Accounts Payable, and General Ledger System Settings. Instructions are given in "Setting Up the System" on page 1-18.

For purposes of this explanation, let's assume your G/L Default Table looks like this:

Account Name	Account Number
Cash in Bank	1010
Accounts Receivable Fees	1030
Accounts Receivable Expenses	1060
A/R Client Advances	1065
Sales Tax Receivable	1070
Client Advances Unbilled	1050
Fees Uncollected	2100
Expenses Uncollected	2110
Client Advances Written Off	4030
Sales Tax Liability Offset	2115
Default Client Trust Account	9000
Trust Liability Account	9001
Unapplied Retainers	2090

Account Name	Account Number
Default Income- Fees	3000
Income - Expense	3100
Income – Interest	3200
Accounts Payable	2050

Orion Billing

Each time an invoice is posted or unposted or any type of payment, credit, etc. is posted in the Billing and Accounts Receivable module, a General Ledger transaction is created. Trust and retainer transactions also create General Ledger transactions. Trust and Retainer deposits and disbursements (TDP, RDP, TDS, and RDS) do not have to be posted. TAP and RAP transactions must be posted before General Ledger transactions are created.

Invoicing

When an invoice for fees ($1,200.00), expenses ($5.00), and client advances ($150.00) is created and posted, the following transactions are created:

Acct #	Invoice #12345	Debit	Credit
1030	A/R Fees	$1,200.00	
2100	Uncollected Fees		$1,200.00
1060	A/R Expenses	5.00	
2110	Uncollected Expenses		5.00
1065	A/R Client Advances	150.00	
1050	Unbilled Client Advances		150.00
	TOTAL	$1,355.00	$1,355.00

These transactions print on the AR to GL Transfer Report and the date of the transaction will be the date of the invoice.

Payments, Credits, Write-offs, etc.

Payments (PMT)

When a payment ($1,355.00 for Invoice 12345 as shown above) is received, entered, applied and posted, the following transactions are created:

Acct #	Payment of Invoice #12345	Debit	Credit
1030	A/R Fees		$1,200.00
2100	Uncollected Fees	$1,200.00	
1060	A/R Expenses		$5.00
2110	Uncollected Expenses	$5.00	

Acct #	Payment of Invoice #12345	Debit	Credit
1065	A/R Client Advances		$150.00
3000	Fee Income		$1,200.00
3100	Expense Income		$5.00
1010	Operating Account	$1,355.00	
	TOTAL	$2,560.00	$2,560.00

Retainer Applied as Payment (RAP)

When paying an invoice from available retainer funds, a Retainer Applied as Payment (RAP) is entered through the AR Entry program and the client trust/retainer account is automatically updated. The updated amount is immediately reflected in all client-matter screens and reports in the Billing and Accounts Receivable module. The applicable General Ledger transactions, however, are not created until the RAP is applied to the outstanding invoice and posted. Once applied and posted, the following transactions are created:

Acct #	Retainer Applied as Payment	Debit	Credit
1030	A/R Fees		$1,200.00
2100	Uncollected Fees	$1,200.00	
1060	A/R Expenses		5.00
2110	Uncollected Expenses	5.00	
1065	A/R Client Advances		150.00
3000	Fee Income		1,200.00
3100	Expense Income		5.00
2090	Unapplied Retainers	1,355.00	
	TOTAL	$2,560.00	$2,560.00

Trust Applied as Payment (TAP)

When paying an invoice from available trust funds, a Trust Applied as Payment (TAP) is entered through the AR Entry program and the client trust/retainer account is automatically updated. The updated amount is immediately reflected in all client-matter screens and reports in the Billing and Accounts Receivable module. The applicable General Ledger transactions, however, are not created until the TAP is applied to the outstanding invoice and posted. Once applied and posted, the following transactions are created:

Acct #	Trust Applied as Payment	Debit	Credit
9001	Client Trust Liability	$1,355.00	
9000	Trust Bank Account		$1,355.00
1030	A/R Fees		1,200.00
2100	Uncollected Fees	1,200.00	

Acct #	Trust Applied as Payment	Debit	Credit
1060	A/R Expenses		5.00
2110	Uncollected Expenses	5.00	
1065	A/R Client Advances		150.00
3000	Fee Income		1,200.00
3100	Expense Income		5.00
1010	Operating Account	1,355.00	
	TOTAL	$3,915.00	$3,915.00

Credits (CR) and Write Offs (WO)

Occasionally, an attorney will decide to credit or write off a client's outstanding Accounts Receivable balance. Credit and Write Off entries are made through the AR Entry program using a CR (credit) or WO (write off) code. (For information purposes, we will credit all of Invoice 12345). Credit and Write Off transactions are treated in the same manner as payment (PMT) transactions, RAPs, and TAPs. When a Credit or Write Off is entered, applied and posted, the following transactions are created:

Acct #	Credit Invoice #12345	Debit	Credit
1030	A/R Fees		$1,200.00
2100	Uncollected Fees	$1,200.00	
1060	A/R Expenses		5.00
2110	Uncollected Expenses	5.00	
1065	A/R Client Advances		150.00
4030	Client Advances Written Off	150.00	
	TOTAL	$1,355.00	$1,355.00

Retainer Deposit (RDP)

Most firms consider a retainer to be an advance payment for services rendered. In other words, the retainer is deposited directly into the operating account as income to the firm. Some firms consider this as a non-refundable deposit while others agree to bill against it. Occasionally, a client will overpay an invoice or may pay the same invoice twice. This would be treated as a Retainer Deposit.

When funds are received that are considered to be a retainer, the transaction is first entered as a Retainer Deposit (RDP) through the AR Entry program. The client-matter retainer account is automatically updated. The updated amount is immediately reflected on all client-matter screens and reports in the Billing and Accounts Receivable module. The applicable General Ledger transactions are immediately created as follows:

Acct #	Retainer Deposit ($300.00)	Debit	Credit
1010	Operating Account	$300.00	
2090	Unapplied Retainers		$300.00
	TOTAL	$300.00	$300.00

Trust Account Deposit (TDP)

When a new client-matter is set up, the system asks for a trust account number. This is so the system will know which account to use when trust transactions are entered.

When funds are received that are to be deposited into a trust account, the transaction is first entered as a Trust Deposit (TDP) through the AR Entry program. The client-matter trust account is automatically updated. The updated amount is immediately reflected on all client-matter screens and reports in the Billing and Accounts Receivable module. The applicable General Ledger transactions are immediately created as follows:

Acct #	Trust Deposit ($5,000.00)	Debit	Credit
9000	Trust Bank Account	$5,000.00	
9001	Client Trust Liability		$5,000.00
	TOTAL	$5,000.00	$5,000.00

Trust Account Disbursement (TDS)

When trust account disbursements (if you pay something on behalf of the client out of the trust account) are made, the client trust account is automatically updated. The updated amount is immediately reflected in all client-matter screens and reports in the Billing and Accounts Receivable module. The applicable General Ledger transactions are immediately created as follows:

Acct #	Trust Disbursement ($100.00)	Debit	Credit
9001	Trust Bank Account		$100.00
9000	Client Trust Liability	$100.00	
	TOTAL	$100.00	$100.00

Retainer Disbursement (RDS)

When retainer account disbursements are made, the client retainer account is automatically updated. The updated amount is immediately reflected in all client-matter screens and reports in the Billing and Accounts Receivable module. The applicable General Ledger transactions are immediately created as follows:

Acct #	Retainer Disbursement ($300.00)	Debit	Credit
1010	Operating Account		$300.00
2090	Unapplied Retainers	$300.00	
	TOTAL	$300.00	$300.00

You should be careful when creating Retainer Disbursements because your cash account will be affected. If you are transferring a retainer amount from one client-matter to another, it is a good idea to fully describe the transaction when you enter the Retainer Disbursement. Since Orion does not have a way to create a Retainer Transfer, you must first enter a Retainer Disbursement (RDS) and then a Retainer Deposit (RDP). A retainer transfer will basically be a "wash" in the General Ledger accounts. For example, if Client 145 - Matter 1 has a retainer balance of $500.00 and you wish to transfer $250.00 to Client 145 - Matter 2, the following General Ledger transactions will be created:

RDS Client 145 - Matter 1

Acct #	Retainer Disbursement ($250.00)	Debit	Credit
1010	Operating Account		$250.00
2090	Unapplied Retainers	$250.00	
	TOTAL	$250.00	$250.00

RDS Client 145 - Matter 2

Acct #	Retainer Deposit ($250.00)	Debit	Credit
1010	Operating Account	$250.00	
2090	Unapplied Retainers		$250.00
	TOTAL	$250.00	$250.00

As you can see with the above transactions, the $250.00 is taken out of the operating account with the RDS and immediately put back in with the RDP.

Accounts Payable – Cash Basis

In cash basis systems, no General Ledger transactions are created until a check is written. At that time, cash is credited and the account or accounts listed in the distribution of the voucher are debited. If the check is voided and the transactions created for the original check have been approved and posted to the General Ledger, reversing General Ledger transactions are created. If the original transactions have not yet been approved and posted to the General Ledger, they are just deleted.

If a CA code is used in the voucher distribution, a client advance transaction is created in the Billing and Accounts Receivable module for the client-matter associated with the code as soon as the voucher is posted. If this voucher is voided, the system deletes the client advance transaction from the Billing and Accounts Receivable module if it has not yet been billed to the client. If it has already been billed, a credit (CR) transaction is created in the Billing and Accounts Receivable module which must then be applied and posted to an outstanding invoice.

Trust and retainer transactions can also be entered through the Voucher Entry program. The following details the transactions created for each type of entry.

Trust Disbursement (TDS)

If a trust disbursement is made through the Accounts Payable module, you must use the Trust Account Bank Code in the Voucher Entry program. You must also enter the client-matter number and choose the TDS code rather than a CA code. Upon posting the voucher, the client-matter trust account balance is reduced by the amount of the TDS. The trust ledger will display an entry showing the date, voucher number, and the amount of the voucher. When the check is written, the following transactions are created:

Acct #	Trust Check ($100.00)	Debit	Credit
9001	Trust Bank Account		$100.00
9000	Client Trust Liability	$100.00	
	TOTAL	$100.00	$100.00

Trust Applied as Payment (TAP)

You enter a TAP code in the voucher distribution if the check is written to the firm to pay off its invoice. This entry will reduce the client's trust account in the Billing and Accounts Receivable module, reduce the amount in the trust cash account, and increase cash in the operating account. For example, if a voucher is created to pay off Invoice 12345 described above, the following General Ledger transactions will be created at the time the check is written:

Acct #	TAP Created in AP ($1,355.00)	Debit	Credit
9001	Trust Bank Account		$1,355.00
9000	Client Trust Liability	$1,355.00	
	TOTAL	$1,355.00	$1,355.00

The Trust Bank Account used is determined by the General Ledger account defined in the matter file.

When the TAP is applied against the invoice in the Billing and Accounts Receivable module, the following transactions are created:

Acct #	TAP Applied in Billing ($1,355.00)	Debit	Credit
1030	A/R Fees		$1,200.00
2100	Uncollected Fees	$1,200.00	
1060	A/R Expenses		5.00
2110	Uncollected Expenses	5.00	
1065	A/R Client Advances		150.00
3000	Fee Income		1,200.00
3100	Expense Income		5.00
1010	Operating Account	1,355.00	
	TOTAL	$2,560.00	$2,560.00

Paying a Voucher

Entry of a voucher in the Accounts Payable module has no effect on the General Ledger until the voucher is actually paid. However, as soon as a voucher is entered and posted, the appropriate client-matter file in the Billing and Accounts Receivable module is updated. Payment of any voucher in Accounts Payable creates a transaction debiting the proper expense accounts and crediting the proper cash account. If you pay a voucher for $500.00 from your main operating account, the following transactions are created:

Acct #	Check #1234 ($500.00)	Debit	Credit
7000	Rent	$500.00	
1010	Operating Account		$500.00
	TOTAL	$500.00	$500.00

Once checks are written and verified as OK, they are automatically updated and posted in the Accounts Payable module. Writing checks or voiding them does not affect the Billing and Accounts Receivable module. In order for the Billing and Accounts Receivable module to be affected, the voucher must be voided.

Voiding a Check

Voiding a check for $500.00 creates the following transactions:

Acct #	Void Check #1234 ($500.00)	Debit	Credit
7000	Rent		$500.00
1010	Operating Account	$500.00	
	TOTAL	$500.00	$500.00

When you void a check, the voucher is reset to an unpaid (open) status. You can also void the voucher when you void the check if you do not plan to pay it. See the previous sections for the effect of voiding a voucher.

Adjusting or Voiding an Open Voucher that Includes a Client Advance

When a voucher containing a client advance is adjusted or voided, the program will locate the related expense record to determine if the transaction has been billed. If it has not been billed, the transaction will be increased, decreased, or deleted in accordance with the value of the adjustment. If the transaction has already been billed to the client, the program will do one of the following:

- If the value of the adjustment is higher than the original value, a new billable expense transaction will be created representing the difference between the original and new value. This will have no effect on the General Ledger until the voucher is paid.

- If the value of the adjustment is lower than the original value (including zero in the case of a void), the value of the difference will be provided to the client in the form of a Retainer Deposit. This Retainer Deposit represents the value now owed to the client for the charge. Voiding a voucher with a client advance would result in the following entries to the General Ledger:

Acct #	Void Voucher #1234 ($50.00)	Debit	Credit
1050	Unbilled Client Advances	$50.00	
2090	Unapplied Retainers		$50.00
	TOTAL	$50.00	$50.00

Note that it is highly recommended that a procedure be used to review Retainer Deposits that have been created by adjusting or voiding vouchers with client advances. The created retainers can be routinely disbursed back to the client or applied to open invoices as necessary.

Accounts Payable – Accrual Basis

In accrual basis systems, General Ledger transactions are created when new vouchers are posted **and** when checks are written. If a CA code is used in the voucher distribution, a client advance transaction is created in the Billing and Accounts Receivable module for the client-matter associated with the code at voucher posting. If this voucher is voided, the system deletes the client advance transaction from the Billing and Accounts Receivable module if it has not yet been billed. If the transaction has already been billed, a credit is created in the Billing and Accounts Receivable module that must then be applied and posted to an outstanding invoice.

The following illustrates the General Ledger transactions created for each type of Accounts Payable task.

Entering a Voucher

As soon as a voucher is entered and posted in Accounts Payable, Orion creates a General Ledger transaction. If a firm expense is entered, the program creates the following transactions:

Acct #	Voucher #1010 ($500.00)	Debit	Credit
7000	Rent	$500.00	
2050	Accounts Payable		$500.00
	TOTAL	$500.00	$500.00

If a CA code is used in the distribution of a voucher, Orion creates the following transactions:

Acct #	Voucher #1011 ($200.00)	Debit	Credit
1050	Unbilled Client Advances	$200.00	
2050	Accounts Payable		$200.00
	TOTAL	$200.00	$200.00

An entry in the appropriate client-matter file in the Billing and Accounts Receivable module is automatically created when the voucher is posted. Entries in the Billing and Accounts Receivable module that have been created by the Accounts Payable module cannot be deleted.

Paying a Voucher

Payment of any voucher in Accounts Payable creates a General Ledger transaction that debits the accounts payable account and credits the appropriate cash account. If you pay a voucher for $500.00 from your main operating account, the following transactions are created:

Acct #	Check #1234 ($500.00)	Debit	Credit
2050	Accounts Payable	$500.00	
1010	Operating Account		$500.00
	TOTAL	$500.00	$500.00

Once checks are written and verified as OK, they are automatically updated and posted in the Accounts Payable module. Writing or voiding checks does not affect the Billing and Accounts Receivable module.

Adjusting an Unpaid Firm Expense Voucher

Adjustments can be made to any open voucher. This includes voiding the voucher completely. A reduction (decrease in amount) of an unpaid voucher by $300.00 creates the following transactions:

Acct #	Voucher #1010	Debit	Credit
7000	Rent		$300.00
2050	Accounts Payable	$300.00	
	TOTAL	$300.00	$300.00

An increase of an unpaid voucher by $150.00 creates the following transactions:

Acct #	Voucher #1010	Debit	Credit
7000	Rent	$150.00	
2050	Accounts Payable		$150.00
	TOTAL	$150.00	$150.00

Voiding an unpaid voucher (Voucher 1010 for $500.00) creates the following transactions:

Acct #	Voucher #1010 ($500.00)	Debit	Credit
7000	Rent		$500.00
2050	Accounts Payable	$500.00	
	TOTAL	$500.00	$500.00

Adjusting Client Advance Vouchers

When a voucher containing a client advance is adjusted or voided, the program will locate the related expense record to determine if the transaction has been billed. If it has not been billed, the transaction will be increased, decreased, or deleted in accordance with the value of the adjustment.

Following is an example of increasing the value of an unbilled client advance:

Acct #	Voucher #1011 ($200.00)	Debit	Credit
1050	Unbilled Client Advances	$50.00	
2050	Accounts Payable		$50.00
	TOTAL	$50.00	$50.00

Following is an example of decreasing the value of an unbilled client advance by $50.00 (or voiding a voucher with a client advance for $50.00):

Acct #	Adjust Voucher #1234 ($50.00)	Debit	Credit
1050	Unbilled Client Advances		$50.00
2050	Accounts Payable	$50.00	
	TOTAL	$50.00	$50.00

If the transaction has already been billed to the client, the program will do one of the following:

- If the value of the adjustment is higher than the original value, a new billable expense transaction will be created representing the difference between the original and new value.

Acct #	Adjust Voucher #1234 ($50.00)	Debit	Credit
1050	Unbilled Client Advances	$50.00	
2050	Accounts Payable		$50.00
	TOTAL	$50.00	$50.00

- If the value of the adjustment is lower than the original value (including zero in the case of a void), the value of the difference will be provided to the client in the form of a Retainer Deposit. This Retainer Deposit represents the value now owed to the client for the charge. Voiding a voucher with a client advance would result in the following entries to the General Ledger:

Acct #	Void Voucher #1234 ($50.00)	Debit	Credit
1050	Unbilled Client Advances	$50.00	
2090	Unapplied Retainers		$50.00
	TOTAL	$50.00	$50.00

Note that it is highly recommended that a procedure be used to review Retainer Deposits that have been created by adjusting or voiding vouchers with client advances. The created retainers can be routinely disbursed back to the client or applied to open invoices as necessary.

Adjusting a Paid Voucher

Orion allows you to adjust the distribution of a voucher after it has been paid. You can adjust the General Ledger accounts or client-matters that the voucher was distributed to, but you cannot adjust the amount of the voucher. If voucher 1010 is paid and then adjusted to be distributed to a client-matter rather than rent, the following transactions are created:

Acct #	Voucher #1011 ($500.00)	Debit	Credit
7000	Rent	$500.00	
1050	Unbilled Client Advances		$500.00
	TOTAL	$500.00	$500.00

At the time this voucher is adjusted and posted, a client advance transaction is created in the appropriate client-matter file in the Billing and Accounts Receivable module.

Voiding a Check

Voiding a check for $500 creates the following transactions:

Acct #	Check #1234 ($500.00)	Debit	Credit
1010	Operating Account	$500.00	
2050	Accounts Payable		$500.00
	TOTAL	$500.00	$500.00

When you void a check, the voucher is reset to an unpaid (open) status. You can also void the voucher when you void the check if you do not plan to pay it. See the previous sections for the effect of voiding a voucher.

Trust and Retainer Transactions

Trust and retainer transactions can also be created in the voucher entry program. The following details the transactions created for each of these entries.

Trust Disbursement (TDS)

If a trust disbursement is made through the Accounts Payable module, you must use the Trust Account Bank Code in the Voucher Entry program. You must also enter the client-matter number and choose the TDS code rather than a CA code. Upon posting the voucher, the client-matter trust account balance in the Billing and Accounts Receivable module is reduced by the amount of the TDS. The Trust ledger will display an entry showing the date, voucher number, and the amount of the voucher. When the voucher is posted, the following transactions are created:

Acct #	Voucher #1012 ($100.00)	Debit	Credit
2050	Accounts Payable		$100.00
9001	Client Trust Liability	$100.00	
	TOTAL	$100.00	$100.00

Trust Applied as Payment (TAP)

A TAP code is used in the voucher distribution if the check is being written to the firm to pay off its invoice. This entry will reduce the client's trust account in the Billing and Accounts Receivable module, credit the trust cash account, and debit the operating account. For example, if a voucher is created to pay off Invoice 12345 described above, the following General Ledger transactions are created:

Acct #	Voucher #1013 ($1,355.00)	Debit	Credit
2050	Accounts Payable		$1,355.00
9001	Client Trust Liability	$1,355.00	
	TOTAL	$1,355.00	$1,355.00

When the check is written for either of the two previous vouchers (1012 and 1013), the following transactions are created:

Acct #	Check for Voucher #1012 ($100.00)	Debit	Credit
2050	Accounts Payable	$100.00	
9000	Trust Cash Account		$100.00
	TOTAL	$100.00	$100.00

Acct #	Check for Voucher #1013 ($1,355.00)	Debit	Credit
2050	Accounts Payable	$1,355.00	
9000	Trust Cash Account		$1,355.00
	TOTAL	$1,355.00	$1,355.00

The client trust account used is determined by the General Ledger account defined in the matter file.

TAP Application

When a TAP created in the Accounts Payable module is applied in the Billing and Accounts Receivable module, the following transactions are created:

Acct #	TAP Applied in Billing ($1,355.00)	Debit	Credit
1030	A/R Fees		$1,200.00
2100	Uncollected Fees	$1,200.00	
1060	A/R Expenses		5.00
2110	Uncollected Expenses	5.00	
1065	A/R Client Advances		150.00
3000	Fee Income		1,200.00
3100	Expense Income		5.00
1010	Operating Account	1,355.00	
	TOTAL	$2,560.00	$2,560.00

This should help you understand how the accounts defined in the General Ledger Table under System Setup are affected by various functions performed in Orion and how the different Orion modules interrelate.

Setting Up the System

Before you can enter or process transactions, there are four steps you must take to set the system up. Smooth operation of the General Ledger module depends to a large degree on how well and completely this initial setup is accomplished.

Following are the preliminary steps you take to set up the General Ledger.

Stage	Description
1	Chart of Accounts – set account number format in System Settings (see stage 4). Set up the account numbers and enter budget figures as required. Print an initial Chart of Accounts Listing.
2	Source Codes – select and define a source code for each possible type of transaction other than those that are preset by Orion modules. Source codes 1 – 3 are reserved for Billing, AP, and Payroll. Codes 4 – 8 are used for user-defined transactions. The GL module itself tags all year-end closing transactions to the Retained Earnings account with a code of 9.
3	Report Styler – Create report formats for income statements and balance sheets. At the end of the fiscal period, the ID of each financial statement definition is used in generating each report.
4	System Settings – Define the current period, fiscal year, first historical year, beginning month of fiscal year, cash or accrual basis, and year-end closing accounts. (Set account number format prior to creating the Chart of Accounts in stage 1.) Account numbers can be up to five digits, department numbers can be up to three digits, and location numbers can be up to two digits.
5	Recurring Transactions – Create the journal entries for recurring transactions, then group them into the Recurring List to use repeatedly.

The Chart of Accounts

The Chart of Accounts determines virtually every action performed by the General Ledger module. Therefore, it must be set up before anything else is done. The Chart of Accounts section contains a complete set of instructions for setting up your Chart of Accounts and adding budget figures.

Orion places a few restrictions on the structure of your Chart of Accounts. The nature of the program is such that you must use account numbers of five digits or less, but these can be coupled with department codes of three digits or less and location codes of two digits or less. You must include a Retained Earnings account and define the range of account numbers for the income and expenses that will close into Retained Earnings at the end of the year. This range of account numbers should contain no other accounts. You should leave gaps between the numbers of your accounts to allow for future growth in the chart. The Retained Earnings account can have any name or number, but its assigned account number must be outside the user-specified range of income and expense accounts to be closed at year end. Aside from these requirements, how you design your new Orion Chart of Accounts or adapt an existing chart to Orion is entirely up to you.

Source Codes

The next step in the setup process is to define the source codes. These codes are used to separate certain reports and online displays into smaller, more manageable groups to facilitate their use in finding specific transactions. Each code represents the source (for example, Billing and Accounts Receivable, adjusting journal entries, or year-end closing entries) from which the transactions originated.

Source codes are a required data item for transaction entry, so all codes must be entered into the database before you begin entering transactions. Orion is installed with several preset codes that cannot be changed. Codes 1 – 3 are reserved, codes 4 – 8 can be user-defined. Code 9 is used by the GL module for all year-end closing transactions to the Retained Earnings account. The Source Codes section contains a complete outline of the procedures involved with creating source codes.

Financial Statement Definitions

Before you can use Orion to generate an income statement or a balance sheet, you must first define your report formats. At the end of the fiscal period, you must supply the ID of your financial statement definition to the program for use in generating each report.

No pre-defined reports are supplied with your Orion installation. Given the almost unlimited range of Chart of Accounts configurations, they would be impossible to design.

System Settings

Complete the General Ledger system settings before proceeding with any daily processing. The purpose of the system settings is to define current period and year, historical periods and years, and accounts used in month-end processing. Account number format is set here before initial chart setup.

Recurring Transactions Setup

The Orion General Ledger module includes a set of procedures that can be used to automate many transaction entries. Suppose, for example, you accumulate depreciation on a monthly basis and you transfer a set sum of money monthly from your operating account to an investment account. Each set of recurring journal entries can be stored as a group to a Recurring List and assigned a frequency, then retrieved for future entries. It takes only a few steps to generate unposted transactions from the Recurring List.

The Recurring Transactions Entry section contains a complete explanation of the recurring transactions setup procedures. Setting up recurring transactions is not required, but if you have journal entries that will be used on a recurring basis, it's advisable to set them up during this process. However, you can add recurring transactions as needed at a later time.

Daily Processing

Once your setup is complete, the task of recording day-to-day accounting transactions is at hand. Later sections of this guide cover each of the tasks in detail. What follows here is a list of these procedures, in the order they are typically performed.

Process

Following are the steps you take for daily accounting transactions.

Stage	Description
1	Enter journal entries.
2	Select and use journal entries to make recurring transactions (optional).
3	Print the Transaction Journal (optional).
4	Make any necessary edits to unposted transactions (optional).
5	Reprint the Transaction Journal for edited transactions (optional).
6	Post the transactions.

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End of Period Processing

When the end of the monthly fiscal period arrives, Orion provides a straightforward automation of standard accounting practices.

Process

This table outlines the process you use for end of period processing.

Stage	Description
1	Approve transactions from other Orion modules such as AP, AR, Payroll, etc.
2	Enter, print, and post adjustments
3	Print a trial balance
4	Track down and correct errors, if any
5	Reprint the trial balance if corrections were made
6	Print the income statement and balance sheet
7	Close out the period

Special Processing

Orion has a feature designed to allow you to make changes to periods that you have already closed.

Process

This table outlines the process. You must follow these steps in sequence in order to use this feature successfully.

Stage	Description
1	Enter the transaction(s), assigning them to a previous period
2	Print the Transaction Journal for the period of the transaction(s) entered
3	Post the transaction(s)
4	Reprint all affected financial statements

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Year-end Closing

From the user's point of view, there are only a few differences between month-end and year-end closing. The system automatically knows to perform a year-end closing when you close period 12.

Make absolutely sure you have a backup of your data before proceeding.

The End of Period section provides a more comprehensive discussion of the entire closing process, both month-end and year-end.

General Ledger Manager View

The General Ledger Manager View allows you to customize the way records display in the grid.

Following are some tips for customizing the view:

- To arrange columns, drag the headings in whatever order you want.

- To sort on columns, click their headings.

- To display a particular record, type information in a field on a selected row. The selection highlighting "jumps" to the first row containing what you typed. For example, if you selected transaction number 1234 and typed 6789 in the **Transaction Number** field, the system would highlight the first row containing transaction number 6789.

- To find options in addition to the ones in the button bar, right-click in the Transactions or Accounts section of the grid.

- To filter the records displayed, click the arrow beside the desired column heading and select a filter.

- To add a new Transaction, select a row in the Transactions section of the grid and click the **New** button.

- To add a new Account, Select a row in the Accounts section of the grid and click the **New** button.

Button Bar

The General Ledger Manager screen contains a button bar from which you will access the programs in the GL module. If you have total unrestricted rights to all functions within the General Ledger, you can access the following options from the button bar.

Button	Purpose
New	Enter new General Ledger transactions and General Ledger accounts.
Edit	• Transactions - Add/Subtract detail lines, delete transaction, reverse transaction, make transaction recurring, copy and select entry options • Accounts – Change account number, merge accounts, and delete
Delete	Delete transactions or accounts.
Reports	Run the reports available in Orion.
Action	Enter **New** and **Edit** transactions, **Post** transactions, view **Account Status**, process **End Of Month** transactions, run Statements.
Tools	Enter **New** and **Edit** accounts, enter **New** and **Edit** Source codes, enter **New** and **Edit** GL **Reports**, control GL **System Settings**.
Transaction Filter	Narrow down transactions displayed by criteria such as account number, source code, or status.

Transaction Selection Menu

Following is an illustration of the selection menu that is displayed when you right-click in the Transactions section of the GL Manager.
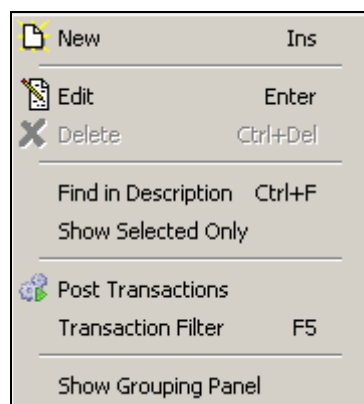
Account Selection Menu

Following is an illustration of the selection menu that is displayed when you right-click in the Accounts section of the GL Manager.
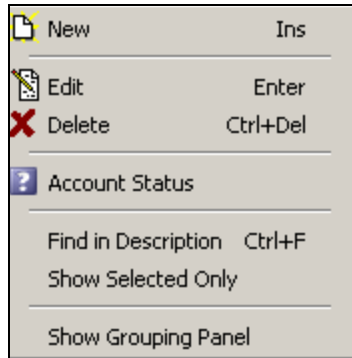
Action Menu

Following is an illustration of the selection menu that is displayed when you click the **Action** button.
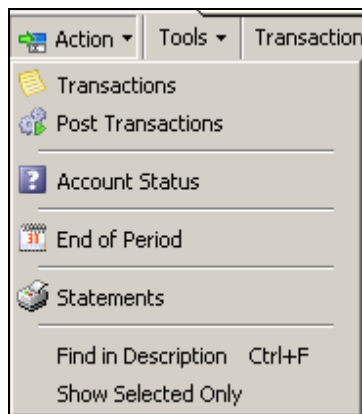
Tools Menu

Following is an illustration of the selection menu that is displayed when you click the **Tools** button.
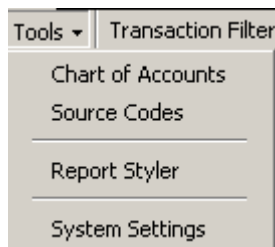
Chapter 2

System Maintenance

Contents

Source Codes

Source codes are used to filter reports and to track the origination of General Ledger transactions. The Source Code file can contain up to nine records, each of which consists of a single-digit numeric code and the description of the source it represents.

Each of the Orion modules "tags" transactions sent to the General Ledger with its own unique code. Your installation comes with the Source Code file preconfigured, depending on the application modules you will be running. source codes 1, 2, 3, and 9 are defined by the system and cannot be changed by the user. All transactions created by the Billing and Accounts Receivable module carry source code 1, all Accounts Payable transactions source code 2, and all Payroll transactions source code 3. The General Ledger module itself tags all year-end closing transactions to the Retained Earnings account with a source code of 9.

Source codes are entered through the Source Codes option found using the **Tools** button. There are several other types of overhead files set up using this button, but this section deals with source codes only.

Adding a Source Code
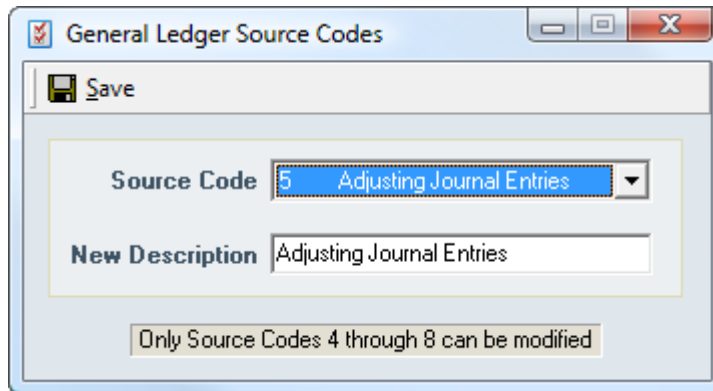
Use this procedure to enter source codes.

Steps

To add source codes:

1. From the button bar, click **Tools** and select **Source Codes**. The following screen appears.

2. In the **Source Code** field, select any source code from 4 to 8.

3. In the **New Description** field, enter a description for the source code. This description prints on Transaction Journals by source code. The data entered is saved as typed and not converted to uppercase.

Editing a Source Code

Use this procedure to edit source codes.

Although you can change the description of a source code to "Not Currently Defined," you can never delete a code.

Steps

To edit source codes:

1. Access the Source Codes screen.

   Remember, you cannot make any changes to source codes 1, 2, 3, and 9. If you attempt to edit these source codes, you will receive an error message.

2. In the **Source Code** field, select any source code from 4 to 8.

3. In the **New Description** field, change the description for this source code.

Chart of Accounts

The Chart of Accounts forms the underlying framework for any accounting system, whether automated or manual. In manual accounting systems, the Chart of Accounts is a road map used by the bookkeeper to find each account in the ledger so that each of the various accounting operations can be performed. Orion uses its "road map" not only to find each account, but also to determine what operations will be performed on that account, and finally to determine in what sequence those operations will be performed. The Chart of Accounts is such an integral part of Orion system operations that it must be set up first, before you attempt any other accounting data or system configuration input.

The Orion Chart of Accounts is simply a large database that contains a single record for each account in your General Ledger. Each record contains fields for such information as the account name, account number, department number, location number, a beginning balance, and a flag indicating whether the record is a debit or a credit account. Each record also contains fields indicating the closing balances for each accounting period in the current year and the previous year as well as budget figures.

Note: Before setting up your Chart of Accounts, read the General Ledger Manager View section of Chapter 1 for information on how to display account records.

Tools Button

You enter or set up General Ledger accounts through the Chart of Accounts option found using the **Tools** button. There are several other types of overhead files entered with this button, but this section deals with the setup of your Chart of Accounts only.

Suggested Organization and Requirements

There are several structural and organizational elements you must decide on prior to creating your Chart of Accounts.

Element	Description
Account Numbers	You need to decide the numbering scheme to use for your account numbers. Account numbers can contain a maximum of eight (8) characters. Traditionally, account numbers begin with the numbers 1-8, which represent: • 1 – Asset class • 2 – Liability class • 3 – Capital class • 4 – Income class • 5 – Expense account class
Department Numbers	If you want to report or track your financial status by department, you need to decide upon a department numbering scheme. The department number can contain a maximum of five (5) characters.
Location Number	If you want to report or track your financial status by location and/or you have indicated in the System Settings that you will use the location feature, you need to decide upon a location numbering scheme. The location number can contain a maximum of three (3) characters. **Note:** You do not have to be using the Location feature in the Billing and Accounts Receivable module (System Settings does not need to be set to Yes for Locations) in order to use location numbers in the General Ledger.
Account Description	Determine the account description or name of the account for each account number. The account description can contain a maximum of 60 characters.
Account Type	Determine whether each account is a debit or a credit account.
Opening Balance	Although it is not entered when setting up your Chart of Accounts, you need to determine the opening balance, if any, for each account.

Rules

The rules to follow when organizing and entering your Chart of Accounts are few but absolute. They are:

- You must have a Retained Earnings account. This account can have any account number and descriptive account name you wish to assign, but it must exist. This is the account to which your income and expense accounts are closed during year-end processing.
- The accounts that close to the Retained Earnings account must fall into an inclusive range. For example, if you define the range of account numbers that

close to Retained Earnings to be 400-599, only those accounts that will close to this account at the end of the year can have numbers in this range. The Retained Earnings account itself must not have a number that falls within this range. Although it is not a requirement, you should have gaps in the range to allow for future growth in the Chart.

- Each account must be identified to the system as a debit or credit account. In Orion, if you debit a debit account or credit a credit account, the account balance increases when the transaction is posted.

Adding a General Ledger Account

Use this procedure to add a General Ledger account.

Steps

To add General Ledger accounts:

1. From the button bar, click **Tools** and select **Chart of Accounts**. The following screen appears.

2. Fill in the fields as required. See the field descriptions in the following table for specific information.

3. After completing the **Type** field, click **Save** to save the record.

Field Descriptions – Account Entry Screen

The following table describes the fields.

Field	Description
Account	The account number for this account. The account number is required and must be a unique number if you are not using department and/or location codes.
Inactive	Selecting this field sets the Account Status to Inactive. Although Inactive Accounts will retain their balances and all related detail, no further entry or editing is permitted.
Description	A description for the account. Text in this field is displayed and saved as typed and not converted to uppercase. This account description will print on all reports.
Type	This is a required field and Orion will not let you go any further if you do not complete it correctly. Keeping in mind debit and credit rules, select Debit if this is a debit account or Credit if it is a credit account.

Field	Description
Budget	The year and periods used when printing financial statements.
Enter Annual Amount	Populates all 12 budget periods with 1/12th of the entered value.
Usage Notes	Usage Notes will appear whenever an account is selected for entry or review.

Editing a General Ledger Account

Once a General Ledger account has been established and referenced by any Orion procedure, the only things you should change are the account name or the account type and budget values.

Steps

To edit a General Ledger account:

1. From the button bar, click **Tools** and select **Chart of Accounts**. The Account Entry screen appears.

2. Enter the account number you want to edit and skip to step 4 or use the F8 key or the **Look-up** button to locate the correct account. You can abandon the edit at any time by pressing the F9 key or clicking **Clear**.
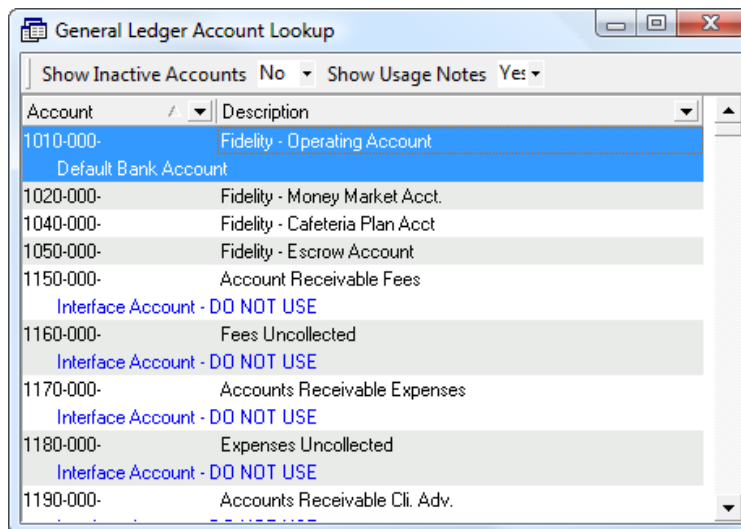
3. Double-click the desired record. The Account Entry screen appears with the information for that record.

4. On the Account Entry screen, make the necessary changes.

   - To change an account number, click **Tools** and select **Change Account Number**. Enter the new number on the Change Account Number screen.

   - To merge two accounts, click **Tools** and select **Merge Account**. Enter the numbers of the accounts to merge.

5. Click **Save** to save the record.

   Note: If you have changed the account type from a debit to a credit account or vice versa, Orion will ask whether you want the program to automatically adjust the signs. Any change to account type should be carefully thought through as it can have an effect on whether total debits and credits balance.

Deleting a General Ledger Account

Use this procedure to delete a General Ledger account.

Note: You cannot delete an account with a balance other than zero in the current year or the previous year or with any activity. Set the account to Inactive or merge it with another account.

Steps

To delete a General Ledger account:

1. Display the account by entering the account number or using the F8 key or the **Look-up** button to locate it.
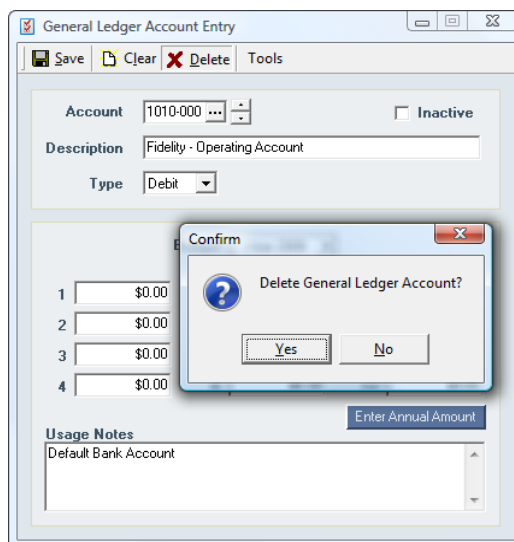
2. From the Account Entry screen, click **Delete** or press the Ctrl+Delete keys. The system prompts you to confirm the deletion.

3. Click **Yes** if you want to delete the account or **No** if you want to keep it.

Entering Budgets for a General Ledger Account

Orion allows you to enter monthly budgets or an annual budget. You can edit budget figures at any time. Keep in mind, though, that continuous editing of budget figures negates their purpose and usefulness to the firm.

Steps

To enter a budget for an account:

1. From the button bar, click **Tools** and select **Chart of Accounts**. The following screen appears.

2. Display the account by entering the account number or using the F8 key or the **Look-up** button to locate it.

3. Enter monthly budgets by entering an amount in each period.

4. To enter annual budgets, click **Enter Annual Amount** and enter the annual amount you want to budget. Orion will then ask if you would like to round the monthly numbers to even dollars. Whichever you choose, Orion will distribute the annual amount over the 12 months. If the annual amount is not divisible by 12, the difference will be reflected in the Period 12 budget figure.

5. Fill in the fields as required. For details, see "Field Descriptions – Account Entry Screen" on page 2-8.

6. Click **Save** to save your entries.

Chapter 3
Account Status

Contents

Transaction Processing

Transaction processing is accomplished through a sequence of operations. Transactions are created either from other modules or directly from the General Ledger module. A Transaction Journal is printed and reviewed, necessary changes are made, and then the transactions are posted.

Note: Before adding transactions, read the General Ledger Manager View section of Chapter 1 for information on how to display transaction records.

Three Procedures

The General Ledger module contains three basic procedures designed to implement the sequence of operations discussed above:

- The Transaction Processing screen is used to perform data entry.
- The Transaction Processing screen is also used to print the Transaction Journal for use as an editing reference and a permanent record of daily activity.
- The Post Transactions screen is used to print and post the transactions to the appropriate accounts.

Procedure	Description
Transaction Entry and Edit	Normally, transactions are entered for the current fiscal period and assigned a system-generated transaction number. You must select a source code for each transaction entry. Fields are provided for comments and descriptions.
	Each transaction entry contains distribution lines consisting of an account number, an optional comment line, and a debit or credit amount. The total debits and credits must be in balance before the system will allow it to be saved. The running total of debits and credits at the bottom of the window provides a means of ensuring the transaction is balanced. Once the transaction is saved, it can be used to create recurring entries.
Transaction Journal	There are two different ways to print the Transaction Journal. When generated from the Post Transactions screen, it is used for reviewing the unposted transactions prior to posting. An optional Transaction Journal can be generated from the Reports menu. It is not limited to unposted transactions.
Posting Transactions	Posting updates the account balances in the chart. Transactions can be posted from several options within the General Ledger module.

Adding a General Ledger Transaction

Use this procedure to add a General Ledger transaction.

Steps

To add a General Ledger transaction:

1. From the button bar, click **Action** and select **Transactions**. The following screen appears.

2. Fill in fields as required. For details, see "Field Descriptions – Transaction Processing" on page 3-5.

3. Click **Add Detail Line**. The following screen appears.

Adding a General Ledger Transaction

4. Fill in the fields as required. For more information about the fields on this screen, see "Field Descriptions – Transaction Detail Screen" on page 3-6.

5. After completing a distribution line, click **OK**.

    Note: As you add lines, the system displays a running total of debits and credits at the bottom of the Transaction Processing window. This provides a means of ensuring the transaction is in balance.

6. Perform the following steps, as required.

If you want to…	Then…
Add a distribution line	Press the Insert key or click **Add Detail Line** and repeat the procedure above.
Delete a distribution line	Highlight the line and press the Delete key or click **Delete Detail Line**.
Edit an existing line	Double-click the line and make any necessary changes.

7. After you have completed distributing the transaction, click **Save** or press the F10 key to save it.

    Note: If you try to save an unbalanced transaction, a warning message is displayed. As with Voucher entry, you can save an unbalanced transaction; however, these transactions cannot be Posted until they are completed.

Field Descriptions – Transaction Processing Screen

The following table describes the fields on this screen.

| Field	Description
Transaction #	This field initially defaults to New. However, when the transaction is saved, the system automatically assigns a transaction number to the new entry. The **Look-up** button and the up and down arrows are used to locate an existing transaction.
Period	The system automatically defaults to the current General Ledger period, although you can change it to any valid period. You can only go back one year. **Note:** Although you can enter and save a transaction for a future period, it will not post until the accounting period is equal to that period.
Date	The date to use for the transaction. Defaults to today's date. Click the down arrow to retrieve the pop-up calendar to choose a date. On the calendar, the double arrows move the year up or down and the single arrows move the month up or down.
Status	If a previously recorded transaction is displayed, the status of the transaction will appear here. Defaults to New.
Transaction Memo	The Transaction Memo is optional but can be used as an extended note on the transaction being entered (why it is being entered). Any transaction memo that is created will be stamped with the Entry ID of the person creating it as well as the date and time. This memo does not appear on any reports, but is for reference purposes only. For an illustration of this screen, see "Adding a Transaction Memo" on page 3-6.
Source	The source code (4 through 8) for the transaction being entered. Use the F8 key or the down arrow to display a list of valid source codes. This field must be completed before you can go any further. **Note:** Although source codes 1, 2, 3, and 9 are displayed in the Look-Up List, you can only use codes 4 through 8. All others are reserved by the system for transactions created by the other modules and the End of Year process.
Description	A brief description of the transaction. All lines of the transaction will carry this description unless changed within the individual distribution line. This field accepts alphanumeric characters that are displayed as typed. Prior to entering through the **Description** field, you can clear the screen at any time without saving your work by pressing the F9 key or clicking **Cancel**. After you have entered through this field, you are required to enter your distribution lines.

Field Descriptions – Transaction Detail Screen

The following table describes the fields on this screen.

Field	Description
Account	The General Ledger account number for this line. You can use the F8 key or the **Look-up** button to locate an account or you can enter the account number.
Debit	Debit amount of the transaction. You cannot enter a negative number.
Credit	Credit amount of the transaction. You cannot enter a negative number.
Date	Date associated with the transaction.
Reference	Reference number associated with the transaction.
Comment	Comments about the transaction.

Adding a Transaction Memo

To add a free-form text memo to a transaction:

1. From the Transaction Processing screen, click **Transaction Memo**. The following screen appears.
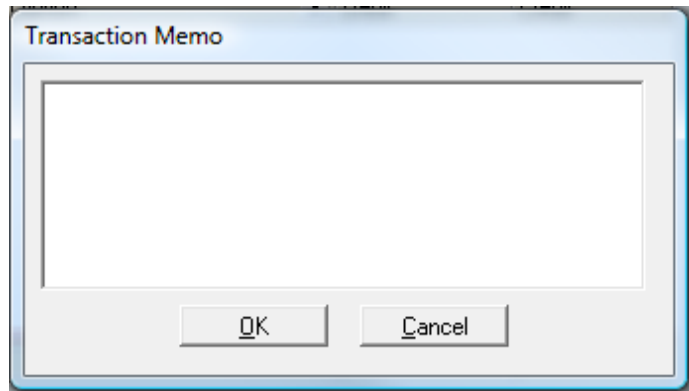
2. Enter the text of the memo and click **OK**.

Reversing Transactions

You can create a new transaction that is a duplicate of the currently displayed entry, but with reverse amounts for each detail line. This is a valuable tool for making adjusting journal entries to items that are already underlined posted.

1. From the General Ledger Manager screen, display and then select the transaction you want to reverse. From the button bar, click **Edit** or double-click the transaction to display the Transaction Processing screen.

2. From the button bar, click **Tools** and select **Reverse Transaction**. A second Transaction Processing screen appears showing **NEW** in the **Transaction #** field and the debit and credit amounts reversed for each detail line. The new entry defaults to the current date.

3. Edit fields as needed.

4. Click **Save** or press the F10 key to save the reversal.

Copying the Last Transaction

You can create a duplicate transaction from the last one entered. You can modify the entry before you save it.

1. From the Transaction Processing screen, click **Tools** and select **Copy Last**. The Transaction Processing screen appears showing **NEW** in the **Transaction #** field.

2. Enter or select a transaction number.

3. Click **Save** or press the F10 key to save the new transaction.

Specifying Entry Options

You can specify which fields to skip and which fields to retain during transaction entry.

1. From the Transaction Processing screen, click **Tools** and select **Entry Options**. The following screen appears.

2. Select the fields you want to skip or retain.

3. Click **OK**.

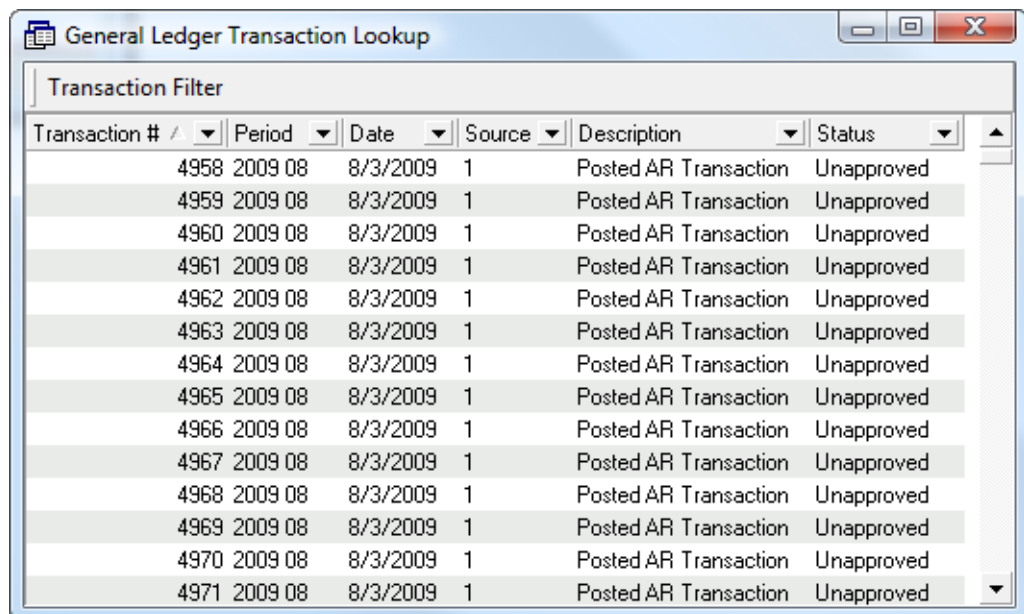## Recurring Transactions

Editing a General Ledger Transaction

Use this procedure to edit an unposted or unapproved General Ledger transaction.

Steps

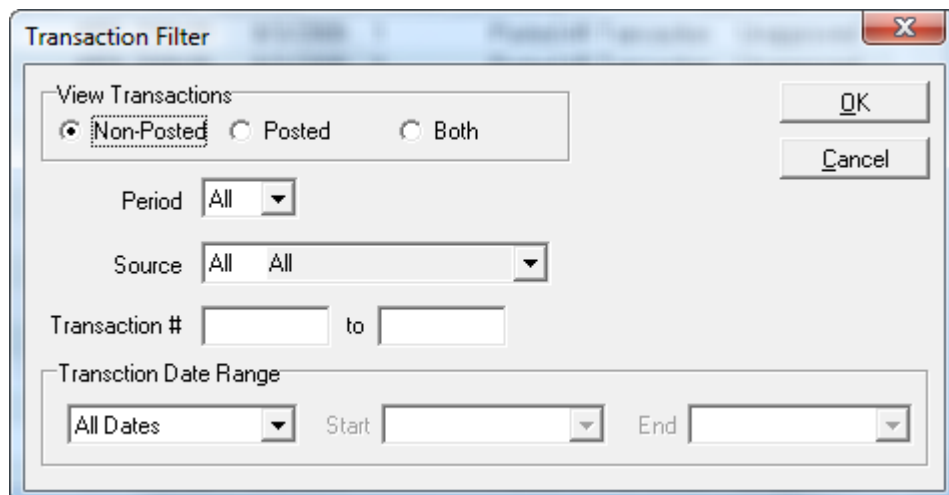To edit an unposted General Ledger transaction:

1. From the button bar, click **Action** and select **Transactions**. The Transaction Processing screen appears.

2. Enter the transaction number of the journal entry to be edited and skip to step 6. If you do not know the correct transaction number, you can use the F8 key or the **Look-up** button. The following screen appears.

3. To narrow down your search for the correct transaction number, you can filter the list by clicking **Transaction Filter**. The following screen appears.

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4. Fill in the fields as required and click **OK**.

5. On the Transaction Lookup screen, double-click the desired transaction. The Transaction Processing screen appears.

6. After all changes are made, click **Save** to save the record. Remember, Orion will let you save the entry if the entries are not balanced, but the transactions will not be posted until completed.

Note: Although Orion allows you to display <u>posted</u> transactions, you cannot make any changes. Either create an adjusting journal entry or reverse the transaction.

Deleting a General Ledger Transaction

Use this procedure to delete a General Ledger transaction.

Note: Only unposted or unapproved transactions can be deleted.

Steps

To delete a General Ledger transaction:

1. Access the Transaction Processing screen and enter the transaction number of the journal entry to be deleted. If you do not know the correct transaction number, you can use the F8 key or the **Look-up** button.

   - Locate the unposted transaction using the Look-Up screen or narrow your search by accessing the Filter options as shown in "Editing a General Ledger Transaction."

   - To search for specific narrative in a transaction, click **Action** and select **Find in Description**.

2. Click **Delete** or press the Ctrl+Delete keys and confirm that you want to delete the record. The system prompts you to confirm the deletion.

3. Click **Yes** if you want to delete the account or **No** if you want to keep it.

   Note: Although Orion will allow you to display a posted transaction, you will not be allowed to delete it. Any changes to posted General Ledger transactions must be made in the form of an adjusting journal entry.

Printing the Transaction Journal

It is recommended that every transaction be printed on a Transaction Journal before it is posted.

Steps

To print the Transaction Journal:

1. From the button bar, click **Action** and select **Post Transactions**. The following screen appears.

2. After choosing transactions to include in the report, click **Print Journal**. The Transaction Edit Register screen appears.

    Note: If you edit a General Ledger transaction, it is recommended that you print another Transaction Journal before you post it.

3. Select the sort order and click **Print** to print the report.

4. If after reviewing the report you find entries that need to be edited, you can double-click each one to display it on the Transaction Processing screen. Make any necessary changes, click **Save**, and reprint the Transaction Journal.

Posting Transactions

In order to update your General Ledger account balances, you must post the transaction entries.

The posting program posts all transactions for the current period and any previous period and updates the account balances. You can also post transactions to a previous period independently, meaning you can post the previous period before the current period is ready to be posted.

Only those transactions for the current period will be posted. Furthermore, the system does not post transactions that are out of balance or that reference an invalid account number.

Note: General Ledger transactions from other modules such as AR, AP, or Payroll are created in unapproved status and must be approved prior to posting. The approval process is typically done during End of Period processing, but can be performed as a standalone process in order to update the account balance. (See Chapter 4, End of Period Processing.)

Steps

To post General Ledger transactions:

1. From the button bar, click **Action** and select **Post Transactions**. The following screen appears.
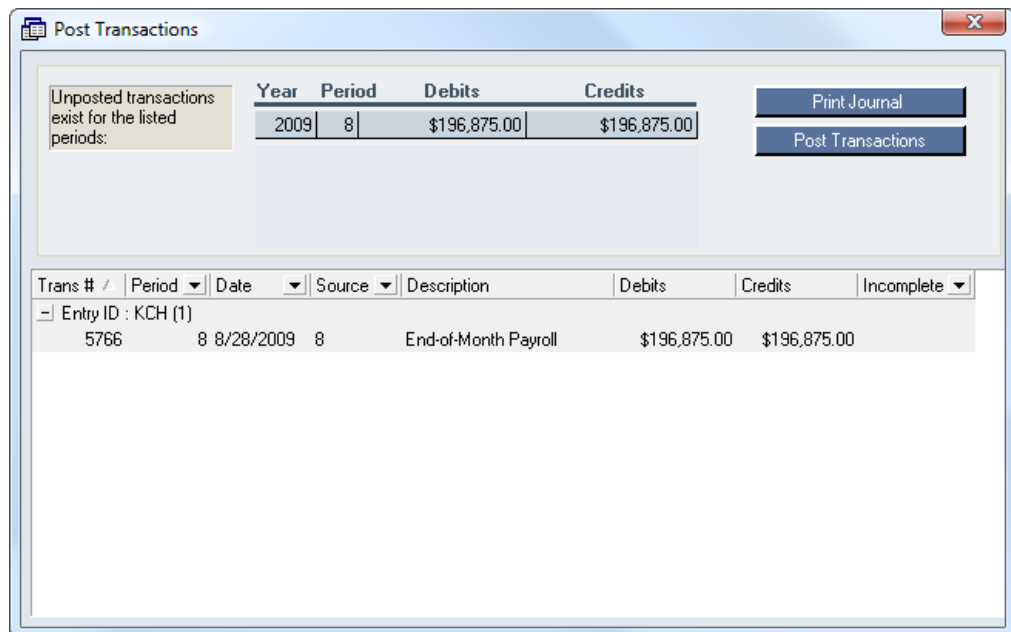
Orion displays the summary status of unposted transactions and the periods they are contained in. Details of the transactions are displayed in the lower portion of the screen and are grouped by entry ID (user ID), then by transaction number. Drop-down arrows are available for period, date, and source, and are used for filtering data.

2. Select the transaction(s) you want to post.

3. Click **Post Transactions**. Once posted, Orion will inform you that your transactions have posted successfully.

Field Descriptions – Post Transactions Screen

The following table describes the fields on this screen.

Field	Description
Unposted transactions exist for the listed periods	Year, Period, Debits, and Credits are displayed for each unposted transaction.
Print Journal	Prints the Transaction Journal.
Post Transactions	Posts the transaction.

Recurring Transactions

Every business has certain transactions that take place in each accounting cycle. Monthly transfers from checking to investment accounts and depreciation are examples. The Orion recurring transactions feature allows you to enter such transactions once, store them for later use, and retrieve them whenever the recurring transaction needs to be generated.

Orion allows you to set up recurring transactions and then create them on a monthly basis. You enter (set up) recurring transactions through the Transaction Processing screen found under the **Action** button.

What is a Recurring Transaction Entry?

A recurring transaction entry is not really a transaction at all, but a database record with some of the elements of a transaction. Real (postable) transactions are created when a date and fiscal period are added to the database records, and the results are stored in the unposted transactions batch. Recurring transaction entry procedures are like those for normal transactions with the exception of the substitution of ID for the **Period**, **Transaction Number**, and **Date** fields found in a normal transaction entry screen.

Recurring Transaction Life Cycle

The "life cycle" of a recurring transaction is markedly different from any of the other operational sequences because various portions of it are accomplished at different times. The entry procedures are accomplished only at the time you set up your system or when records in the recurring transactions database need to be added or edited. The remaining procedures are integrated with the daily processing routine.

Program	Purpose
Transaction Processing	Used to set up transactions. (See "Transaction Processing" on page 3-2.)
Create Recurring Transactions	Used to add a period identifier, transaction number, and date to each entry to produce a batch of unposted transactions. (See "Creating a Recurring Transaction" on page 3-19.)
Transaction Journal	Used to print the created transactions for review and possible editing and to set the system flags for posting. (See "Transaction Processing" on page 3-2.)
Enter/Edit GL Transactions	Used to modify the created transactions. (See "Transaction Processing" on page 3-2.)
Post Transactions	Used to post the created transactions and update the General Ledger Chart of Accounts. (See "Transaction Processing" on page 3-2.)

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Adding a Recurring Transaction Template

Use this procedure to add a recurring transaction template. To make actual transactions recurring, see "Creating a Recurring Transaction" on page 3-19.

Steps

To add or set up a recurring transaction template:

1. From the button bar, click **Action** and select **Transactions**. The following screen appears.

2. Enter a transaction number or use the F8 key or the **Look-up** button to find the one you want.

3. Click **Tools** and select **Recurring**, then **Make Recurring**. The following screen appears.

4. Assign a template name, description, and frequency. If the amount will be the same each month, select **Include amounts**. Click **OK**. For details, see "Field Descriptions – Make Recurring Screen" on page 3-16.

Field Descriptions – Make Recurring Screen

The following table describes the fields on this screen.

Field	Description
Template Name	A unique name for the template. If a duplicate name exists, a message box appears to ask if you want to overwrite the existing named template.
Description	A description of the recurring transaction.
Frequency	The frequency this transaction will be used in the Create Recurring Transactions program. This field is used for reference purposes only and will not prevent you from creating recurring transactions whenever you want. The frequency options are Monthly, Semi-Monthly, Bi-Monthly, Quarterly, Semi-Annual, Annual, and Other.
Include amounts	If this box is left unchecked, you must edit the transaction to include the amounts when new recurring entries are generated.

Field Descriptions – Recurring Transaction List Screen

The following table describes the fields on this screen.

Field	Description
Fiscal Year	The fiscal year for the template.
Date	Defaults to today's date. Change it if needed.
Period	The period during which the template will be applied.

Editing a Recurring Transaction Template

Use this procedure to edit a recurring transaction template. This process edits the template, not an actual transaction.

Steps

To edit a recurring transaction template:

1. Access the Recurring Transaction List for the recurring transaction template to be edited. Select the template you want to edit.

2. Click **Edit Selected**. The Make Recurring screen appears.

3. Fill in the fields as required. For details, see "Field Descriptions – Recurring Transaction List Screen" on page 3-16.

4. Make changes and click **OK**.

5. Close the Recurring Transaction List.

Deleting a Recurring Transaction Template

Use this procedure to delete a recurring transaction template. This process deletes the template, not an actual transaction.

Steps

To delete a recurring transaction template:

1. Access the Recurring Transaction List and select a recurring transaction template to delete.

2. Click **Delete Selected**. The system prompts you to confirm the deletion.

3. Click **Yes** if you want to delete the template or **No** if you want to keep it. The recurring transaction template is now deleted from the system.

Creating a Recurring Transaction

Orion allows you to set up recurring transactions and then create them on a monthly basis. After templates have been added to the Recurring Transaction List, they can be retrieved to create new recurring transactions.

The Create Recurring Transactions program adds a period identifier, transaction number, and transaction date to each entry in the group(s) specified to create, and creates unposted transactions for each group.

Prerequisite

This procedure assumes that you have set up recurring transactions. For instructions on setting up recurring transactions, see "Recurring Transactions" on page 3-14.

Steps

To create a recurring transaction:

1. From the Transaction Processing screen, click **Tools** and select **Recurring**, then **Recurring List**. The following screen appears.

2. Update the **Fiscal Year**, **Period**, and **Date** fields.

3. Highlight the template name for the desired recurring transaction and click **Create Selected**. This creates an unposted transaction and informs you that the transaction was successfully created. You can select multiple templates by using the Shift or Ctrl key if you want to create all entries at once.

4. Close screens to return to the General Ledger Manager. Edit and save the transactions as needed.

Next Steps

You can now edit the transactions created through this process using the Transaction Processing screen. Regardless of whether or not they are edited, they must be printed on a Transaction Journal and then posted before they update the General Ledger Chart of Accounts.

Reversing a Posted Transaction

You can't edit or delete a posted transaction. To cancel a transaction, you must reverse it. Doing this creates a new transaction that backs out the previous one.

Steps

To reverse a posted transaction:

1. From the button bar, click **Action** and select **Transactions**. The Transaction Processing screen appears.

2. Click **Tools** and select **Reverse Transaction**. Notice that the debit and credit is reversed for the two accounts.

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Posting to a Previous Period

Orion allows you to make adjustments to prior periods by allowing you to backdate the period during transaction processing (journal entries). The procedure itself, however, is only a part of a complete processing sequence that must be followed.

The sequence consists of the following steps:

Stage	Description
1	Use the Transaction Processing screen to enter the transaction, assigning it to a previous period. The entry will resemble a normal General Ledger transaction entry, but you must enter the number of the period to which you intend to post the transaction. DO NOT accept the default current period displayed.
2	Use the Post Transactions screen to print the Transaction Journal for the previous period. Again, the number of the period to which you intend to post the transactions must be entered in the **Period** field.
3	Reprint financial statements and trial balances for the period to which the transactions were posted and all periods between that period and the current period. These documents form a financial record of the changes brought about by the posted transactions. They, and the Transaction Journal printed in Stage 2 above, should be stored with the original documents as part of your permanent records.

Posting Previous Period Transactions

Perform this procedure after you have entered and saved your transaction and printed it on a Transaction Journal.

Only those transactions previously printed on the Transaction Journal will be posted, and only those transactions for the specified period will be posted. Furthermore, transactions that are out of balance or are referencing an invalid account number will not post.

You use the Post Transactions screen. Any unposted transactions will appear, including those for any previous period. Select and post these transactions like any others.

Steps

To post previous period transactions:

1. Click **Action** and select **Post Transactions**.

2. Highlight the line item(s) you wish to post into the previous period and click **Print Journal** to review the entries or click **Post Transactions** to post the entries. Once posted, Orion will inform you that your transactions have posted successfully and that they were posted to a previous period.

3. Reprint financial statements and trial balances for the period to which the transactions were posted and all other periods between that period and the current period.

Entering Previous Year Balances

When you first set up your General Ledger, you may want to enter the previous year balances for each account. You enter and post these like any others except that you change the fiscal year to last year. You can enter and post transactions to any period in the current year and as far back as one year.

Note: Once you have begun using Orion and have run an end of year closing (closed period 12), you should not change any of these numbers. As part of end of year processing, Orion copies the balances for the year being closed to the **Previous Year** fields. Any editing of numbers after this has been done can invalidate financial statements that show a previous year comparison.

Chapter 4

End of Period Processing

Contents

Chapter Overview

After approving and posting transactions from the other Orion modules, creating and posting recurring entries, making any necessary adjusting journal entries, and printing the financial statements, you are ready to close the period.

Types of Period End Processing

There are two types of end-of-period processing: month-end and year-end. Orion automatically knows which one is to be performed by the period number you are closing. Orion will process a month-end closing for periods 1 through 11 and a year-end closing for period 12.

Each General Ledger account within the Chart of Accounts contains a field for each accounting period balance in the current year as well as prior fiscal years. When any period other than the fiscal year-end period closes, the ending balance for the current period is copied to the beginning balance for the next period. When the process is complete, the current period value is incremented to reflect the new period.

Once you have closed a period, the only way to adjust the balances for that period is to enter transactions in a previous period and post that period again. For details, see the section titled "Posting to a Previous Period" in Chapter 3, *Transactions*.

Closing an Accounting Period – Process Overview

The process of closing an accounting period includes several stages:

Stage	Description
1	Approve and post transactions from the Billing and Accounts Receivable, Accounts Payable, and Payroll modules to the General Ledger module.
2	Enter, print, and post all necessary adjusting journal entries (including recurring transactions).
3	Print a trial balance.
4	Track down and correct any errors.
5	Reprint the trial balance.
6	Print the income statement and balance sheet.
7	Close out the period.

The first six stages have been discussed in detail in prior sections of this guide. This section deals with the last step: closing the period.

Throughout the month, General Ledger transactions are created by Orion's Billing and Accounts Receivable, Accounts Payable, and Payroll modules. To provide you with control over the General Ledger, these transactions do not update the General Ledger until you run End of Period processing in the General Ledger module. The transfer can occur at any time during the month and as often as you wish. The frequency should be determined by your internal accounting procedures. If you run financials frequently throughout the month, you should

transfer the transactions several times throughout the month, maybe even daily. With the exception of actually closing the month, the steps can be followed several times during the month.

For purposes of this explanation, let's assume your G/L Default Table looks like this:

Account Name	Account Number
Cash in Bank	1010
Accounts Receivable Fees	1030
Accounts Receivable Expenses	1060
A/R Client Advances	1065
Sales Tax Receivable	1070
Unbilled Client Advances	1050
Uncollected Fees	2100
Uncollected Expenses	2110
Client Advances Written Off	4030
Sales Tax Liability Offset	2115
Default Client Trust Account	9000
Client Trust Liability Account	9001
Unapplied Retainers	2090
Default Income - Fees	3000
Income - Expenses	3100
Income - Interest	3200
Accounts Payable	2050

Closing the Month – Billing and Accounts Receivable

Following are the procedures and steps that need to be taken in the Billing and Accounts Receivable module in order to close a month.

Stage	Description
A	Create and post all invoices for the month. (Orion Billing Manager)
B	Confirm that all payments, RAPs, TAPs, etc. are applied and posted by running the Unapplied Transaction Listing (Reports - A/R Transaction Listings). Enter 01/01/90 as the beginning date and use the last day of the month you are closing as the ending date.
C	Run the desired management reports for the month. The following management reports MUST be run prior to entering transactions for the next period. We strongly recommend that you run reports 1-3 each month and file them since they cannot be re-created at a future date. 1. Aged Work in Process (Reports – Client-Matter Reports) 2. Aged Accounts Receivable (Reports – Client-Matter Reports) 3. Open Cost Report (Reports – Client-Matter Reports) 4. Timekeeper Productivity Report (Reports – Staff Productivity Reports)
D	Run additional management reports for the month. The following reports can be re-created at any time and are examples of those typically recommended. 1. Time Entry Calendars for all Timekeepers (Desktop Module) 2. Invoice Listing (Reports – Billing Reports) 3. Payment Application Analysis (Reports – Billing And Revenue Reports) 4. Disbursements Analysis Report - Paid (Reports – Billing And Revenue Reports) 5. Daily Deposit Report - include PMT, RDP, TAP (Reports – A/R Transaction Listings) 6. Trust/Retainer Balance - not necessary every month (Reports – Client-Matter Reports)

Approving Transactions from Billing and Accounts Receivable

Use this procedure to approve transactions from the Billing and Accounts Receivable module and post them to the General Ledger module.

Steps

To approve and post transactions:

1. From the button bar, click **Action** and select **End of Period**. The following screen appears.

2. In the **Display** field, click either **Unapproved Transactions** or **Unposted Transactions**.

3. To approve and post the transactions to the General Ledger accounts, click **Approve and Post**.

Closing the Month – Accounts Payable

Following are the procedures and steps that need to be taken in the Accounts Payable module in order to close a month.

Stage	Description
A	Make sure all vouchers, manual checks, and adjustments for the current period have been processed and posted.
B	Print the desired reports. 1. Check Register using the first and last day of the month as the date range. • Verify all checks are posted in the current period. • If previous period checks have been voided in the current period, print a Voided Checks Report. 2. Open Voucher Listing.
C	Reconcile all bank accounts. Enter miscellaneous deductions such as automatic withdrawals, bank charges, etc.
D	Once the account has been reconciled, clear the reconciled entries.
E	Run a Bank Reconciliation Report (Uncleared Items) as of the last day of the month. This provides a list of outstanding checks and deposits in transit.

Approving Transactions from Accounts Payable

Use this procedure to approve transactions from the Accounts Payable module and post them to the General Ledger module.

Steps

To approve and post transactions:

1. From the button bar, click **Action** and select **End of Period**. Click the Accounts Payable tab. The following screen appears.

2. In the **Display** field, click either **Unapproved Transactions** or **Unposted Transactions**.

3. To approve and post the transactions to the General Ledger accounts, click **Approve and Post**.

Closing the Month – Payroll

Following are the procedures and steps that need to be taken in the Payroll module in order to close a month.

Stage	Description
A	Make sure all payroll checks have been posted (updated).
B	Print desired reports. 1. Check Register 2. Quarterly Earnings Report (You must run this report prior to closing the quarter.)
C	Close the period. This will typically be the month, but you will also need to close the quarter every third month, and the year at the end of the year. A month-end closing only zeros out the Month-To-Date totals in the employee file. A quarter closing zeros out the Quarter-To-Date totals in the employee file, and the year-end closing zeros out the Year-To-Date totals in the employee file. Quarterly reports must be run prior to running a quarterly closing and W-2 forms must be generated prior to running a year-end closing.

Approving Transactions from Payroll

Use this procedure to approve transactions from the Payroll module and post them to the General Ledger module.

Steps

To approve and post transactions:

1. From the button bar, click **Action** and select **End of Period**. Click the Payroll tab. The following screen appears.

2. In the **Display** field, click either **Unapproved Transactions** or **Unposted Transactions**.

3. To approve and post the transactions to the General Ledger accounts, click **Approve and Post**.

Closing the Month – General Ledger

Following are the procedures and steps that need to be taken in the General Ledger module in order to close a month.

Balancing Accounts Receivable and Trust Accounts

To balance the accounts, you need to have run all reports previously listed in this section.

Stage	Description
A	Accounts Receivable Fees (1030) should equal the Total Fees column on the Aged Accounts Receivable Report. In order to balance back to this report, it must be run after all invoices and payments for the month have been posted and before payments for the next month have been entered and applied.
	1. Verify that all transactions with a date prior to the current period have been transferred from the Billing and Accounts Receivable module to the General Ledger by following the steps above. • If the AR Fees General Ledger account is higher than Total Fees on the Aged Accounts Receivable Report, there are probably General Ledger transactions reflecting an unposted invoice that have not yet been transferred to the General Ledger module. These transactions can carry the date of the original invoice, but they should be posted to the current period. • If the AR Fees General Ledger account is lower than Total Fees on the Aged Accounts Receivable Report, there may be General Ledger transactions reflecting invoices posted at the end of the month that have not yet been transferred to the General Ledger module.
	2. Balance the receipt side. • Print the Daily Deposit Report or the Payment Application Analysis and include PMT, CR, WO, RAP, and TAP transactions. • Check the total of the Daily Deposit Report or the Payment Application Analysis against the total credits to the Accounts Receivable Fees account (1030). Exclude from Total Credits those transactions with an invoice number as the description since these transactions were created upon unposting an invoice. If the totals do not match, investigate any entries not on both reports.

Stage	Description
	3. Balance the invoice side.
	a. Print the Invoice Listing Report for the current period.
	b. Verify that the Total Fees Billed column on the Invoice Listing Report equals the total hitting the Accounts Receivable Fees (1030) account (total debits less any credits with an invoice number as the description).
	c. Investigate any differences, looking for debits with the same invoice number. It may be helpful to run the AR to GL Transfer Journal found using the **Reports** button in the General Ledger section.
	1) Select Reference as your sort order.
	2) Specify a range of periods to include.
	3) Include transactions for the current month.
	d. Select I (Invoice Posting) as the source you want to print.
	e. Select Posted Transactions.
	f. Choose to print a detail and a summary report.
B	Accounts Receivable Fees (1030) should be offset by Uncollected Fees (2100).
C	Accounts Receivable Expenses (1060) should be offset by Uncollected Expenses (2110).
D	Accounts Receivable Expenses (1060) plus AR Client Advances (1065) should equal the Total Expenses column on the Aged Accounts Receivable Report. Once again, these accounts will not balance if the Aged Accounts Receivable Report was not printed under the conditions discussed above.
E	A/R Client Advances (1060) should match the Total Unpaid Costs column on the Open Cost Report. The Open Cost Report must have been run prior to applying any payments for the new month or printing any new invoices.
F	If you are running on an accrual basis, Unbilled Client Advances (1050) should equal the Total Unbilled Costs column on the Open Cost Report. If you are on a cash basis, you will not be able to balance this without first running another report.
	1. Run a Voucher Expense Listing for all open vouchers for the Unbilled Client Advances (1050) account. This report should be run prior to entering any new vouchers or paying any open vouchers in the new month.
	2. Add the total of this report to the Unbilled Client Advances (1050) General Ledger account. The total of the two numbers should equal the Total Unbilled Costs column on the Open Costs Report.
G	Unapplied Retainers (2090) should equal the retainer balance shown on the Trust-Retainer Balances Report.
H	The Default Client Trust Account balance (9000) should be offset by the Client Trust Liability Account and should equal the trust balance shown on the Trust-Retainer Balances Report. If you have more than one Trust Cash account, the total of the cash accounts should be offset by the Client Trust Liability Account (9001) and should equal the trust balance shown on the Trust-Retainer Balances Report.

Balancing Cash

All cash accounts should be reconciled to the bank balance. Your ending cash balance in the General Ledger should equal the Reconciled Balance from the Bank Reconciliation report plus any deposits in transit less any outstanding checks. You can use the Bank Reconciliation Report for these calculations. If it doesn't balance:

Stage	Description
A	Make sure all journal entries have been made for bank charges, miscellaneous cash, interest, etc.
B	Check all transactions from Source 2 (Accounts Payable) and again verify that the total credits match the Check Register total less any prior period checks voided in the current period.
C	Add total debits to the cash account from Source 1 and miscellaneous cash receipts entered through journal entries and verify that the total matches your deposit slips. 1. Run a Daily Deposit Report that includes PMT, RDP, and TAP transactions and add the total miscellaneous receipts to it. Verify that the total matches the deposits on your bank statement. If not, check your totals by day. 2. If the daily totals match but the cash account is still out of balance, look for reversed payments. You can print an Application Reversals Report (A/R Transaction Listings) for assistance in this. 3. If cash still does not balance, look for duplicate records that may have been created during a lockup. These transactions will have the same record number after the Client-Matter number and will not necessarily be listed together. 4. When all else fails, check all transactions with Source 1 against the Daily Deposit Report and investigate any found in the Account History but not on the Daily Deposit Report and vice versa.

Closing the Fiscal Year

Closing a year in Orion is a very simple process if you follow the correct procedures. The actual Year End Close is performed through the General Ledger Manager. There are several procedures that are not required; however, you should perform them in each of the other modules prior to entering activity for the new year. Review all of the procedures discussed below prior to proceeding with any end of year processing functions. If you have any questions, please do not hesitate to contact us.

All Programs

Remember that you cannot reverse any of these processes once they have started. It is strongly advised that you male a backup prior to running any closing program. It is the only way to reverse this procedure.

Time and Billing

Prior to entering activity for the new year, we recommend (but do not require) that you do the following:

1. Make sure all invoices for the old year have been printed and posted. You can use the Post Invoices program to view any invoices that have not yet been posted. In this particular case, we recommend you change your filter to include a larger range of dates (for example, 01/01/2008 - 12/31/2008). You can also print an Invoice Listing report for unposted invoices using a date range of 01/01/2010 - 12/31/2010. The report should return a message that says there was no information found in the range.

2. Make sure that all payment, credit, write off, retainer, or trust transactions for the old year's business have been applied and posted. You can run the Unapplied Transaction Report to determine if all transactions have been posted.

Once the above procedures have been completed, it is recommended that the following reports be run. Optional reports are noted and should be run only if used by your firm. If you will be entering data for the new year prior to closing the previous year, you must run these reports prior to any activity in the new year.

- Aged Accounts Receivable (Invoice Summary)
- Aged Work-in-Process
- Open Cost Report
- Attorney History Report
- Top Paying Client Report (optional)
- Billed Hours Report
- Attorney Productivity Report (optional)

Any reports that you run for a typical month end closing should also be run at this time. Once you have completed the above items, you are ready to begin work for the new year.

Note: You are not required to complete the above before you begin entering payments and running invoices for the new year. However, you cannot enter any adjusting journal entries or post any system created transactions for the new year in the General Ledger until you have closed the old year in the General Ledger (closed Period 12). Also, you should run all Billing and Accounts Receivable Reports listed above for the year to be closed prior to entering activity for the new year.

Accounts Payable

For Year End purposes it is recommended, but not required, that you run a Check Register for the Fiscal Year and an Open Voucher Report. In addition, any reports that you run for a typical month end closing should be run at this time.

Note: If you want to use the Accounts Payable module (enter vouchers, adjust vouchers, pay checks, or void checks) prior to closing the year in the General Ledger, you can do so. You must remember to change the AP current period and fiscal year when prompted to do so (when first entering Voucher Entry at beginning of month). You can close the year prior to printing 1099 Forms as the creation of the 1099 work file is based solely on check date and has nothing to do with the General Ledger.

Payroll

For Year End purposes you should run a Check Register, Quarterly Earnings Report, Vacation/Sick/Comp Report, Deductions/Other Earnings Report, and a Pay Codes Report with a range of dates for the previous fiscal year.

Note: If you want to use the Payroll module prior to closing the year in the General Ledger, you can do so.

To close the year in the Payroll Module, choose the Year End option from within Check Processing. If you want to delete any check detail, place a check mark next to the option and enter the year you want to delete. The system will delete the year entered and any prior year. We strongly recommend that you keep check detail for at least five years. In any event, if you have not already created your W-2 work file for the year you are closing, you should not delete that year.

Note: You should run Payroll Year End prior to processing any checks for the new year as the Payroll Year End process recalculates balances on Deductions/ Other Earnings, Vacation, Sick, and Comp time. However, unless you are deleting check detail during the Payroll Year End process, you are not required to create your W-2 work file or print W-2 forms prior to running Payroll Year End.

General Ledger

Closing the Year in the General Ledger is very similar to closing any other period. As soon as you tell the system to close Period 12, it knows to perform a year end close. Before closing period 12, you must make sure of the following:

1. All transactions for the year you are closing as well as the previous year must be posted. If you attempt to close the year with unposted transactions, you will be alerted and the program aborted. You can check for unposted transactions by filtering for unposted using the GL Manager Transaction Filter, running a Transaction Journal for unposted transactions, or by checking the End of Period list of unapproved and/or unposted transactions.

2. Print Financial Statements and verify that they correctly reflect the firm's financial position. In addition, we recommend you print an Account History for all accounts for all periods and a Trial Balance for Period 12. If you do not want to use all the paper an Account History requires, choose to print the report to a PDF file (select **Export, PDF File**).

3. It is recommended that no other processing that affects the General Ledger be occurring when you close. Users can continue to enter time, intake clients and matters, print invoices (not post), use Bill Prep, apply accounting transactions (not post), etc. The program may alert you if others are accessing the General Ledger files and will abort the process. The following processes must be completed prior to closing the year in the General Ledger but they should not be running while General Ledger End of Year processing is in progress:

    -   G/L Transaction Entry/Posting

    -   A/R Application Posting

    -   A/R Invoice Posting

    -   G/L Close Period (Second person accessing at same time)

    -   Check Printing/Voiding and Voucher Adjustments

Process Overview

Following is a detailed explanation on using the GL End of Period Program to close the year.

Year End processing is performed only when Period 12 is shown as the current period in Orion. In fact, the option on the End of Period Checklist that normally says Close Period will now say Close Year.

Be absolutely sure you want to close the year (Period 12) before starting the process as it is irreversible. We also highly recommend you have a good tape back-up of your data before beginning the process. Have your IT personnel perform a backup of your entire database.

Closing the final period of the fiscal year is somewhat more complicated for the system, although not necessarily for the operator. If end of period processing is initiated while the current period is 12, the system automatically runs a year-end processing instead of the normal month-end closing.

Before closing transactions are created, the system verifies that there are no transactions in the Billing and AR, AP, and Payroll modules that need to be posted to the General Ledger for the year. In the Billing and AR module, the system checks for transactions on or before the ending date of the current year.

Once the closing transaction has been created, Orion does the following:

- Copies the current year balances for all periods to the fields that contain their prior year counterparts.
- Posts the transactions to effectively zero out the income and expense beginning balance for the new year.
- Copies the ending balance for all asset and liability accounts to the Period 1 balance in the new year.
- Purges all transaction detail for the year you are closing.

Using information from the System Settings, the system creates a single transaction to close all revenue and expense accounts to the Retained Earnings account. The **Account Type** field determines how the transaction is created by Orion.

Steps

To close your fiscal year in the General Ledger:

1. From the button bar, click **Action** and select **End of Period**. The End of Period screen appears.

2. Click **Close Period: 12**. The following screen appears.

3. Check the information on this screen very carefully, as the end of year process is irreversible. If any information needs to be changed, cancel the closing process and go into **Tools/System Settings** and make the appropriate changes.

4. Once all information has been verified, click **OK**. Orion will begin the closing procedure.

5. Print a trial balance for period 1 of the new year to verify everything closed correctly.

6. Review the report carefully. Your total debits should equal your total credits and all income and expense accounts should have a balance of zero. Should there be anything wrong with the trial balance, discontinue any work in the General Ledger and call Orion Law Management support personnel immediately.

    Note: If you receive any error messages once the closing process has started, do not attempt to re-start the closing process. Call Orion support personnel!

Field Descriptions – Year End Close Screen

The following table describes the fields on this screen.

Field	Description
Accounts to be Closed	The first section displays the accounts to be closed as defined in the System Settings. This range should begin with your first income account and end with your last expense account. If it is not correct or you are not sure about the range, immediately close the program and check the System Settings for the range of accounts to be closed.
	Note: This range should not include the account number used as the Close to account (Retained Earnings).
Debits and Credits Created by Closing Process	Total values of the debits and credits. The net of the two should equal the net profit/loss for the year you are closing. If the values displayed are not correct, close the program and check the System Settings for the range of accounts to be closed.
Close to Account	The Retained Earnings account. The net of the debits and credits is posted to this account. Make sure the "Closed To" account is correct. If the account number displayed is not correct, close the program and double check the Close To account in the System Settings.
	Note: This account number should not fall within the range specified as the Accounts to be Closed range.

Closing the Fiscal Year

Field	Description
Last Day of Year to Close	Before it creates the closing transactions, Orion checks to make sure that there are not any transactions in the Billing and Accounts Receivable, Accounts Payable, and Payroll modules that need to be transferred to the General Ledger. Based on the date entered in this field, the system checks for any transactions on or before the closing date. If any are found, it will return a message as shown in the Transactions Not Transferred screen. You have the option of continuing the year-end process without checking these transactions. However, we strongly recommend you exit at this point and make sure there is nothing important that needs to be transferred. The system uses this date only to check transactions in the Billing and Accounts Receivable module. To verify all transactions have been transferred from the Accounts Payable and Payroll modules, it checks for any transactions where the period is greater than or equal to period 6.
Copy Account Budgets to new fiscal year	Select this box to copy budget amounts from this year to the next. Otherwise, you must enter new budget amounts manually.

Chapter 5
Financial Statements

Contents

Chapter Overview

This chapter describes the process of designing financial statement formats to match your Chart of Accounts, then using these formats to print your financial statements.

Report Styler Program

Financial statement styles are set up in the Report Styler program. A financial statement style must be defined and set up in this program before you can print financial statements. Each statement style must be given a two-character Style Code and a Style Description. The Style Code is then used when printing financial statements.

Orion allows you to create various versions of a statement format without requiring custom programming and you can have as many different versions as you wish. The following explanation summarizes the options available in the Report Styler. Given the infinite varieties of Charts of Accounts and the accounting issues involved, it will not, however, be a step-by-step reference to creating a financial statement style.

A General Ledger report style consists of a unique code, a description, and a corresponding style file located in the Orion data directory. The style file contains one or more definition lines. Each definition line, in turn, consists of a set of commands that are used by the system to determine the exact content and format of one or more printed lines in a financial statement.

When you use the **Statements** button to print a financial statement, you must tell Orion which report definition to use. Orion then uses the record you have indicated and combines the commands in the style with other commands that are unique to the statement type to produce the final format of the selected report.

Printing Financial Statements

Use this procedure to print financial statements (income and expense statements and balance sheets).

Steps

To print financial statements:

1. From the button bar, click **Action** and select **Statements**. The following screen appears.

2. Once you have specified your report style, the period for which to print the information, and other criteria, click the appropriate button to send the report to a printer, the screen, e-mail, or an export file. You can also export your information to a spreadsheet or other document by clicking **Export**.

Field Descriptions – Financial Statements Screen

The following table describes the fields on this screen.

| Field	Description
Style	The name of the report style to print.
Statement Date	If you have defined your report style to reference an As of Date, enter the date in this field. For example, if the header of your report style will say, "Balance Sheet as of December 31, 1998," enter 12/31/98 in the **Statement Date** field. If your report style references the period number instead, you can leave the current date in this field.
	Note: The date entered in this field has no control over the data included in the statements. It is only for purposes of populating defined fields (if any) in the statement header.
Fiscal Year	The year for which the financial statement is being printed.
Period	If you have chosen a report style that has been set up as a balance sheet, you have access to only the first field. The period defaults to the current period, but you can choose any previous period for which to print a balance sheet. If the report style you have chosen is set up as an income statement, you can enter a range of periods. The system defaults to the current period as your range, but you can change it to any range that includes any previous period through the current period.
Departments	Prints the statement for a specific range of departments. If your report style has already been set up to print for a specific department(s), the report style controls what accounts appear on the statement.
Include Inactive Accounts	Includes inactive accounts on financial statements.
Detail/Summary	Prints all account detail (the system defaults to printing all detail). If you choose not to print a detail statement, any row that does not have the **Include When Printed as Summary** option checked will not print in detail, but will be included in the subtotal line. The Detail/Summary option is not available if the report style you have specified in the **Style** field is set up as a balance sheet format.

Creating a General Ledger Report Style

The Report Styler is a template divided into two sections: Header and Body. This template formats the financial statement.
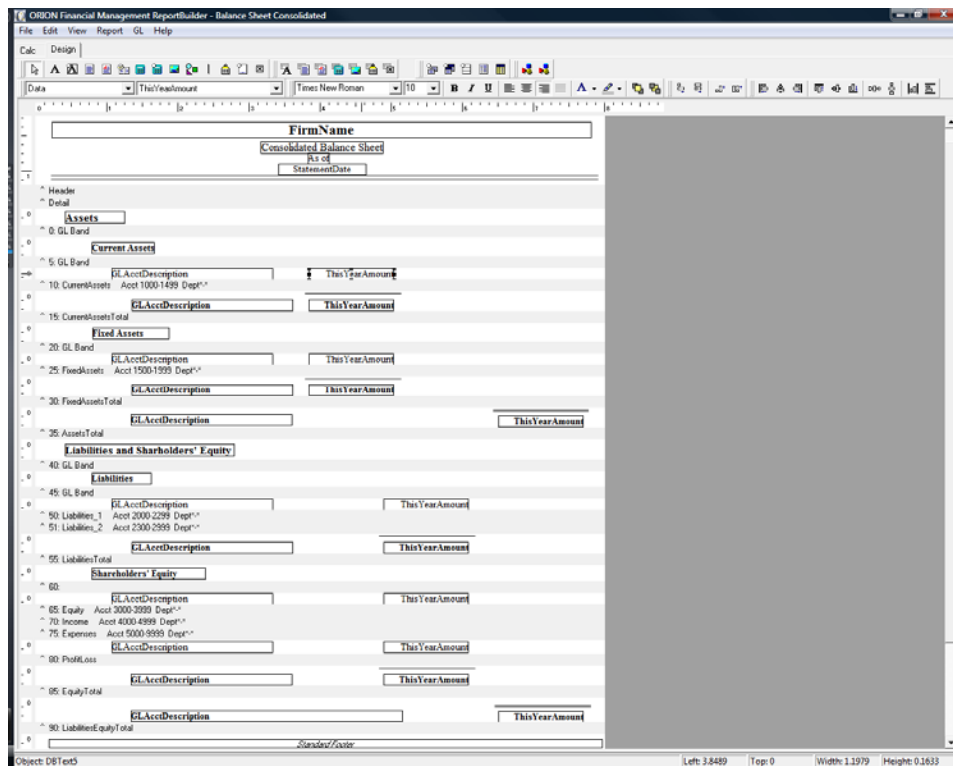
Steps

To create a General Ledger report style:

1. From the button bar, click **Tools** and select **Report Styler**. The following screen appears.
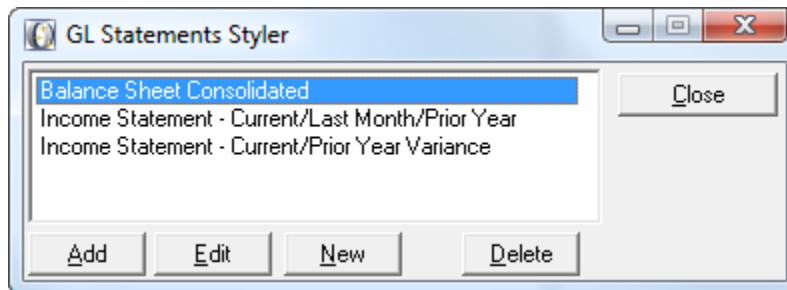
2. Select a report style and click **Add**. The Open screen appears.

3. Select a template and click **Open**. The Template Name screen appears.

4. Enter a template name and click **OK**. The following screen appears.

5. You can click objects and move them around. When finished, click **File** and select **Close**.

Editing a General Ledger Report Style

Once you have saved a statement report style, you can access it and make any desired changes.

Steps

To edit a General Ledger report style:

1. From the button bar, click **Tools** and select **Report Styler**. The Statements Styler screen appears.

2. Select a report style and click **Edit**. Make changes as required.

Deleting a General Ledger Report Style

Use this procedure to delete a General Ledger report style:

Note: Be very careful when deleting General Ledger report styles. Once you have deleted a style, you must completely recreate it in order to use it again. The delete process not only deletes the style code, but it deletes the style file from your Orion data directory.

Steps

To delete a General Ledger report style:

1. Locate the style you want to delete by entering the style code or using the F8 key or the **Look-up** button.

2. From the GL Statements Styler screen, select the report style you want to delete.

3. Click **Delete**, then click **Close**.

Chapter 6
Account Status

Contents

Filter Sets

If you choose to view multiple accounts, you must select a filter set from the drop-down to display data. Filter sets contain a range of account numbers. If there are ranges of accounts you will want to view on a recurring basis (for example, income accounts, investment accounts), you can save your views.

Steps

To save settings:

1. Establish your account range and the columns you want to display. From the button bar, click **Action** and select **Account Status**. The Account Status screen appears.

2. Select **Multiple Accounts**, then click **Edit Filter Sets**. The Filter Sets screen appears.
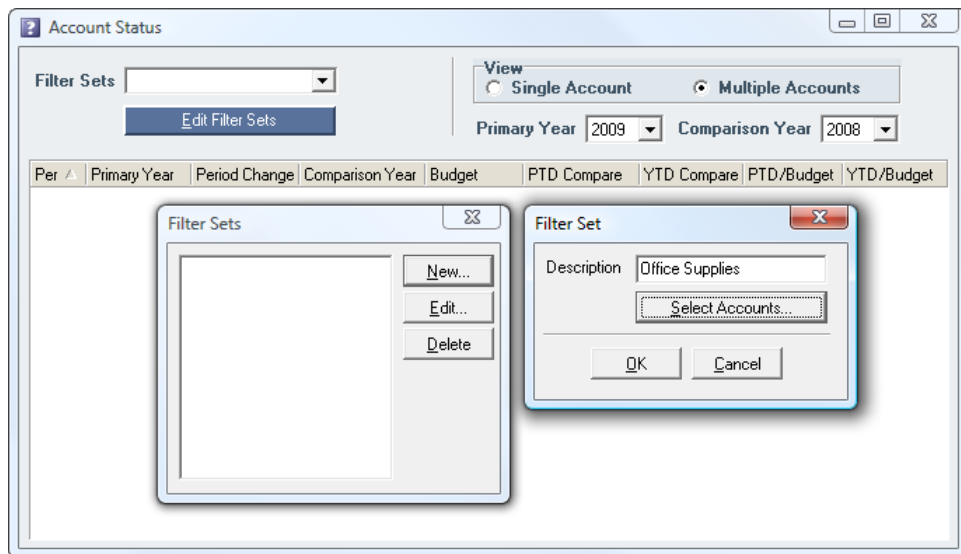
3. To save your settings for later recall, click **New**, type a name for the filter set in the box provided, and then click **Select Accounts**.

4. Select an account and click **OK**.

5. To delete an existing filter set, click the name of the set and click **Delete Filter**. The system prompts you to confirm the deletion.

6. Click **Yes** if you want to delete the filter set or **No** if you want to keep it.

7. To call up an existing filter set, double-click the name of the set and click **OK**.
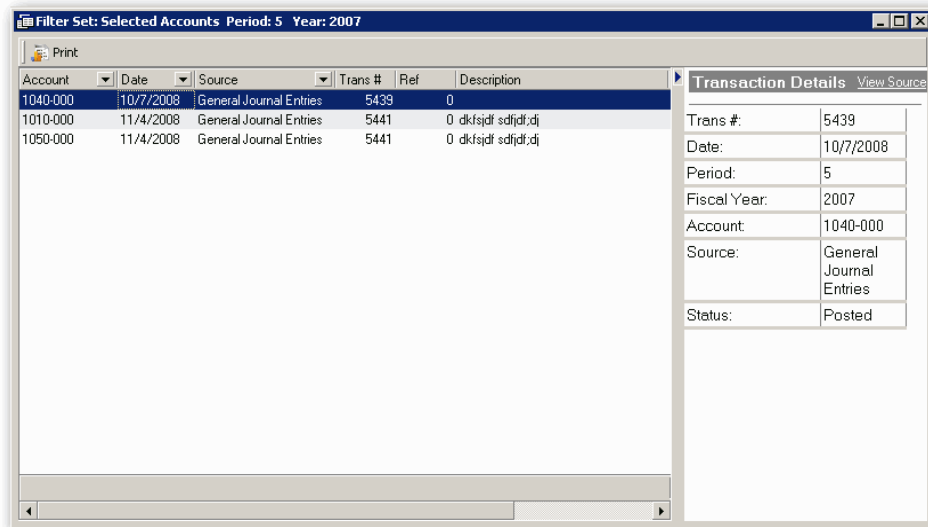
Printing Account Status

After specifying an account or range of accounts, you can send the view to the printer by clicking **Print**. If there are no rows selected, you will be asked if you want to print all rows.
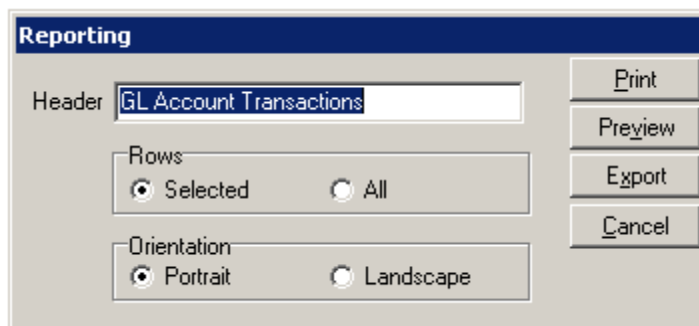
Steps

To print the status of an account:

1. From the Account Status screen, double-click the desired period. The Filter Set screen appears.

2. Select one or more accounts and click **Print**. The Reporting screen appears.

3. If you want a different header from the one displayed, enter it in the **Header** field.

4. In the **Rows** field, select **Selected** or **All**.

5. In the **Orientation** field, select **Portrait** or **Landscape**.

6. Click **Print**.

Show Chart Button

You can view a comparison of the current year against the previous year in a graph format.

Steps

To display a graph comparing the current year and previous year:

1. Click Show Chart.

2. Once the graph is displayed on the screen, right-click to access all graphing options including output options.

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Viewing Transaction Details

Use this procedure to view transaction details for a specific period.

Steps

To see the detail for a specific period:

1. On the Account Status screen, double-click the desired line. The following screen appears.

2. To narrow down the detail that is displayed, click the down arrow on the Account, Date, or Source columns, then select the items to display from the list. All other columns can only determine the sort order. This entire section of the screen can be suppressed from view by clicking on the upper left arrow to the right of the Transaction Details title.

3. To change the items visible in the Transaction Detail portion of the screen, right-click in the area. Click **Select Fields**. The following screen appears.

4. Check items to view and uncheck items to hide, then close the screen.

5. Click **Print**.

6. On the Reporting screen, enter a header, indicate whether to print all or selected rows, and whether to print portrait or landscape.

7. Click **Print** to print the transaction details.

Chapter 7
General Ledger Reports

Contents

Chapter Overview

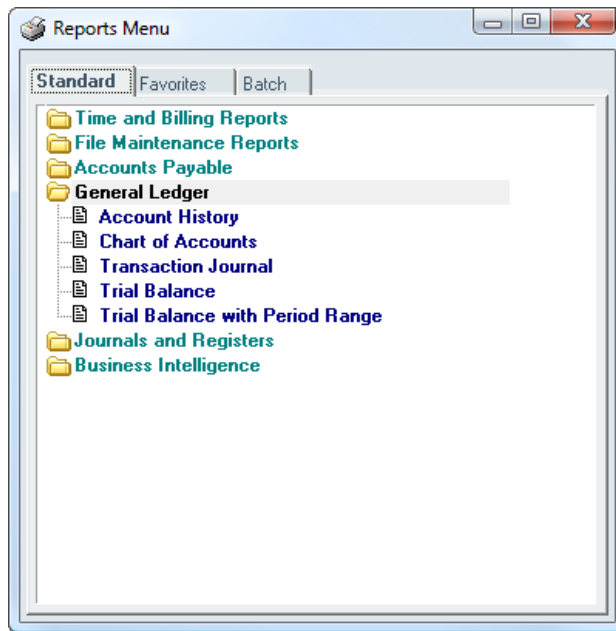In addition to the financial statements and the Transaction Journal, Orion provides several other reports that can be used to display or print lists of transactions or account activity.

Reports Menu

To run any of the General Ledger reports:

1. From the button bar, click **Reports**, then double-click **General Ledger**. The following screen appears.

2. See instructions for printing each report.

Account History

The Account History report provides you with detail on a specified General Ledger account or range of accounts. It can be printed for one or more periods as long as your range includes a previous period or the current period.

Steps

To generate this report:

1. From the Reports Menu, double-click **Account History**. The following screen appears.

2. Fill in the fields as required. See "Field Descriptions – Account History" on page 7-4 for specific information.

3. From the Filter tab, you can select to include or exclude the account, department, location, and/or source. To include or exclude based on a group of numbers, select **+Multiple**. Then use the **Look-up** button to select a range of numbers or random numbers.

4. Click **Print** to print the report.

Field Descriptions – Account History

The following table describes the fields on this screen.

Field	Description
Sort Order	The sort order for the transactions within each account that you are printing. The program automatically prints the report in account number order and within each account prints the transactions in order by period. You are determining how to sort the report within each period. You can sort the report by: • Source Code and Reference Number • Source Code and Transaction Date • Source Code, Check Number, and Reference Number **Note:** The reference number for transactions from source code 1 (Billing and Accounts Receivable) is either the invoice number or the record number of the payment transaction. The reference number for transactions from source code 2 (Accounts Payable) is either the voucher number (accrual basis only) or the check number (accrual and cash basis).
Account	To include all accounts, leave the default of * All. To select an individual account number, click the down arrow. To select multiple account numbers or a range, go to the Filter tab.
Year	The fiscal year.
Periods	When you first enter the report screen, the report defaults to the current period. You can enter any range of periods including any previous periods up to the current period.
Report Subtitle	The subtitle of the report.
Include Inactive Accounts	Prints inactive accounts. If you don't want to print them, remove the check mark.
Show Active Accounts with no activity	Prints active accounts with no activity. If you don't want to print them, remove the check mark.
Subtotal by Period	Prints a subtotal for each period. If you don't want to print them, remove the check mark.
Status	Includes only transactions with a status of Incomplete, Unapproved, Unposted, or Posted, or any combination of these. The option of including unposted transactions gives you the ability to play "what if" with adjusting journal entries before posting them.

Chart of Accounts Listing

The Chart of Accounts Listing prints a complete list of all accounts in the General Ledger Chart of Accounts and displays the account type (debit or credit). You can include or exclude accounts based on account, department, or location.

Steps

To generate this report:

1. From the Reports Menu, double-click **Chart of Accounts**. The following screen appears.

2. Fill in the fields as required. See "Field Descriptions – Chart of Accounts" on page 7-6 for specific information.

3. From the Filter tab, you can select to include or exclude the account, department or location. To include or exclude based on a group of numbers, select **+Multiple**. Then use the **Look-up** button to select a range of numbers or random numbers.

4. Click **Print** to print the report.

Field Descriptions – Chart of Accounts

The following table describes the fields on this screen.

Field	Description
Sort Order	The sort order for the transactions within each account that you are printing. The program automatically prints the report in account number order and within each account prints the transactions in order by period. You are determining how to sort the report within each period. You can sort the report by: • Account, Department, and Location • Department, Account, and Location • Location, Account, and Department **Note:** The reference number for transactions from source code 1 (Billing and Accounts Receivable) is either the invoice number or the record number of the payment transaction. The reference number for transactions from source code 2 (Accounts Payable) is either the voucher number (accrual basis only) or the check number (accrual and cash basis).
Account	To include all accounts, leave the default of * All. To select an individual account number, click the down arrow. To select multiple account numbers or a range, go to the Filter tab.
Include Inactive Accounts	Prints inactive accounts. If you don't want to print them, remove the check mark.
Include Debit Accounts	Prints debit accounts. If you don't want to print them, remove the check mark.
Include Credit Accounts	Prints credit accounts. If you don't want to print them, remove the check mark.

Transaction Journal

The Transaction Journal is a basic General Ledger report that gives you several listing options and report criteria. It is designed for reviewing the detail transactions in the General Ledger. The report can be sorted by transaction number or source code.

Steps

To generate this report:

1. From the Reports Menu, double-click **Transaction Journal**. The following screen appears.

2. Fill in the fields as required. See "Field Descriptions – Transaction Journal" on page 7-8 for specific information.

3. From the Filter tab, you can select to include or exclude transaction numbers or source codes.

   - For transactions, select **Include** or **Exclude**, then enter the transaction numbers for the criteria.

   - For source codes, select **Include** or **Exclude**, then enter the source code for the criteria. To select multiple source codes, select **+Multiple**, then use the **Look-up** button to specify a range of numbers or random numbers.

4. Click **Print** to print the report.

Field Descriptions – Transaction Journal

The following table describes the fields on this screen.

Field	Description
Sort Order	Indicates whether to sort the report by transaction number or by source code. The transaction number is the General Ledger transaction number and the source code is a number from 1 through 9 (the origination of the General Ledger transactions).
Transactions	To include all transactions on the report, leave this field blank or as defaulted to zero. To limit the range of transactions, enter the starting and ending transaction numbers for this report. For additional options to include or exclude transactions, go to the Filter tab.
Year and Periods	Defaults to the current period and year. You can enter any range of periods including any previous periods up to the current period.
Dated	To reflect only those transactions created on a single date or within a date range, enter the Starting Date and the Ending Date for those transactions or use the pop-up calendar to choose your dates.
Status	Includes only transactions with a status of Incomplete, Unapproved, Unposted, or Posted, or any combination of these.

Trial Balance

A Trial Balance lists every General Ledger account and its balance. Unlike the Account History report, the Trial Balance prints only the balance of each General Ledger account and no detail. The balance of every debit (D) account is printed in the Debit column and the balance of every credit (C) account is printed in the Credit column.

Steps

To generate this report:

1. From the Reports Menu, double-click **Trial Balance**. The following screen appears.

2. Fill in the fields as required. See "Field Descriptions – Trial Balance" on page 7-10 for specific information.

3. Use the Filter tab to include or exclude based on account, department, or location. Use the F8 key or the **Look-up** button to locate a valid number or code.

4. Click **Print** to print the report.

Field Descriptions – Trial Balance

The following table describes the fields on this screen.

Field	Description
Sort Order	The sort order for the transactions within each account that you are printing. The program automatically prints the report in account number order and within each account prints the transactions in order by period. You are determining how to sort the report within each period. You can sort the report by account or description.
	Note: The reference number for transactions from source code 1 (Billing and Accounts Receivable) is either the invoice number or the record number of the payment transaction. The reference number for transactions from source code 2 (Accounts Payable) is either the voucher number (accrual basis only) or the check number (accrual and cash basis).
Location	To include accounts for only one location on this report, enter a Location Code. You can use the F8 key or the **Look-up** button to locate a valid location code. To include all locations, enter an asterisk (*) in the field (this is the default). If you have some accounts with location codes and some without, you can print a report for only those accounts without location codes by leaving this field blank or choosing the No Location option from the look-up.
Year	The fiscal year.
Period	The Trial Balance can be printed for any accounting period of the current or prior fiscal year. The report defaults to the current General Ledger period, but you can change it to any eligible period.

Trial Balance with Period Range

The Trial Balance with Period Range lists accounts in the General Ledger with the associated beginning balance, transaction detail, and ending balance for the period(s) selected. This report can be run for any period, range of periods, and year.

Steps

To generate this report:

1. From the Reports Menu, double-click **Trial Balance with Period Range**. The following screen appears.

2. Fill in the fields as required. See "Field Descriptions – Trial Balance with Period Range" on page 7-12 for specific information.

3. From the Filter tab, you can select to include or exclude the account, department, location, and/or source. To include or exclude based on a group of numbers, select **+Multiple**. Then use the **Look-up** button to select a range of numbers or random numbers.

4. Click **Print** to print the report.

Field Descriptions – Trial Balance with Period Range

The following table describes the fields on this screen.

Field	Description
Sort Order	The sort order for the transactions within each account that you are printing. The program automatically prints the report in account number order and within each account prints the transactions in order by period. You are determining how to sort the report within each period. You can sort the report by: • Source Code and Reference Number • Source Code and Transaction Date • Source Code, Check Number, and Reference Number **Note:** The reference number for transactions from source code 1 (Billing and Accounts Receivable) is either the invoice number or the record number of the payment transaction. The reference number for transactions from source code 2 (Accounts Payable) is either the voucher number (accrual basis only) or the check number (accrual and cash basis).
Account	To include all accounts, leave the default of * All. To select an individual account number, enter the account number or use the F8 key or the **Look-up** button. To select multiple account numbers or a range, go to the Filter tab.
Year	The fiscal year.
Periods	When you first enter the report screen, the report defaults to the current period. You can enter any range of periods including any previous periods up to the current period. Enter the beginning and ending periods to be included on the report or use the pop-up button.
Report Subtitle	Either leave this field blank or enter a subtitle to be included below the main report title.
Include Inactive Accounts	If selected, includes both active and inactive accounts. If you don't want to print them, remove the check mark.
Show Active Accounts with no activity	If selected, includes active accounts with no current activity (transactions). If you don't want to print them, remove the check mark.
Subtotal by Period	If multiple periods are selected, provides a subtotal of net activity for each period. If you don't want to print them, remove the check mark.
Status	Determines whether or not to include GL account transactions based on their status. Includes only transactions with a status of Incomplete, Unapproved, Unposted, or Posted, or any combination of these. The option of including unposted transactions gives you the ability to play "what if" with adjusting journal entries before posting them.

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