



American Data Group Inc.

Fiscal Year End

Help Document

As of September, 2017

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Section 1 – Subsidiary Ledgers

The following procedures and optional actions are suggestions for proper Fiscal Year End processing. The information is provided as a guidance, and not as an all-encompassing checklist. All ADG applications available as of the publication date are discussed.

Definitions

Procedures: Recommended for accurate reporting
Optional Actions: Voluntarily performed for system optimization.

Help Document Summary

The Fund Management System (FMS) contains the general ledger and therefore is considered the “hub” of ADG applications. In other words, all activity from other ADG applications feeds into FMS at the end of the fiscal year in order to produce complete and accurate financial statements. This help document follows the same pattern and covers closing activities for all other ADG applications, finishing with FMS.

Each ADG application starts on a new page, presented in alphabetical order. If your organization doesn't use one of the ADG applications listed in this document, skip the section and move forward. For direct navigation to a particular application, consult the Index.

Things to Note

1. Deleting files ***permanently*** removes records from the system.
2. We recommend retaining data for at ***least 3 years*** when deleting information

1.2 – ADG System Manager

These procedures can be done anytime of year. Fiscal year end is just a good time to clean up and check for available disk space.

1.21 – Procedures

1. Go to Users, Programs & Menus > Maintain Users, and review each UserID. For each terminated employee, delete applications so that access is no longer available. Review and update existing employee access. (*se003_mt*)
2. Go to Printers & Jobs > Maintain Printers and review printers. Delete old, unused printers (*pr001_mt*). For replacement printers compatible with ADG.
3. On the server where ADG is housed:
 - Verify at least at 30GB of free space is available on the drive where the ADG application is located (Windows Servers).
 - Verify the system drive (usually C:) has at least 10 GB of free space is available (Windows Servers)
 - Linux server available space: From the root login, use the `df -h` command to see available space. `/adg` should have at least 30 GB of free space.
 - If you haven't regularly checked back ups, do so now. Verify back up files exist with a current date and time stamp.
 - If you've never tried to restore from a back up, please do so. It's the best way to verify your back ups are working correctly.

1.3 – Building Permits System

1.31 – Procedures

1. Go to Applications/Permits > List/Update Permit Monies and ensure all funds have been updated for the fiscal year (*cr121_pg*).
2. Run the Outstanding Permit Fees Report (*bp620_pg*) to determine if a GL accrual is necessary.
3. Run the Open Permits Report. Check for permits which should have been closed.
4. If applicable, go to Code Enforcement > List/Update Money Postings and verify all receipts have been updated for the fiscal year (*ce121_pg*).
5. In Code Enforcement, run the Open Inspections Report (*ce463_pg*) and the Open Complaints by Due Date (*ce435_pg*).

1.32 – Optional Actions

1. Complete Invalid Address Maintenance in Housekeeping, if applicable.
2. Year end is a good time to review BPS data for validity. See the Inactive Permits Report (*bp635_pg*), and Permits with No Permit Date (*bp645_pg*).

1.4 – Fixed Assets & Preventative Maintenance

1.41 – Procedures

1. Ensure all assets acquired for the year have been recorded. Run the Asset Acquisition by Department Report (*fas160_pg*) and review.
2. Record all asset dispositions during the year with the correct disposition date; the depreciation program calculates based upon the disposition date. Run the Disposed Assets by Department Report (*fas161_pg*) and review.
3. Change asset values and life as needed. Run the Asset Type by Department Report to review (*fas121_pg*).
4. If monthly depreciation is used, update through the end of the fiscal year. If annual depreciation is done, calculate for the current fiscal year. Interface the values to the general ledger either automatically or manually depending upon preference.
5. Balance the general ledger Fixed Asset, Accumulated Depreciation and Depreciation Expense accounts with the Fixed Assets System using the Asset G/L Accounts Report (*fas190_pg*).
6. Preventative Maintenance: Reset beginning year odometer readings here: Preventative Maintenance > Housekeeping. (*prm940_pg*)

1.42 – Optional Actions

1. Purge disposed assets from the Housekeeping menu (*fas915_pg*).
2. Delete removed components from assets as of a specified date (*fas260_pg*).
3. Run the Mass Transfer Assets to Sundry for assets whose values are under a new threshold amount. (*fas936_pg*)
4. Preventative Maintenance: Mass Delete Loans (*fas910_pg*)

1.5- Money Tracking System

1.51 – Procedures

1. Verify outstanding A/P checks are current by reviewing the Outstanding Payments Report in Check/Bank Reconciliation. (*ck130_pg*)
2. Ensure outstanding receipts for the fiscal year have been updated. Check Receipts Entry (*mt110_mt*).
3. Ensure all disbursements for the fiscal year have been updated. Run a Disbursements Edit List (*mt215_mt*).
4. Bank statements for each ledger should be reconciled.
5. If transactions aren't set to interface to the GL, verify that all fiscal year transactions have been posted.

1.52 – Optional Actions

1. Purge old transactions (*mt910_pg*)
2. Purge old check history using the Purge Checks program (*mt920_pg*).
3. Update any invalid addresses listed in Invalid Address Maintenance.

1.6 – Sales Tax System

1.61 – Procedures

1. If you require a subsidiary listing balancing sales tax receivables to the general ledger, run the Outstanding A/R Report (*st420_pg*), found in Reports Group 1, on the last day of the fiscal year.
2. Print the License Revenue Report (*st468_pg*), in Reports Group 1, as needed.
3. In order to change the renewal flag for Customers and move the current year information to the prior year, run Clear Year End in STS Housekeeping (*st950_pg*). If renewal notices were generated prior to fiscal year end, don't run this program again. Instead change the current year in File Maintenance > STS Master Maintenance (*st810e_mt*).
4. Print Renewal Notices from Letters > Print Renewal Letters (*st4101_mt*) and/or tax returns (*st455_pg*) from Reports Group 1 as applicable.

1.62 – Procedures

1. Purge history for unnecessary years in Housekeeping (*st920_pg*).
2. Purge Customer Master records (*st915_pg*).

1.7 – Special Assessments System

1.71 – Procedures

1. Ensure the Billing Workfile is cleared of transactions for the fiscal year (*sp110_pg*).
2. Process any outstanding unfilled assessments in the Update Billed Assessments program (*sp190_pg*).
3. Click on Update Payments to verify there are no outstanding, un-updated payments for the fiscal year (*sp290_pg*).
4. Run the Ordinance Status Report (*sp301_pg*) and review for errors.

1.72 – Optional Actions

1. Purge Closed Assessments (*sp910_pg*).

1.8 – Utility Billing System

1.81 – Procedures

1. If you have billing customers who are on “Fiscal Year Budget Billing,” run the Budget Billing Customers Report (*ub690_pg*).
2. Review past due customer amounts at fiscal year end using Reports > Financial Reports > A/R Aged Trial Balance (*ub645_pg*) and write off uncollectable amounts to Money Postings > Account Write off Postings (*ub330_mt*), then Listing and Update (*ub330_pg*).
3. Review outstanding customer credits by running Money Postings > Customer Credit Update in Edit mode (*ub390_pg*). Update applicable credits using either Customer Credit Postings (individual accounts) or Customer Credit Batch Update (all at once), For either method, use the Listing mode and then Update mode (*ub330_pg*). Issue a check to customer(s) if applicable using Refund Request Postings (*ub341_mt*) and Update (*ub341_pg*).
4. Ensure all fiscal year activity has been updated to FMS by going to Reports > Financial Reports > GL Summary Interface, Listing and then Update (*ub297_pg*).
5. If you require a subsidiary listing to balance outstanding UBS receivables by billing customer to the general ledger account balance(s), print an A/R Aged Trial Balance Report (*ub645_pg*) and A/R GL Account Balance Report (*ub646_pg*).

NOTE: Run these two reports on the last day of the fiscal year and prior to billing or posting cash into the new fiscal year. (Journal entries to FMS may be required to balance the general ledger to UBS.) Values in UBS cannot be recreated once you begin updating amounts in the new fiscal year.

Visit the ADG web site (www.adginc.net) → Support Resources → Help Documents -> Utility Billing → Period End Balancing document for more detailed steps in balancing Utility Billing with the Financials.

1.82 – Optional Actions

1. Delete closed/zero balance customers by selecting Manage Closed Accounts in UBS Housekeeping (*ub850_pg*).
2. Delete history by selecting Delete History from DB (*ub830_pg*). A minimum of 5 years of data will always remain on the file.
3. Select Delete Work Order History (*ub865_pg*).
4. Choose Delete Locations to remove a specified location and all associated records. (*ub870_pg*)

Section 2 – Fund Management System

2.1 – Purchasing

2.11 – Procedures

1. By Fund, the re encumber flag determines if PO encumbrances are closed (N), (C)arried forward to the next year (no new effect on budgets), or Reencumbered (Y) effects budgets in the new year (*gb825_mt*).

NOTE: If you DO NOT carry forward or re encumber purchase orders (based upon Fund Master settings), closing the fiscal year the first time automatically closes all open purchase orders in the fiscal year. This action cannot be undone.

2. Run the Purchase Order Status Report (*po330_pg*), selecting Include Status = Open to view all open purchase orders.
3. For any purchase order that you would like to liquidate the encumbrance and close, use the Purchase Order Liquidation Menu.

2.12 – Optional Actions

1. Purge historical purchase orders in PO Housekeeping (*po910_pg*).
2. Purge historical requisitions using the Purge Requisitions program (*rq998_pg*).

NOTE: The most common mistake made is if you select “N” on the Reencumbrance Code here: GL File Maintenance > Funds Master > Reencumbrance Code field, do not re-encumber purchase orders, then DO NOT post an invoice expense to the New Year for a purchase order issued in the PRIOR year. This creates a negative encumbrance in the NEW year. If an invoice is to be paid with current year monies, then DO NOT POST the invoice to a previous year purchase order. If you re encumber or carry forward purchase orders, then this is not a problem.

When posting a/p invoices to PO's, be sure the expense batch is for the correct fiscal year. Do not combine invoices to be expensed in last year's business with this year's.

2.2 – Accounts Payable

2.21 – Procedures

1. If you require a subsidiary listing to balance outstanding payables by vendor to the GL account balance, print an A/P History Report (*ap350_pg*) using the “As of” date option, or the Cash Requirements Report (*ap320_pg*).
2. Verify outstanding A/P checks are current by reviewing the Outstanding Payments Report in Check/Bank Reconciliation (*ck130_pg*).
3. Payables can be posted to future fiscal periods on an ongoing basis. Year end outstanding is calculated from check dates, batch dates and due dates.
4. Maintain vendor tax ID's and taxable status as needed through A/P File Maintenance > Vendor Master (*ap810_mt*) as needed.

2.22 – Optional Actions

1. Delete vendors and invoice history as desired in AP Year End Process > AP/Invoice History Delete (*ap520_pg*).
2. From the Purchase Order Housekeeping Menu, purge old “CLOSED” purchase orders through a selected date using Purge Closed Purchase Orders (*po910_pg*).
3. From the Purchasing Housekeeping Menu, purge old “CLOSED” requisitions through a selected date using Purge Requisitions (*rq998_pg*).

NOTE: When posting a/p invoices to PO's, be sure the expense batch is for the correct fiscal year. Do not combine invoices to be expensed in last year's business with this year's.

2.3 – Accounts Receivable

2.31 – Procedures

1. In A/R Month/Year End Process, Distribute Credits (*ar415_mt*) and Update Credits (*ar416_mt*) as needed.
2. Run Calculate Finance Charges (*ar410_mt*) if applicable.
3. Run Apply/Refund Deposits (*ar440_mt*) as applicable.
4. If you require a subsidiary listing to balance outstanding receivables by customer to the GL account balance, print a Customer History Report (*ar325_pg*) or Invoice Age Analysis (*ar320_pg*) on the last day of your fiscal year as applicable.
5. Print the State Taxes Report (*ar350_pg*) to obtain fiscal year to date sales tax liability information.
6. Clear totals using A/R Month/Year End Process > Clear Period Values, Period to Clear = Y- Year to start a new year and remove zero balance invoices and payments from outstanding receivables (*ar430_pg*) and future statements. This **must** be run prior to updating any invoices for the new year.
7. From the File Maintenance Menu, change any state/local sales tax rates as applicable in the Tax Master (*ar830_mt*).
8. Maintain customer recurring invoices with new rates as applicable (*ar840_mt*).

2.32 – Procedures

1. Delete historical A/R invoices and payments (*ar450_pg*) in A/R Month/Year End Process > A/R History Delete.
2. Deleted unused customers in A/R Month/Year End Process > Customer Mass Delete (*ar811_pg*). Again.

2.4 – Inventory Control

2.41 – Procedures

1. Print Inventory Count Sheets (*ic520_pg*) and perform a physical inventory.
2. Post Stock Adjustments (*ic120_mt*), print an Edit and then update (*ic120_pg*).
3. If you require a subsidiary listing balancing inventory to the general ledger, run the Stock Valuation by G/L Number Report (*ic555_pg*).
4. Clear warehouse balances (*ic940_pg*) for adjustments, returns, and replacements. This program is found under I/C Housekeeping > Clear Warehouse Balances.
5. Run the Obsolescence Report (*ic565_pg*), checking Only On Hand and review assets with balances for potential write off.

2.42 – Optional Actions

1. Mass Delete inventory History (*ic930_pg*).

2.5 – Payroll

2.51 – Procedures

1. Run the Benefits Liability Accrual Report (*pr615_pg*) found under P/R Reports > P/R Leave Benefit Reports to determine any liability accruals to post to the general ledger. This report multiplies selected leave benefit banks by the employees' hourly rates.
2. Verify outstanding payroll checks by running the Outstanding Payments Report (*ck130_pg*) found under P/R Check/Bank Reconciliation.

NOTE: You don't want to void any checks in the new fiscal year which aren't going to be reissued in the new fiscal year; otherwise, you may create negative year to date values which cannot be reported on W-2's.

3. Print any required quarterly or fiscal year end payroll government reports such as the Federal 941 Quarterly (*pr269_pg*), Unemployment Report (*pr270_xx_pg*) and Retirement Report (*pr265_xx_pg*), which may be required prior to starting a new payroll fiscal year.
4. New fiscal years typically involve changes in Hourly Rates, Salaries, Benefit accrual rates and more. Update applicable changes in P/R File Maintenance for employee Hourly Rates tab (*pr4051_mt*) and Recurring Transactions tab (*pr410_mt*). Use the P/R Housekeeping Mass Change Recur Values program (*pr860_pg*) if it is beneficial.
5. Verify all 3rd party sick pay information has been posted. If some transactions are missing, be careful to post them into the correct fiscal year.
6. Remember to clear the fiscal year end prior to calculating the first payroll of the new fiscal year.

2.52 – Optional Actions

1. Delete terminated employees through Housekeeping (*pr830_pg*). You'll lose all related history when you do this.
2. Delete History Records in P/R Housekeeping (*pr840_pg*).

2.6 – General Ledger

2.61 – Procedures

1. In the Court Management System, run the Monthly Receipts Recap Report through the Fiscal Year End date in Listing and Update mode to ensure all funds have been updated to the general ledger (*cm140_pg*).
2. Confirm all other applicable subledger interfaces are updated through the end of the fiscal year (Utility Billing System, Inventory Control, Sales Tax, Fixed Assets, Money Tracking, Special Assessments System, and Sales Tax/Business Licenses).
3. Run the Trial Balance Inquiry by Fund and verify each fund's total is 0 (*gb613_iq*).
4. Run the A/P History Report (*ap350_pg*) and verify the total matches the appropriate general ledger accounts. Run the report here: A/P Reports & Inquiries > A/P History Report > Include Open Invoices and As of Date = Fiscal Year End date.
5. In Accounts Receivable, run the Invoice Age Analysis Report (*ar320_pg*) and verify the total matches the appropriate general ledger accounts. Run the report here: A/R Reports & Inquiries > Invoice Age Analysis Report.
6. Ensure all bank accounts are reconciled to bank statements as of the end of the year (*ck310_iq*).
7. If applicable, run the I/C Stock Valuation Report (*ic515_pg*) and ensure the total matches to the general ledger.
8. Confirm there are no unbalanced batches in FMS Housekeeping > Out of Balance Batches (*gb298_pg*) and check that all batches for the year are updated at FMS File Maintenance > Batch Master (*gb845_mt*).
9. The Fund Master Maintenance contains the flag that determines how open purchase orders are handled during the year-end close process. If the option is N – No carryover, then all purchase orders for the current year will be liquidated the first time the year-end close process is run. Reopening the year will not reopen encumbrances. Carrying forward encumbrances (C) leaves the encumbrance open and carries it into the New Year. The re encumber option (Y) carries forward open purchase orders and applies them to the New Year's budget as well.
10. Create the new fiscal year chart of accounts by running the Budget Preparation Menu > Create New Budget Year. Adopt and confirm budget values for the new fiscal year. For further information regarding this process, refer to the Budget Manual.
11. Close the fiscal year in FMS Housekeeping. View the closing entry under Reports & Inquiries > Year End Entries Reprint (*gb618_pg*).

NOTE: The fiscal year can be reopened and then closed again as needed, such as when auditor adjusting entries are made available. View the year-end closing journal entry created by the system under Reports & Inquiries > Year End Entries Reprint.

2.62 – Optional Actions

1. Complete Invalid Address Maintenance under FMS Housekeeping (*gb012_mt*).
2. Mark unused general ledger accounts as inactive in the GL Master in GL File Maintenance (*gb810v_mt*).
3. In FMS Housekeeping, select Delete GL Account History (*gb250_pg*) to delete the history for each GL account selected.
4. In FMS Housekeeping, use Delete Fund Master (*gb240_pg*) to delete GL account master records for a selected fund; GL history remains.
5. In FMS Housekeeping, Delete Cash Receipts History (*rc999_pg*).

NOTE: Financial entries are updated in accordance with the Batch Date. Therefore (based on system options) customers are able to post into future periods without having to close current periods. When periods are subsequently closed, the new/future information is already accumulated to the proper month and year.

NOTE: You CANNOT run a payroll in the New Fiscal Year to fix prior year values.