Closing the Fiscal Year

You will need to decide what information you want to have in this year (about to be closed) and what information you want to have in the next year.

- Make sure to create a Restore Point (through "H. Restore Points" on the Main Menu) and/or an online backup (through "O. NEMRC Backup" on the Main Menu).
- Check for Live Updates on each module before you close.
- Be sure that all other modules have closed BEFORE you choose to close the General Ledger Module.

This procedure will explain how to close the Fiscal Year, documentation for all Menu Items mentioned are available on the NEMRC website (www.nemrc.com), under the "Support (FAQ)" section. The following list is in the typical order that you would close the modules. The actual order may vary, but the General Ledger must be closed LAST.

Cash Receipts

Complete the Cash processing for the final day of the year.

Transfer data to the other modules using the Main Menu items 6 through 9. If you transfer by deposit number regularly, then do another transfer by date to catch all activities that may not have been previously transferred. If nothing is found to process, that is a good thing.

Close the Year using "4. Close Year YYYY" on the Main Menu.

Tax Administration

Close the Year using "C. Close Tax Year" on the Main Menu.

Process all Cash transactions prior to printing reports.

Reports to run:
- Print the "5. Delinquent Tax Report" which will justify the receivable balances for taxes on the balance sheet.
- Print the "A. Available Credit" which will report to justify the tax overpayment account balance.
- Print the "2. Status Report" for the current year to assist in reconciling the tax revenues reported against the budget.

Transfer data to the General Ledger and to Accounts Payable using Main Menu items A and B.

General

Utility Billing

Process all Cash transactions prior to printing reports.

Reports to run:
- Print the "2. Billing Proof Sheet" which will justify the receivable and overpayment accounts on the balance sheet.
- Print the "9. Deposit Report" to justify the customer deposit liability account.
- Print the "5. Aged Receivables" report for the audit.
- Print the "F. Detail Rate Report" and the "K. Adjustments Report" (both By Date representing the fiscal year) to assist in balancing the revenues against the budgets.

Transfer data to the General Ledger using "A. Transfer to GL" on the Main Menu.

Close the Year using "B. Close Period" from the Main Menu.

Accounts Receivable

Process all Cash transactions prior to printing reports.

Reports to run:
- Print the "9. Aged Receivables" report with code summary for balances by receivable account to justify the General Ledger balance sheet accounts.

Transfer data to the General Ledger using "A. Transfer Data to G/L" on the Main Menu.

General

Payroll

Reports to run:
- Print reports as needed that will justify the remaining balances on Payroll liabilities that appear on the balance sheet. (i.e.: Taxes, Retirement, and Other Withholdings)
- Print the "P. Paytypes Report" if an accrual is needed for JE to the balance sheet.
- Print the "G. Accrued Time Report" if you are tracking these benefits through the system.
- Print the "9. Employee Listing" in <u>detail</u> for the files.

Transfer data to the General Ledger and Accounts Payable using Main Menu items A and B.

Make sure that you are in the correct period/quarter (in the upper left of the Main Menu). Close the period if you are in the wrong period/quarter using "C. Period Close" on the Main Menu.

If this month is December, close the Year using "D. Close Calendar Year" on the Main Menu. Otherwise, for the fiscal year, close the year using "C. Period Close" on the Main Menu.

Accounts Payable

Reports to run:
- Print the "1. Invoice Edit List" for all unpaid invoices to justify the Accounts Payable balance sheet value.
- You will have to decide what actions to take on all open, partial and un-invoiced purchase orders during the year close if you are using this feature.

Transfer data to the General Ledger using "A. Transfer Data to G/L" on the Main Menu.

Close the Year using "B. Close Period" from the Main Menu.

Fixed Assets

Reports to run:
- Print the "1. Asset Report" for assets added in the last fiscal year and then print another report for assets retired or sold during the last fiscal year.
- Calculate Depreciation using "2. Depreciate Assets" on the Main Menu.

Transfer data to the General Ledger using "A. Transfer to General Ledger" on the Main Menu.

Close the Year using "C. Close Fiscal Year" on the Main Menu.

General

General Ledger

Accept all appropriate transfers.

General Ledger **<u>cannot</u>** have any Year to Date encumbrance balances when being closed. If all previous modules have been closed, transferred, and accepted, NEMRC Support has a tool to create an automatic encumbrance adjusting entry prior to General Ledger Year Close.

Reports to run:
- The cash accounts should all be reconciled to statements.
- Print the "4. Balance Sheet" report just before closing. Check the Balance Sheet accounts.
- Print the "3. Trial Balance" report.

Make sure that you are in the correct period (in the upper left of the Main Menu). Close the period if you are in the wrong period using "5. Period Close" on the Main Menu.

When you are in the correct period, you are ready to close the Year using "6. Year Close" on the Main Menu.

- Re-print the "4. Balance Sheet" report directly after, keep the pre-close Balance Sheet and post-close Balance Sheet for the auditors.
- Keep a file folder of all prior year adjustments for the auditors made during the new year.