

SAGE PRO SOURCE 7 PROCEDURE MANUAL

MONTH END CHECKLISTS



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THE MONTH-END BINDER SYSTEM

We recommend that you create seven binders: one each for each SAGE PRO module you own:

- General Ledger
- Inventory Control
- Accounts Receivable
- Accounts Payable
- Order Entry
- Purchase Orders
- Payroll

If you have other modules, like Manufacturing Control, create a binder for each of these as well. Use 3 or 4 inch binders from your office supply store, with twelve dividers in each one. Into each binder you'll place the following each month in its proper section:

- Completed month-end checklists
- Month-end reports printed by the system

This system, followed diligently, will produce the best results in terms of maintaining your accounting system and will also provide you with valuable audit information that can be given to IRS or state tax auditors in the event of an audit at any time. Also, these paper documents will serve as an ultimate last line of defense against a calamitous systems and backup failure.

Each year, you will create new binders.

MAKE SURE THERE ARE NO OTHER USERS IN SAGE PRO

BACKUP CAUTION: I have made a current backup of **all files** before closing any application. If for any reason anything were to go wrong, a backup would have to be restored. **Initials:** _____ Use the Quick Backup Icon if one available. Another suggestion is to close one or more modules first thing in the morning after the prior night's backup. Then if a system crashes or corrupts SAGE PRO databases during the close, the backup to be restored will be current.

- CLOSE ALL OTHER RUNNING APPLICATIONS:** If you are using the Windows™ version of SAGE PRO, be sure to exit all other running applications except SAGE PRO before beginning the closing process. This will maximize memory available on your computer.

- CLEAR ALL FLAGS INCLUDING CLOSE ACTIVE SESSIONS IN SM:** Before releasing from any application to the GL, it is highly recommended to go into **Transactions: System Recovery: Clear Flags: Clear All Flags including Close Active Sessions.** Close Active Sessions note: If any session number has transactions that for some unknown reason was not updated by SAGE PRO as the last session number used, this batch won't be recognized as available for release. Close Active Sessions will not void or delete any entered and saved sessions, but will only allow the program to recognize all entered and saved sessions and make them available for release to the GL. **EXCLUSIVE USE WARNING:** Be sure to Clear All Flags in **exclusive use** when no other user is logged into SAGE PRO. If Active Sessions are closed while a user is posting any kind of transactions, be prepared to restore from a current backup.
 - **Answer Y to Clear Users, Locks, Temp Balances, Close Active Sessions, Delete Temp Files**
 - **Enter your company number**
 - **Leave Application ID, Table ID, User ID blank**

- REINDEXING:** After Clearing All Flags, next reindex the System Files. System Manager – Transaction Menu – Reindex System Files.
- REINDEXING:** Reindex the Application Files. Reindex for the company you are closing and all applications. System Manager – Transaction Menu – Reindex Application Files.

This will ensure that the system is healthy with full exclusive access to the files necessary to complete the closing successfully.

RECALCULATE APPLICATION BALANCES:

Update Records:	<i>No - The first time through you should print the report and review what records and information is going to be updated before proceeding with this update. If you are in doubt whether to update please contact your system administrator or Sage Pro support organization Yes – Update records if you have reviewed the report for proposed updates.</i>
Produce Report	Print
Company No.	Enter your company number i.e. 01
Application	All

- ❑ **VERIFY ALL POSTINGS HAVE BEEN RELEASED FROM SUBLEDGERS:** Go to Accounts Receivable, Inventory Control and Accounts Payable and verify all postings have been released. From the Transaction Menu, select Release Postings to General Ledger.
- ❑ **VERIFY ALL POSTINGS HAVE BEEN POSTED TO THE GENERAL LEDGER:** From the Transaction Menu in General Ledger, Post All Batches.

PRE - RECONCILIATION BY MODULE:

Please note that this list may contain reports which your company does not require. In addition you and or your CPA may require additional information. Please review with your CPA that all necessary reports are being generated.

- ❑ **SALES ORDER:**
Print the Open Sales Order Report – Review the Report for any Open Sales Orders that should have been Shipped and Bids that should have been voided. Complete any processing.
- ❑ **PURCHASE ORDER:**
Print the Open Purchase Order Report – Review the Report for any Open Purchase Orders that should have been received. Complete the processing.
- ❑ **INVENTORY CONTROL:**
Print the Inventory On Hand Report – Summary: From the Print Menu select Status Report, Inventory on Hand, Inventory Type ALL. The total on the Inventory On Hand Report should equal the balance on the Trial Balance and Balance Sheet for the Inventory Control Account. Note: Any adjustments that are being made to correct Inventory will post to the Inventory Adjustments Account and may need to be added in with this total.
- ❑ **ACCOUNTS PAYABLE:**
Print the Check Register - Review the report for any missing checks.
Print the Master AP Journal Report – Optional
Print the Unbilled PO Receipts Report – The total of this report should equal the PO Clearing total on the Trial Balance and Balance Sheet.
Print the AP Aging Report – The total of this report should equal the Accounts Payable Total on the Trial Balance and Balance Sheet for the Accounts Payable Account.
- ❑ **ACCOUNTS RECEIVABLE:**
Post Finance Charges
Release Postings to the General Ledger & Post
Print Summary Release Report
Print the Cash Receipts Register ordered by Date - Each days total should equal the deposit slip for that day
Print the AR Aging Report – The total of this report should equal the Accounts Receivable Total on the Trial Balance and Balance Sheet for the Accounts Receivable Account.
- ❑ **GENERAL LEDGER**
Verify all batches have been posted
Enter any Journal Entries – Payroll postings, depreciations, etc.
Print the Trial Balance
Print the Balance Sheet
Print the Income Statement

MONTH END CLOSING CHECKLIST: ACCOUNTS RECEIVABLE

Make 12 copies of this form. Place them in the AR Month End binder and the system administrator will complete this checklist each month when AR is closed.

Administrator _____ Month _____ Year _____

When closing, you *MAY* see the following message: **You have unposted or ungenerated entries in the current period. You may proceed with period close, print or display unposted or ungenerated transactions, or cancel period close (Proceed-Print-Display-Cancel).**

If you proceed, all batches not released will still be available for release at a later time. However, you may not have all batches posted into your General Ledger until this release and posting is done. It is highly recommended you not proceed, but return to the application and print and release all batches.

AR: Release AR to GL if linked. INITIALS _____ DATE _____
 Before closing the period, print any reports needed: _____

From SM: Transactions: Period Close: Period Close, arrow down to highlight the company number and application to be closed (i.e.: Company 01 AR). The following **Option Grid** will be displayed:

AR CLOSING OPTION GRID:

Last Sale Date (end date for sales history update):	<i>Use the last day of the month for this date. Be aware if you are closing January on February 10th, even if you enter 01/31/9x as the date, all transactions in AR through February 10th will now be "closed" into history. This date is used as an identifier, not as a cutoff date.</i>
Save Memos/Notes:	Yes.
Print Reports:	No. <i>It is better to print the reports from AR as detailed above.</i>
Delete Trans History: (based on cutoff date below):	No. Never delete your history.

Select destination for period close log: **Screen - File - None.** Choose Screen or None.

NOTE: It is IMPERATIVE to close AR, SO and IC on the exact same schedule to keep the data files they share from getting out of sync. Certain SO transactions, such as Sales Order Returns which reverse a shipment, work correctly only if IC and SO are in the same period.

MONTH END CLOSING CHECKLIST: ACCOUNTS PAYABLE

Make 12 copies of this form. Place them in the AP Month End binder and the system administrator will complete this checklist each month when AP is closed.

Administrator _____ Month _____ Year _____

When closing, you *MAY* see the following message:

You have unposted or ungenerated entries in the current period. You may proceed with period close, print or display unposted or ungenerated transactions, or cancel period close (Proceed-Print-Display-Cancel).

If you proceed, all batches not released will still be available for release at a later time. However, you may not have all batches posted into your General Ledger until this release and posting is done. It is highly recommended you not proceed, but return to the application and print and release all batches.

- | | | |
|--|------------------------|--------------------|
| | <u>INITIALS</u> | <u>DATE</u> |
| | _____ | _____ |
- AP:** Release AP to GL if linked.
 Before closing the period, print add'l reports needed:
- From SM: **Transactions:** Period Close: Period Close, arrow down to highlight the company number and application you want to close (i.e.: Company 01 AP). The following **Option Grid** will be displayed:

AP CLOSING OPTION GRID:

Last Purch Date (end date for vendor history update):	<i>Use the last day of the month for this date. Be aware if you are closing January on February 10th, even if you enter 01/31/9x as the date, all transactions in AP through February 10th will now be "closed" into history. This date is used as an identifier, not as a cutoff date.</i>
Delete Trans History: (based on cutoff date below):	No. Never delete your history.

Select destination for period close log: (Screen - File - None). Choose Screen.

NOTES:

ACCOUNTS PAYABLE CALENDAR YEAR END

Vendor 1099 amounts are not reset to zero when you close the year. The 1099 amounts are reset when you print the 1099s using the 1099 Forms option from the Print menu, AND THEN CHOOSE TO ZERO 1099 AMOUNTS IN THE OPTION GRID. The first time you print, do not Zero 1099 Amounts so you will have a copy for your files. Once these are zeroed, they cannot be reprinted except after restoring from a backup.

* In the setup screen for AP you can turn off the requirement to print The Master AP Journal

MONTH END CLOSING CHECKLIST: PAYROLL

Payroll is only closed Quarterly!

Make 4 copies of this form. Place them in the PR Month End binder and the system administrator will complete this checklist each quarter when PR is closed.

Administrator _____ **Month** _____ **Year** _____

- BACKUP CAUTION:** I have made a current backup of **all data files** before closing any application. If for any reason anything were to go wrong, a backup would have to be restored.

Initials: _____

A suggestion is to close one or more modules first thing in the morning after the prior night's backup. Then if a system crashes or corrupts SBT databases during the close, the backup to be restored will be current.

- CLOSE ALL OTHER RUNNING APPLICATIONS:** If you are using the Windows™ version of SBT, be sure to exit all other running applications except SBT before beginning the closing process. This will maximize memory available on your computer.

- CLEAR ALL FLAGS INCLUDING CLOSE ACTIVE SESSIONS IN SM:** Before releasing from any application to the GL, it is highly recommended to go into Transactions: System Recovery: Clear Flags: Clear All Flags including Close Active Sessions. Close Active Session Note: If any session number has transactions that for some unknown reason was not updated by SBT as the last session number used, this batch won't be recognized as available for release. Close Active Sessions will not void or delete any entered and saved sessions, but will only allow the program to recognize all entered and saved sessions and make them available for release to the GL. **EXCLUSIVE USE WARNING:** Be sure to Clear All Flags in **exclusive use** when no other user is logged into SBT. If Active Sessions are closed while a user is posting any kind of transactions, be prepared to restore from a current backup.

- REINDEXING:** After Clearing All Flags, next reindex the System Manager and then PR. This will ensure that the system is healthy with full exclusive access to the files necessary to complete the closing successfully.

When closing, you *MAY* see the following message: **You have unposted or ungenerated entries in the current period. You may proceed with period close, print or display unposted or ungenerated transactions, or cancel period close (Proceed-Print-Display-Cancel).**

If you proceed, all batches not released will still be available for release at a later time. However, you may not have all batches posted into your General Ledger until this release and posting is done. It is highly recommended you not proceed, but return to the application and print and release all batches.

REPORT PRINTING & RECONCILIATION BY MODULE:

The Reports Listed Below are the recommended reports. Your company may want to print additional reports for auditing purposes.

- PAYROLL:**
 - **Release Postings to the General Ledger**
 - **Print the Summary Release Report**
 - **Print the Payroll Register for the quarter – Current – No dates – Employee Status ALL**
 - **Print the Check Register for the quarter – Current - No dates**

- **Print the Employee Wage and Tax Report - All Employees – Exclude Unpaid**
- **Print the State Wage and Tax Report – WA – EE List – Gross Wage – Suta**
Used to file SUTA taxes
- **Print the Preview 941**
Used to file 941
- **Payroll Tax Register – Current – Summary – Sort by Taxid**
This will list all taxes and tax amount for quarter.
- **Payroll Deduction Register – Current**
This will give you detail list and totals per deduction.
- **Preview the W2 – Get totals or print screen of last page**

Balance all report totals.

Gross dollars, net dollars, tax amounts should reconcile from one report to another.

PAYROLL

From SM: **Transactions:** Period Close: Period Close, arrow down to highlight the company number and application you want to close (i.e.: Company 01 PR). The following **Option Grid** will be displayed:

PR CLOSING OPTION GRID:

Delete Transaction History	No.
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