

Fiscal Year End - Counties

County Pre Year-End Closing

Attention: PLEASE READ THIS ENTIRE DOCUMENT BEFORE YOU BEGIN

NOTE: The month of June and the fiscal year are closed separately.

Before you begin, run a 'DAILY' backup and label it "Pre Month/Year-End /Closing". You will run another backup after the year-end process is completed. It will be labeled "Post Year-End Closing". In addition we have found it useful to have a backup that was made AFTER June is closed but BEFORE the Year-End is closed. That way if a problem should develop during the year-end closing process, this 'Mid-Close' backup can be reloaded and you are able to resume re-closing the year without having to close June again. These backups should be kept all year and you can reuse these tapes again for the next year's closing.

1. The first thing to do before closing the month of June is to review June's Balance Sheet and Expenditure Report. Look for over-expended expenditure accounts and payroll tax and deduction accounts with balances due to be paid. ANY MISTAKES MADE DURING THE CURRENT FISCAL YEAR, NEED TO BE CORRECTED BEFORE CLOSING THE MONTH OF JUNE. Enter the corrections as journal entries and process them. Also, enter and process the proper entries to accounts for all current year payables, receivables, and encumbrances.
2. Next, review outstanding accounts payables and receivables. After you have decided which amounts will be carried over to the new fiscal year, enter and process the appropriate journal entries.
3. *** THIS STEP IS ONLY FOR SCHOOLS ***
Be sure to run all extra payroll checks for 11 and 12 month teachers. If you need to accrue a payroll, use account number 21200 as the credit amount.
4. If you have reserves other than Undesignated Fund Balance, enter them as journal entries and process them to the General Ledger. If you want to set up reserves to Undesignated Fund Balance, credit the appropriate reserve account number. (Refer to "Year-End Closing Instructions - Reserves" for details.)
5. After all the entries have been entered and processed and all the above options have been completed, you may want to print a Balance Sheet and an Account Analysis in order to make one final check before you begin to close the month of June.
6. **Make sure that you have a telephone in the immediate area of the main terminal where you will be processing the close.** More than likely you will not need it, but if you do, it is nice to be able to use the telephone and see the screen at the same time. Also, be sure your modem is in working order.
7. If you have a multi-user system, have everyone log off until you have completed the close. This is to insure that no one attempts to post to the general ledger while you are closing or print on your printer while you are printing end of the year reports. It will also help with the speed of the process.
8. Check your printer and supplies. Be sure you have a new ribbon and a full box of paper available. Also, keep in mind if multipart paper is needed.
9. Verify balances of your outstanding purchase orders. Before entering purchase orders for the new fiscal year (July), print a complete listing of current outstanding purchase orders and verify that they are valid. Any partially liquidated or outstanding purchase orders that won't be fulfilled can be removed by using the "Liquidate Purchase Order" option on the PO Maintenance Menu. **IT IS CRITICAL THAT YOU MAKE SURE YOU MAKE THE EFFECTIVE DATE 'JUNE' TO GET THESE LIQUIDATED PURCHASE ORDERS TO PROPERLY POST TO THE CURRENT FISCAL YEAR.** Also, you may want to compare the totals on the Statement of Expenditures & Encumbrances to the totals on the current PO Listing in Account Order. Make sure you key in ending date range as June 30. These totals should match the Statement of Expenditures & Encumbrances.

Purchase Orders and Checks - How they are impacted by the Year End Process

Before Closing PO File

You may . . .

**Enter PO's dated June

**Enter PO's dated July

**Print checks dated June using a June PO

**Print checks dated July with or without July PO's .

You must not . . .

**Print any checks dated July using a June PO. If you try to add an invoice with a prior year PO or a PO that will be rolled to prior year during the "PO YR Closing" the system will give you a "reminder message" to close the PO year end file.

After the Year End PO File is Closed but before closing June Month and the fiscal year

You may . . .

**Enter PO's dated June - but you must run the option

Update Year End PO Closing

**Liquidate June PO's but you must make sure the effective date is correct. Depending if it should post on June or July books .

**Enter PO's dated July

**Print checks dated July with or without a July PO.

**Print checks dated June that do not involve PO's .

You must not . . .

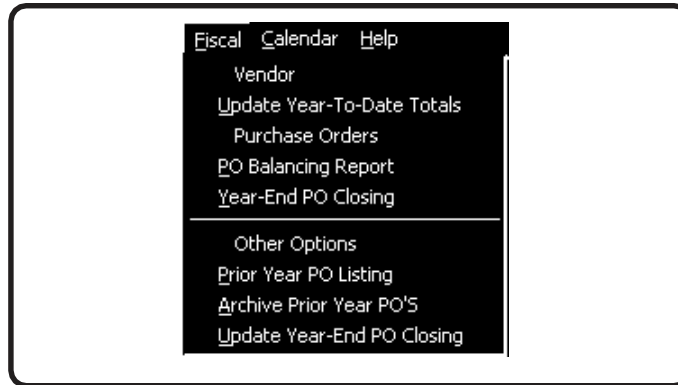
**Print checks dated June with a June PO's or any PO's that have been rolled to prior year during the PO Close Option. .

County Purchasing Year-End

Before you close the month of June in the General Ledger, the Purchasing Year-End process must be completed. **The "Update Year To Date Totals" option should be run regardless of whether or not you have purchase orders.**

Option:

Purchasing Menu
Period End
Year End Menu



A. **Update Year To Date Totals**

This option must be run to clear out and/or update the Fiscal Y-T-D field on the vendor screen. Select this option and enter July 1 of the new fiscal year as the beginning date and June 30 of the new fiscal year for the ending date. This will update the Fiscal Y-T-D field on the vendor screen. If no checks have been run for the new fiscal year, it will clear the field and make the amount zero on the vendor file. *This option may also be run anytime during the year.*

Purchase Orders

NOTE: If you do not use purchase orders, the following purchase order processes can be skipped.

B. **PO Balancing Report**

This will print a list of all general ledger accounts with outstanding encumbrances. It includes the general ledger account number, outstanding purchase order amount, year-to-date encumbrances, future posted encumbrances, and the difference between the general ledger and purchase order files. (This report is utilized before the "Year End PO Closing" option is executed to help troubleshoot outstanding purchase order balancing problems.)

C. **Year End PO Closing**

This will roll current year purchase orders that have not been fully liquidated to the Prior Year PO File. **The login date must be June 30 of the current fiscal year.** Otherwise, you will receive a warning message.

(After this option has been completed, these purchase orders will be added to the P/Y PO Listing option.)

Also, prior year purchase orders may be added after the purchase order file is closed, but you must run the "Update Year-End PO Closing" option to roll the newly added purchase orders to prior year purchase orders before closing the General Ledger for June.

After the "Year End PO Closing" option is completed, you may now pay prior year purchase orders in July before the General Ledger Year-End Close is completed.

D. **P/Y PO Listing**

This will print a list of all prior year purchase orders that are now on the Prior Year PO File This step may be run again at anytime.

E. **Archive Prior Year PO's**

This will move all prior year purchase orders that have been fully liquidated to the PO History File.

F. **Update Year End PO Closing**

This process will only select current fiscal year purchase orders that have been added since the initial Year End PO Closing option was run.

County General Ledger Year-End

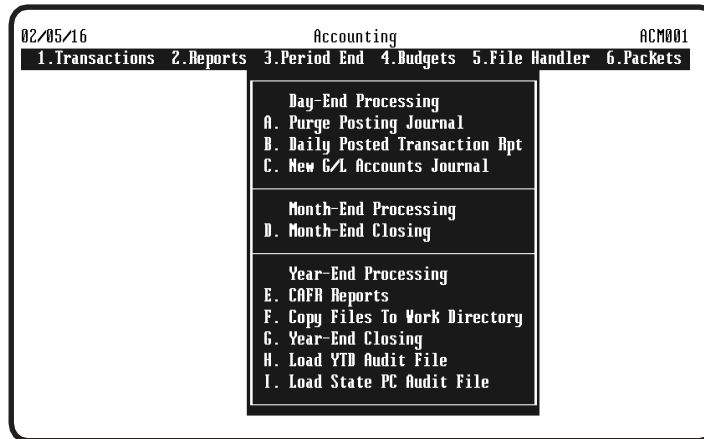
You are now ready to begin the month-end process. Once the month-end for June has started, no entries can be made to the GL until after June's month-end and the year-end close are complete.

1. Before you close the year, close the month of June. Process the month-end for the month of June. Just to be sure, you may want to check your system date before you begin. To do this go to the Accounting and select 'File Handler', 'File Maint', and then 'Acct Parameter Maint'. **Make sure the accounting date is June 1 of the current fiscal year.**
2. Proceed with the month-end process (as a normal month-end) for June.

NOTE: Following the June month-end process and before you begin the year-end process, it is a good idea to make a daily backup. This would eliminate the possibility of reloading the "Pre Month/Year-End Closing" backup and keep you from having to close the month of June again. Be sure to label this as "Mid-Closing Backup".

Once the month-end is complete for June, no entries can be posted for June without resetting and reclosing the month of June.

Option:
General Ledger
Period End



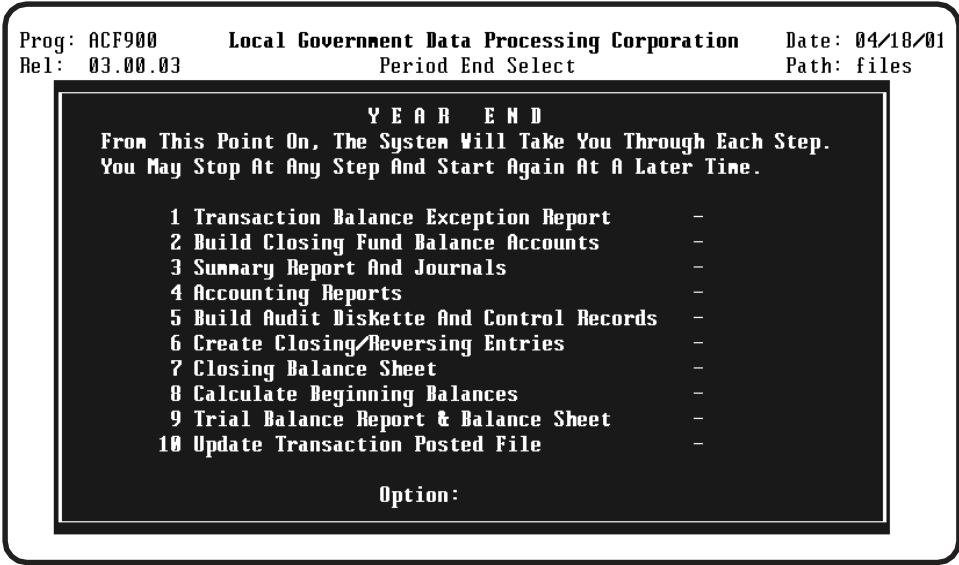
E. **CAFR Reports**

These reports are optional. If you do not use these reports, this step can be skipped. Follow the instructions in your Reference Manual to process these reports.

F. **Copy G/L & Transaction Files**

This option must be run before closing the year-end! This copies ACGL.FLE (General Ledger File), ACTP.FLE (Transaction Posted File) , and ACBG.FLE (Budget File) to a temporary directory to be used to restore if needed.

G. Year End



If your screen does not look like the above menu, call LGC Customer Support.

1. **Transaction Balance Exception Report**

This compares the Posted Transaction File to the General Ledger File. This will give a listing of anything that is out of balance. If your Balance Sheet and Trial Balance totals are correct, you may go to Step 2 because the system will use the general ledger total to close.

If you have further questions about this report, fax it to LGC Customer Support (931-380-1258). Also, call 800-737-1826 and let us know it's on its way.

2. **Build Closing Fund Balance Accounts**

This option builds the closing fund balance accounts and produces a list of closing accounts. Changes can be made and this option can be run again. *NOTE: If you get a message, "Warning GL Record Does Not Exist", verify the fund balance account is correct and continue. Accounts will be added automatically.*

To change the fund balance account, go in the Accounting menu to 'File Handler', 'File Maint', 'Acct Maint', and then 'Fund Control', enter the fund number and press the 'Group' (F5) option key. This will allow you to change the fund balance account. Each fund you use can have the same 'group' number. If each fund needs a separate fund balance account, call LGC Customer Support and they will assist you.

NOTE: If you have a fund that uses sub funds and each sub fund needs a separate fund balance account, this may be done per sub fund. To do this, go under 'File Handler', 'File Maint', 'Acct Maint', and then '**Sub Fund**'. Then, enter the fund balance account on the line that reads 'Closing Fund Bal Acc'.

If you have a fund that uses cost centers and each cost center needs a separate fund balance account, this may be done per cost center. To do this, go under 'File Handler', 'File Maint', 'Acct Maint', and then '**Cost Center**'. Then, enter the fund balance account on the line that reads 'Closing Fund Bal Acc'.

3. **Summary Report and Journals**

This prints out the General Journal, Budget Journal, and Cash Receipts Journal.

If LGC is printing your year-end reports: (call Marketing for pricing of this service)

- Stop here, escape out of this menu and do a daily backup. Send this backup to LGC at:
 Attention: Year End Printing
 714 Armstrong Lane
 Columbia, TN 38401
- Go to 'Sys Opt', and select 'Run Freestanding SCL'
- At the program name, enter ACF007 (all caps and the numbers are zero)
- Press <enter> at the 'Continue' prompt
- For 'Period', enter a '2' for Year End
- Under 'Process Status', press <enter> down to 'Accounting Reports' and enter '9' for 'Completed'
- Press 'DataOk' (F3) or 'Update' (F4) (depending on your FlexGen version) and press <enter> at 'Yes'
- Press the 'Esc' key to exit and go back to the GL Year End menu. This allows you to pick up with Step 5.

4. Accounting Reports

This prints the Balance Sheet, Trial Balance, Control Accounts (audit use), and YTD Account Analysis.

If you want to print the reports one fund at a time:

- Select 'Standard Reports Print Only' and enter 07-01-(current year) for the beginning range and 06-30-(current year) for the ending range.
- Select the desired reports: Account Analysis, Balance Sheet, and Trial Balance.
- The Control Accounts Journal can be printed from 'Reports', 'G/L Reports', 'Control Listing'. The 'Control Totals' need to be printed also.

Once you have all of the reports needed, do the following from the main menu:

- Go to 'Sys Opt', and select 'Run Freestanding SCL'
- At the program name, enter ACF007 (all caps and the numbers are zero)
- Press <enter> at the 'Continue' prompt
- For 'Period', enter a '2' for Year End
- Under 'Process Status', press <enter> down to 'Accounting Reports' and enter '9' for 'Completed'
- Press 'DataOk' (F3) or 'Update' (F4) (depending on your FlexGen version) and press <enter> at 'Yes'
- Press 'Esc' key to exit and go back to the GL Year End menu. This allows you to pick up with Step 5.

5. Build Audit Files and Control Records

This option builds the STATEPC and YTD Audit files. It will *not* prompt you for a diskette at this time. The file can be copied at any time after the year-end is complete by processing steps 'Load YTD Audit File' and 'Load State PC Audit File' from the Period End Menu.

6. Create Closing/Reversing Entries

This is the *'point of no return'* without restoring a backup.

7. Closing Balance Sheet

8. Calculate Beginning Balances

- This calculates the beginning balance entries (clears assets, liabilities, and equities, recalculates the beginning balances, and zeroes out the revenues and expenditures).
- It moves the future posted amounts and reads the PO file for CAFR.
- It posts beginning balances and builds control account records. A Year-End Posting Journal will print showing all the computer generated entries posted during this step.

9. Trial Balance Report & Balance Sheet

This will print the Trial Balance and Balance Sheet for the new year. Only Beginning balances should show on the reports. No July entries will show in this step.

STOP --- Compare your June 30 Trial Balance that printed during Month End to this Trial Balance. Make sure balances rolled properly.

10. Update Transaction Posted File

This updates the Transaction Posted File with future posted records.

H. Load YTD Audit File

Unix customers: This will tell you how many diskettes will be needed to copy your YTD AUD.001 (.002, .003, etc. Depending on file size) and will copy your YTD Audit files onto the diskette(s).

For Windows customers: This option will no longer copy the file to the diskette. The file is now put in a folder to be manually copied in order to get it to the auditor. The file is located in \FILES\AUDIT\ACAUFLE. This can be copied to a CD using your current CD writing software.

I. Load State PC Audit File—Diskette option

This will copy your STATEPC.001 (.002, .003, etc. depending on file size).

Note: These diskettes do not have to be processed now nor the CD copied. These files will stay on your computer all year and may be loaded at any time the Auditor makes the request.

NOTE: Make a daily backup now and label it "Post Year End".

June 30 - Before Year End

ACQ745		2004/06/30 14:09:31		Local Government Data Demo		FlexGen4(5.3U)		Page: 1	
				Trial Balance				JUNE 30, 2004	
101 GENERAL				Beginning					
Funct-Obj-Fnd-Centr-Obj	Sub Cost	Sub	Account Name	Fiscal Year Balance	Y-T-D Debit	Y-T-D Credit	Ending Balance		
11110			PETTY CASH	450.00	0.00	0.00	450.00		
11120			CASH ON HAND	0.00	100.00	0.00	100.00		
11130			CASH IN BANK	306.04	2,361,110.41	2,361,110.38	306.07		
11140			CASH WITH TRUSTEE	1,450,509.12	3,949,739.24	6,107,196.92	706,948.56		
11180			CASH WITH CLERKS, REGISTER, AN	372,393.51	0.00	372,393.51	0.00		
11430			DUE FROM OTHER GOVERNMENTS	60,050.31	0.00	60,050.35	0.04		
14100			ESTIMATED REVENUES	0.00	17,200,895.00	0.00	17,200,895.00		
14200			UNLIQUIDATED ENCUMBRANCES (CON	0.00	1,558,112.55	970,278.56	587,833.99		
14500			EXPENDITURES - CURRENT YEAR (C	0.00	5,958,551.97	245,081.76	5,713,470.21		
14600			EXP CHGD TO RESERVE FOR PRIOR	0.00	294,897.93	91.50	294,806.43		
14600-	-	-12	EXP CHGD TO RESERVE FOR PRIOR	0.00	4,052.25	0.00	4,052.25		
			TOTAL ASSETS	1,883,708.98	31,327,459.35	10,116,202.98	23,094,965.35		
21100			ACCOUNTS PAYABLE	2,767.72	2,767.72	0.00	0.00		
21200			ACCRUED PAYROLL	11,665.58	11,665.58	0.00	0.00		
21310			INCOME TAX WITHHELD AND UNPAID	0.00	403,836.77	403,836.77	0.00		
21320			SOCIAL SECURITY TAX	0.00	192,559.36	192,559.36	0.00		
21330			RETIREMENT CONTRIBUTIONS	0.00	115.51	142.35	26.84		
21341			COMPANY #1	13,657.75	10,167.55	70,676.55	14,166.75		
21342			COMPANY #2	457.62	2,276.64	2,286.10	467.08		
21343			COMPANY #3	226.52	1,113.35	1,059.35	172.52		
21344			COMPANY #4	431.85	2,078.80	1,976.84	329.92		
21345			COMPANY #5	134.64	1,053.28	1,333.08	414.44		
21346			COMPANY #6	391.34	1,956.70	1,956.70	391.34		
21347			COMPANY #7	3,982.42	19,696.75	19,775.26	4,060.93		
21348			COMPANY #8	224.00	1,120.00	1,092.00	196.00		
21349			COMPANY #9	978.32	4,875.18	4,872.78	975.92		
21350			TAX SHELTER ANNUITIES	0.00	17,889.38	17,889.38	0.00		
21351			COMPANY #1	1,693.02	8,388.70	8,463.14	1,767.46		
21360			GARNISHMENTS AND LEVIES	0.00	33,460.06	33,457.06	3.00		
21370			EXTENSION SERVICE PAYROLL DEDU	0.00	45,597.28	45,597.28	0.00		
21380			CREDIT UNION DEDUCTIONS	0.00	49,370.90	49,370.90	0.00		
21390			OTHER PAYROLL DEDUCTIONS	1,899.00	9,522.01	9,522.01	1,899.00		
21500			DUE TO OTHER FUNDS	750.00	750.00	0.00	0.00		
21810			REVENUE ANTICIPATION NOTES PAY	0.00	0.00	1,500,000.00	1,500,000.00		
28100			APPROPRIATIONS (CONTROL)	0.00	46,034.00	17,703,228.85	17,657,194.85		
28500			REVENUES (CONTROL)	0.00	111,019.39	2,013,780.32	1,902,760.93		
28510			TRANSFERS FROM OTHER FUNDS (CO	0.00	0.00	50,000.00	50,000.00		
			TOTAL LIABILITIES	39,259.81	1,037,314.91	22,132,876.08	21,134,820.98		
34110			RESERVED FOR ENCUMBRANCES - CU	0.00	970,278.56	1,558,112.55	587,833.99		
34120			RESERVED FOR ENCUMBRANCES - PR	544,014.97	181,755.04	0.00	362,259.93		
34440			OTHER FEDERAL PROJECTS	7,640.19	0.00	0.00	7,640.19		
34990			RESERVED FOR OTHER GENERAL PUR	16,385.00	0.00	0.00	16,385.00		
39000			UNDESIGNATED FUND BALANCE	1,276,409.01	15,848.94	181,765.04	1,442,325.11		
39000			BUDGET UNDESIGNATED FUND BALAN	0.00	456,299.85	0.00	456,299.85		
			TOTAL EQUITIES	1,844,449.17	1,624,182.39	1,739,877.59	1,960,144.37		
			Total GENERAL	0.00	33,988,956.65	33,988,956.65	0.00		

G/L Month: 06 JUNE
Beginning Fund: 101
Ending Fund: 101

rolls to July 1 Beg Bal

39000

difference 39000 3,760,709.28

rolls to July 1 Beg Bal

39000

rolls to July 1 Beg Bal

Fund Balance June 30th

This fund balance is reversed out with the budget during year end.

July 1 - After Year End

ACQ745		2004/06/30 14:04:17		Local Government Data Demo		FlexGen4(5.3U)		Page: 1	
				Trial Balance				JULY 01, 2004	
101 GENERAL				Beginning					
Funct-Obj-Fnd-Centr-Obj	Sub Cost	Sub	Account Name	Fiscal Year Balance	Y-T-D Debit	Y-T-D Credit	Ending Balance		
11110			PETTY CASH	450.00	0.00	0.00	450.00		
11120			CASH ON HAND	100.00	0.00	0.00	100.00		
11130			CASH IN BANK	306.07	0.00	0.00	306.07		
11140			CASH WITH TRUSTEE	706,948.56	0.00	0.00	706,948.56		
11430			DUE FROM OTHER GOVERNMENTS	0.04	0.00	0.00	0.04		
			TOTAL ASSETS	706,092.53	0.00	0.00	705,992.53		
21330			RETIREMENT CONTRIBUTIONS	26.84	0.00	0.00	26.84		
21341			COMPANY #1	14,166.75	0.00	0.00	14,166.75		
21342			COMPANY #2	467.08	0.00	0.00	467.08		
21343			COMPANY #3	172.52	0.00	0.00	172.52		
21344			COMPANY #4	329.92	0.00	0.00	329.92		
21345			COMPANY #5	414.44	0.00	0.00	414.44		
21346			COMPANY #6	391.34	0.00	0.00	391.34		
21347			COMPANY #7	4,060.93	0.00	0.00	4,060.93		
21348			COMPANY #8	196.00	0.00	0.00	196.00		
21349			COMPANY #9	975.92	0.00	0.00	975.92		
21351			COMPANY #1	1,767.46	0.00	0.00	1,767.46		
21360			GARNISHMENTS AND LEVIES	3.00	0.00	0.00	3.00		
21390			OTHER PAYROLL DEDUCTIONS	1,899.00	0.00	0.00	1,899.00		
21810			REVENUE ANTICIPATION NOTES PAY	1,500,000.00	0.00	0.00	1,500,000.00		
			TOTAL LIABILITIES	1,524,865.20	0.00	0.00	1,524,865.20		
34120			RESERVED FOR ENCUMBRANCES - PR	653,629.24	0.00	0.00	653,629.24		
34440			OTHER FEDERAL PROJECTS	7,640.19	0.00	0.00	7,640.19		
34990			RESERVED FOR OTHER GENERAL PUR	16,385.00	0.00	0.00	16,385.00		
39000			UNDESIGNATED FUND BALANCE	2,908,612.16	0.00	0.00	2,908,612.16		
			TOTAL EQUITIES	2,230,957.73	0.00	0.00	2,230,857.73		
			Total GENERAL	0.00	0.00	0.00	0.00		

G/L Month: 07 JULY
Beginning Fund: 101
Ending Fund: 101

rolled from June 30th

rolled from June 30th

offset to 39000

rolled from June 30th

June 30th

Fund Balance 1,442,325.11-

diff Rev & Exp 3,760,709.28

14600 294,806.43

14600 (.12) 4,052.25

34120 362,259.93-

34120 offset 653,629.24

\$2,908,612.16

The new year's 34120 total comes from the Prior Year PO amount that is calculated when the PO close option 'C' ran. This amount should match the Prior Year PO listing total.

NOTE: If you do not use purchase orders on the system, you will not have a total for , , or .

Year-End Closing Instructions - Reserves

In the examples below, remember that all account numbers used are for example purposes only. The actual account numbers you use may vary.

Example 1: Setting up a reserve for the first time

<i>Debit</i>	Undesignated Fund Balance	39000
<i>Credit</i>	Reserve Account	34380
Transaction Type - JE		

Example 2: Beginning (current fiscal year July 1) Reserve 34380 has a *Credit* balance of \$1,000. No budget entries were made to the reserve during the year. Reserve was expensed directly for \$800 (Dr-34380 / Cr-11140). Reserve 34380 currently (ending fiscal year June 30) has a *Credit* balance of \$200.

To provide for next year's reserve amount of \$1,500:

<i>Debit</i>	Undesignated Fund Balance	39000	\$1,300
<i>Credit</i>	Reserve Account	34380	\$1,300

Example 3: Beginning (current fiscal year July 1) Reserve 34380 has a *Credit* balance of \$1,000.

One budget entry for \$800 was made to the reserve during the year.

<i>Debit</i>	Reserve Account	34380	\$800
<i>Credit</i>	Expenditure Account	72100-127	\$800
Transaction Type - BG			

Due to BG transaction, reserve 34380 now has a \$200 *Credit* balance.

Items designated for reserve were expensed for \$800.

<i>Debit</i>	Expense Account	72100-127	\$800
<i>Credit</i>	Cash with Trustee	11140	\$800
Transaction Type - CD			

Reserve Account still has a \$200 *Credit* balance.

Journalize \$800 expenditures to the reserve account 34380.

<i>Debit</i>	Reserve Account	34380
<i>Credit</i>	Undesignated Fund Balance	39000
Transaction Type - JE		

The reserve account now has a *Debit* balance of \$600. If we stopped here and didn't do anything else except close the year, the reserve would roll over with a *Credit* balance of \$200. Remember, the computer will reverse all BG transactions made to the reserve account. Thus, upon closing, the reserve's *Debit* balance of \$600 would be credited \$800 yielding a *Credit* balance of \$200.

To provide for next year's reserve amount of \$1,500.

<i>Debit</i>	Undesignated Fund Balance	39000	\$1,300
<i>Credit</i>	Reserve Account	34380	\$1,300
Transaction Type - JE			