

TRUSTEE FISCAL YEAR-END PREPARATION & CLOSING INSTRUCTIONS

Please take a moment to review all of these instructions before the end of June as there are items you will need to address before then. These instructions will guide you through a successful completion of Fiscal Year 2005-2006.

BEFORE RECEIPTING IN JULY

(Use these check boxes to keep track of your progress)

Print 'Tax Aggregate by Tax Year' Report before receipting July 1 receipts.

➤ Menus > Reports > Audit > Tax Agg by Tax Year.

Print Paid/Unpaid Listing(s) before receipting July 1 receipts

Print any paid and/or unpaid listings as of June 30th, per your auditor requests/requirements.

Change Revenue Codes before receipting July 1 receipts

More specifically go to the Revenue Control and change the assigned allocation table #.

➤ Menus > System Control > Revenue

Your Revenue Code for Prior Year Taxes (example 40120) needs to have the allocation table number updated to the current year's allocation table # (was a 2004 table, needs to be 2005).

Change Default Codes before receipting July 1 receipts

Effective July 1, your current year taxes become prior year taxes. You will need to change all of your default revenue codes relating to 2005 tax revenue (example; change 40110 to 40120).

➤ Menus > System Control > Default Codes

Find the corresponding Tax Year and Tax Type by using the F2 Lookup option. If you collect City or Special School District taxes, you may be using other revenue accounts and they will need to be updated as well (40610, 40620, 40630, etc.) You should do this before receipting any taxes in the new fiscal year. **If you forget to do this before receipting in July you will need to "change" your receipts, or "void" them and re-receipt if already prorated.

Allocation Tables

As a rule, Allocation Tables should not be changed once they have been used. This can result in incorrect entries being made to your general ledger, or even system errors. If you need to create a new Allocation Table go to > Menus > System Control > Sys Control > Allocation Table

BEFORE CLOSING THE MONTH OF JUNE

Please complete these items before starting the June Month End close.

□ Check supplies

Be sure you have plenty of supplies on hand. Do you have 1-part and 2-part (if needed) paper, printer ribbons, diskettes, and at least 3 magnetic tapes for backups?

Note: If you have been using your daily backup media for more than one year, we recommend changing them at this time. Your monthly tapes should be replaced every 2 years - write the date on the tape when first used so you can keep track of it. Also, these older tapes can be reused to send backups to LGC, or to store your year-end backups.

Review Reports

Correcting entries must be posted before the month of June is closed... Some important factors to consider are listed below;

□ Review May and June's Trial Balance and Month-to-Date Account Analysis

Correct any mistakes that may have been made during the year. Pay special attention to account balances for #14310, 22200, 28310, and 29999.

□ ACV Account Balances

* If you do not have two account balances for ACVs, skip to the next step.*

Many of you may have an accumulated balance in two accounts for collection of ACVs. This will list as Accounts Receivable #11410 and 11410-999. These two line-items should be consolidated before going to the next step. The following Journal Entry should be made and dated in June prior to closing the month.

Credit 11410 for the balance amount in this account (to zero it out)

Debit 11410-999 for the same amount above.

This will zero out the 11410 account and list 1 total for the amount of outstanding ACV's in #11410-999, to enable you to keep track of 2005's ACV balance.

(Do the opposite if you prefer to show 11410 as your previous years A/R balance.)

If your county pays tax relief, you will need to do the same for 11440 and 11440-999.

□ Trustee's RDB Report

Before closing the year, you may need to run extra copies of the Month-To-Date and/or Year-To-Date Trustee's RDB reports. Only one copy of the Year-To-Date Trustee's RDB report will print in the year-end process.

➤ Menu > Accounting > Reports > M-T-D RDB or Y-T-D RDB Report.

□ Board or Education

A Year-To-Date Trustee's Report will provide information for your Board of Education, if needed. > Menu > Accounting > Reports > YTD Trustee's Report

❑ **Year-End Cost Center Report**

If you need a Cost Center Report for year-to-date activity, you can get this by

➤ Menus > Accounting > Reports > Standard Reports - Enter #03 for Desired Report Order.

❑ **Run Any Additional Reports before Closing the Year, as required by your local office**

❑ **Purging Posting Journal**

This is a good time to purge the Posting Journal if you don't purge on a regular basis. Do this before beginning the month-end closing process for June.

➤ Menus > Accounting > Transactions > Purge Posting Journal.

IMPORTANT - Have your backup tapes ready and available before continuing to the next phase. You will be asked to make three separate backups during this process. A “daily” backup is sufficient for this process. Backups will be made at these points in the process;

1. Before closing June
2. After closing June/prior to closing the fiscal year, and
3. After closing the fiscal year.

You will be instructed how to label these backups in your closing instruction.

County Audit recommends these backups be kept off-site for 3 years. They should be kept on-site for an additional 4 years (7 years total). A safe-deposit box or safe in another county building are suggestions for off-site storage. Do not assume that a fire proof cabinet or vault are sufficient. The heat generated during a fire can easily reach temperatures that can damage your tape or diskettes. It is also recommended that you keep a weekly backup off-site.

**** Now that you have completed the Preparation Process (all the above) you are ready to start the June Month End Close, and then continue on to the Year End Close. These are 2 separate processes and do not have to be completed at the same time. However, once June is closed you will not be able to make any changes for that fiscal year.**

.... Continue to the Trustee Month/Year-End Closing Instructions enclosed

TRUSTEE MONTH / YEAR-END CLOSING

Make sure you have completed the section titled 'Trustee Fiscal Year-End Preparation'.

Closing the month of June and the fiscal year are separate processes. The two closings do not have to be completed at the same time. For example, you can close June on July 1 and close the fiscal year on July 10. But once June is close no other entries can be made to this fiscal year.

Make sure you have reviewed your June Preliminary Trial Balance for accuracy.

❑ **Step 1: Complete accounting entries**

Complete all necessary accounting entries for the month.

❑ **Step 2: Run a 12 Month Bank Analysis**

➤ Menus > Accounting > Reports

❑ **Step 3: Backup files (#1)**

Create your first backup (daily). It should be labeled "June 30 Month-End Backup 2005-2006 Do Not Destroy". Place this backup in a safe place. (daily backup)

❑ **Step 4: Month End Process**

➤ Menus > Accounting > Period End

Close June, just like prior months, using the following steps

❑ Complete the School Commission Process, if necessary.

❑ Follow the month-end steps:

❑ Warrant Listing

❑ Summarized Receipt Listing

❑ Purge Warrant Files (one month lag recommended; closing June, purging May)

❑ Purge Receipt Files (one month lag recommended; closing June, purging May)

❑ **Step 5: The June Month End Process (all steps)**

NOTE: No entries for June, or this fiscal year, can be made after starting this process.

❑ **Step 6: Backup files (#2)**

Label this backup tape as "Pre-Year-End Backup 2005-2006, Do Not Destroy".

Place this backup in a safe place. (daily backup)

TRUSTEE YEAR-END CLOSING, Continued:

□ **Step 7: Year-End Process**

- Select the option to Copy Files to Work Directory from the Accounting Period End Menu. You cannot proceed with closing the year until this is completed.
- Select Year-End Closing to get the options below;
 - **#1 Scan For Unposted Transactions**
This will scan the accounting files for entries that have not been posted.
If no errors are found, the status will be 'COMPLETE'. If unposted transactions are reported, they must be analyzed before continuing.
 - **#2 Accounting Reports** (you may want to print these on 2-part paper; 1 to keep/1 for audit)
This will print:
 - Year-End Revenue, Disbursements, and Balances Report
 - Year-End Trustee Report
 - Trial Balance
 - Balance Sheet
 - Year-to-Date Account Analysis
 - **#3 Close Accounts**
This copies the General Ledger and Transaction File to a History File.
This option will also reset the general ledger balances for the new year.
 - **#4 Accounting Reports (After Closing) –again, you may want 2 part paper**
This will print a Trial Balance and Balance Sheet after the closing has been completed.
The Trial Balance should be checked to be sure the YTD debits and credits are zero.
Also, the beginning and ending balances should be the same. Compare the Trial Balance to the ones printed at June Month-End close **and** in the Year-End Accounting Reports.
Verify that the ending balances from the earlier reports match the beginning balances for the Trial Balance printed in this option. If they do not, contact LGC.
 - **#5 Create STATEPC Audit File**
This creates a file used by state audit. You will not be prompted for a diskette at this time.
 - **#6 Update Transaction Posted File**
This process updates the transaction file with transactions for the new fiscal year.
- **Step 8: Backup Files (#3)**
After finishing the close, make a backup of your files. Label the tape "Beginning Fiscal Year 2006-2007, Do Not Destroy". Place this backup in a safe place. (daily backup)

CONGRATULATIONS...

YOU HAVE NOW COMPLETED THE YEAR-END PROCESS.