



Ascente and Traverse Year End Procedures

The following procedures are an outline of the steps required for both Calendar Year End Closing (12/31) and Fiscal Year End Closing (which may or may not be the same). If you have not purchased the module listed, or are not using the module, you do not need to do anything for that module (the exception to this is General Ledger). Modules are listed in the recommended order of completion. For more detailed information, please refer to the User Documentation that was supplied with your software.

Ascente

___ 1. Complete the following special steps if using Timecard Entry:

___ a. Enter all Timecard transactions for the old payroll year and update.

DO NOT enter any transactions for the new payroll year until ALL of the following steps are completed!

Note that you can enter transactions with a *work date* in a different calendar year than the *payroll year*. The transactions must be posted to the year in which the check date will fall. For example: If the work date was 12/28/09, but won't be paid until 1/04/10 then this transaction needs to be posted to payroll year 2010.

Work Date refers to the date the employee performed the labor.

Payroll Year refers to the year the transaction will be paid and reported on a W2.

Fiscal Year refers to your General Ledger reporting year, which may be different than a calendar year.

___ b. Complete the Traverse Payroll Year End procedures

___ c. In Ascente, click on File, Change Payroll Year, and set the Payroll Year to the new Year. This must be done for each user that does Timecard Entry.

___ d. Start Entering Timecards for the new year. When doing this, BE SURE the "Current Payroll Year" on the screen is the new year.

___ 2. Complete all Service billings in Ascente for the old year and post the batches in Traverse.

___ 3. Complete all Job Cost billings in Ascente for the old year and post the batches in Traverse.

___ 4. Complete Job Cost closing cycle.

Traverse Accounts Receivable/Sales Order Year End Checklist

- ___ 1. Enter and post all transactions and cash receipts.
- ___ 2. Calculate all finance charges for the final period using the Calculate Finance Charges function on the Open Invoices menu.
- ___ 3. Print customer statements using the Print Statements function on the Open Invoice menu for the final period.
- ___ 4. Print the following reports from the Management Reports menu:
 - The Customer Analysis Report to identify sales and profit amounts, number of invoices and Average invoice amounts for the period-to-date, quarter-to-date, and year-to-date, and last year.
 - The AR Aged Trial Balance to reconcile General Ledger Accounts Receivable GL account with the totals on the report.
 - The Open Invoice Report to display the amount due after you post transactions, customers that have open invoices, and summary invoice information.
 - If you are using multi-currency, print the Gains and Losses Report to reconcile any difference in currency to the General Ledger.
 - The Detail History Report to view posted transactions. You must elect to save history in Options and Interfaces in order to print this report.
- ___ 5. Print the following summary reports from the Management Reports menu. You must elect to save history in Options and Interfaces.
 - AR Analysis Report to analyze receivables.
 - Sales Analysis Report to analyze sales trends based on the last 12 months.
 - Customer Activity Report to identify your top customers.
 - Customer Sales Report to view sales, gross profit and average income amounts per customer.
- ___ 6. Print the Tax Locations List from the System Manager Tax Setup menu for a record of the accumulated sales and use tax information for each tax location.
- ___ 7. **BACK UP YOUR DATA FILES!** The next step will make changes to your data.
- ___ 8. Use the Clear Tax function on the Tax Setup menu in System Manager to remove the accumulated sales tax at the end of the tax reporting period.

NOTE: Make sure you have printed a current Tax Locations List because this function clears the accumulated sales and use tax amounts and these values will no longer be available.

- ___ 9. Select Period-End Maintenance in the Periodic Maintenance function from the Periodic Processing menu (this is a single user function) to perform the following tasks:
 - Change the status of invoices paid in full to paid.
 - Accumulate balance totals for balance forward customers.
 - Age the customer balances.
 - Update customer credit status.
 - Clear period-to-date and year-to-date sales amounts from the sales rep records.
 - Post finance charges to the current period.
 - Compare the balances in the customer record to the balances in the open invoice file and correct any discrepancies.

If Selected:

- Delete paid invoices before a specified date (NOT RECOMMENDED). If a date is not specified and check box is not selected, paid invoices will not be removed.
- Delete summary and detail sales history before a specified date (NOT RECOMMENDED). If a date is not specified and check box is not selected, history will not be removed.

- Delete Customer Detail History before the year you specify (NOT RECOMMENDED) . If a year is not specified and check box is not selected, history will not be removed.
- Purge recurring entries for specified cutoff date (NOT RECOMMENDED). If a date is not specified and check box is not selected, recurring entries will not be removed.
- Clear Year-To-Date finance charges. This step is recommended at the end of the fiscal year.
- Clear Sales Rep Year-To-Date totals

____ 10. Select the Purge Quotes function from the Periodic Maintenance menu to purge quotes prior to the date selected if you are using Sales Order. (NOT RECOMMENDED)

____ 11. Delete inactive customers using the Customers function on the Setup and Maintenance menu. Select the inactive customer, then use the delete function key to delete the inactive customer. This step is optional.

NOTE: Customers must have 0 for an outstanding balance before they can be deleted.

Traverse Inventory Year End Checklist

- ___ 1. Complete transaction and transfer entry.
- ___ 2. Print the transaction, transfers and GL adjustments journals from the Transactions menu. If the information is correct, post transactions, transfers, and GL adjustments.
- ___ 3. **BACK UP YOUR DATA FILES!** The next step makes changes to your data.
- ___ 4. Follow the steps on the Physical Inventory Checklist if your company conducts a physical inventory during year-end processing.
- ___ 5. Use the Item Price Change function on the Periodic Processing menu to change the base price, list price, and minimum price for a selected range of items if your company changes prices as a normal part of year-end procedures.
- ___ 6. Select the Cost Changes function from the Periodic Processing menu to change the standard cost and base cost for a selected range of items if your company changes cost as a normal part of year-end procedures.
- ___ 7. **BACK UP YOUR DATA FILES!** The next step makes changes to your data.
- ___ 8. Print the following Reports for your audit trail before you use the Purge Selected Files function.
 - Item Locations List on the Master Lists menu to display location information, lot information, general information, alternate items, bin information, and serial information.
 - Promotional Pricing List on the Master Lists menu in Sales Order, if you are using Sales Order, to display a list of promotions you have set up.
 - Serialized History Report on the Reports menu to display a list of historical transaction information for serialized items.
 - Lot History Report on the Reports menu to show historical transactions, adjustments, material requisitions, and transfer information for lotted items.
 - Transaction History Report on the Reports menu to show historical transaction information for a specified period and year.
- ___ 9. Use the Purge Selected Files function on the Periodic Processing menu to delete the following (NOT RECOMMEND):
 - Delete sold serial numbers with sale dates before a selected date. If a date is not specified serial numbers will not be deleted.
 - Zero quantity sold lots with sale dates before a selected date. If a date is not specified lots will not be deleted.
 - Alternate items with end dates before a selected date. If a date is not specified items will not be deleted.
 - Serialized history with invoice dates before a selected date. If a date is not specified serialized history will not be deleted.
 - Lot history with invoice dates before a selected date. If a date is not specified lot history will not be deleted.
 - Detail history with transaction dates before a selected date. If a date is not specified detail history will not be deleted.

Traverse Physical Inventory Checklist

- ___ 1. Print the Item Status Report for an up-to-date list of item quantities to help you organize your items into physical inventory batches.
- ___ 2. Select the Freeze Quantities function from the Physical Inventory menu to prepare batch codes that include the items and locations you are going to count from your inventory.
 - Elect whether to use tags or worksheets for counting a batch.
 - Elect whether to enter all the inventory counts or to enter only exceptions between frozen quantities and counted quantities.
 - Elect whether to display frozen quantities on count entry screens.
 - Elect whether to print items with zero quantities on tags or worksheets.
- ___ 3. Select the Batch List function on the Physical Inventory menu to verify the status of each batch. The list indicates whether the various stages of the physical count process have been completed.
- ___ 4. Post transactions in all modules to update current on hand quantities.
- ___ 5. Select the Freeze Quantities function anytime after you prepare batch codes to freeze on hand quantities. Use this function when you are ready to conduct the physical count.

NOTE: Once you freeze quantities, there should be no activity in the warehouse until physical inventory is updated through the Update Perpetual Inventory function, but you can continue to process transactions during this time.

- ___ 6. Select the Print Inventory Tags/Worksheets function on the Physical Inventory menu to produce tags or worksheets for the physical count.
- ___ 7. Conduct the physical count using the printed tags or worksheets.
- ___ 8. Select the Physical Counts Tag Entry function on the Physical Inventory menu to enter the counted quantities on tags. Use the Physical Counts Worksheet Entry function on the Physical Inventory menu to enter the counted quantities on worksheets.
- ___ 9. Select the Physical Counts List function on the Physical Inventory menu to produce a list of items from the selected batches to verify that the correct counted quantities were entered.
- ___ 10. Print the Variance Report on the Physical Inventory menu to display the quantity and cost variances between the physical counts you entered and the frozen quantities. This report is part of your audit trail and must be printed to a file or the printer in order to run the Update Perpetual Inventory function for a batch.
- ___ 11. Select the Batch List function on the Physical Inventory menu to verify each step of the physical inventory process has been completed before you Update Perpetual Inventory.
- ___ 12. **BACK UP YOUR DATA FILES!** The next step makes changes to your data.
- ___ 13. Select the Update Perpetual Inventory function on the Physical Inventory menu to update on-hand quantities with the physical count quantities for the items in each batch. Save the log printed during the Update Perpetual Inventory as part of your audit trail for the physical inventory.

Traverse Accounts Payable/Purchase Order Year End Checklist

- ____ 1. Enter and Post all Transactions and Payments.
- ____ 2. Print the AP Aged Trial Balance Report from the Management Reports menu to reconcile your Accounts Payable GL account with the total on the report.
- ____ 3. Print the following summary history reports from the Management Reports menu. In order to print these reports, the option to save purchase history must be selected in Options and Interfaces.
 - AP Analysis Report to analyze payables.
 - Purchase Analysis Report to summarize purchase trends based on the last 12 months.
 - Vendor Purchase History Report to show the quantity purchased from vendors.
- ____ 4. Print the following detail history reports from the Management Reports menu. In order to print these reports, the option to save summary and detail purchase history must be selected in Options and Interfaces.
 - Payments History Report to list paid invoices, check numbers, check dates, and payment types.
 - Vendor Activity Report to show how often purchases were made from each vendor for the year.
 - Vendor Detail History Report to display posted purchases and returns made to vendors during the year.
- ____ 5. **BACK UP DATA FILES!** The next step makes changes to your data.
- ____ 6. You can print 1099's before or after you run Period-End Maintenance. Simply select the calendar year to use when printing the 1099 forms. It is recommended that you print a worksheet first.
 - Verify limits in the 1099 Field Indicators function on the Setup and Maintenance menu.
 - Print 1099 Worksheets from the Print 1099 Forms function on the Periodic Processing menu.
 - Verify Year-To-Date payments and adjust as needed.
 - Use the Print 1099 Forms on the Periodic Processing menu to print 1099 forms.

NOTE: If the company is not on a calendar fiscal year, this step becomes part of month-end for December.

- ____ 7. Select the Periodic Maintenance Period-End function within the Periodic Processing menu (This is a single user function). This is an optional function. Use the Activity Button on this screen to print an Activity Log to verify which tasks have been performed.

If Selected:

- Delete Temporary Vendors if balances are paid in full.
 - Delete paid invoices before a specified date (NOT RECOMMENDED). If a date is not specified and the check box is not selected, paid invoices are not removed.
 - Delete summary and detail purchase history before a specified date (NOT RECOMMENDED). If a date is not specified and the check box is not selected, history is not removed.
 - Delete Payment History before a specified date (NOT RECOMMENDED). If a date is not specified and the check box is not selected, history is not removed.
 - Delete Vendor Detail History before the year you specify (NOT RECOMMENDED). If a year is not specified and the check box is not selected, history is not removed.
 - Purge recurring entries for the specified cutoff date (NOT RECOMMENDED). If a date is not specified and the check box is not selected, recurring entries are not removed.
- ____ 8. Select Vendors from Setup and Maintenance menu to delete inactive vendors. Use the Delete function key to delete the inactive vendors. This step is optional.

NOTE: Vendors must have zero for an outstanding balance before they can be deleted.

Traverse Payroll Year End Checklist

- ___ 1. **BACK UP DATA FILES!**
- ___ 2. Post the payroll checks for the last payroll cycle of the year.
- ___ 3. Print the following quarterly reports:
 - Earnings and Deductions Report ● Employer's Tax Report
 - Sick Leave and Vacation Report ● Withholding Report
 - State Unemployment Report ● Department History Report
 - Transaction History Report ● 941 Worksheet
 - Check History Report
- ___ 4. (OPTIONAL) Print any additional reports or have them saved to a file.
- ___ 5. Verify that any employee that has been terminated has a termination date entered in their Employee Information [Key Dates] tab, 'Termination Date' field. If this is not done, this employee will be transferred to the new payroll year database that will be created when the "Add New Year" function is completed.
- ___ 6. **BACK UP DATA FILES!**
- ___ 7. Open Server Manager, now expand (+) the company list, expand Applications and right click on PA. Select Add Payroll Year. Add the "New Year" you are going into and copy from the year you are coming from. Adding the new year does the following:
 - Year to date buckets for all employees are cleared out.
 - Terminated employees are deleted.

NOTES: Any company specific formulas and formula tables are copied to the new year.

Be sure not to do this until all payrolls have been completed for the prior year, especially if you accrue vacation or sick time – otherwise incorrect vacation/sick accruals will be transferred to the new year.

- ___ 8. Change payroll years using the Change Payroll Year function on the Periodic Processing menu to switch to your new year.
- ___ 9. Delete outdated recurring entries using the Purge Recurring Entries on the Periodic Processing menu.
- ___ 10. Consolidate sick and vacation balance records using the Roll Up Leave Balance function on the Periodic Processing menu.
- ___ 11. If you elected to have the system accrue vacation and sick hours, switch to the New Year files by selecting Change Payroll Year in the Periodic Processing menu. If you want to clear vacation and sick leave for the start of your new year, select Clear Sick and Vacation Hours on the Periodic Processing menu. Otherwise, manually update sick and vacation hours in the New Year using the Leave Adjustments function on the Periodic Processing menu.
- ___ 12. Update the federal, state, and local tax tables and formulas in the New Year, if necessary. Contact your Project Leader to obtain the latest version of the state and federal tax routines.

NOTE: After updating the tax tables for the new year, you must update the SUI rate for your company. Go to Setup and Maintenance, Formula Tables. Look up your state code_SUI. Example: California's SUI rate is stored under PCA_SUI

- ____ 13. Make sure you are in your new year. Select Change Payroll Year in the Periodic Processing menu to see what year appears in the box. If the New Year does not default into the box, select the new year and change to your New Year, uncheck the box for this workstation only to change all workstations to the new year.
- ____ 14. When you are ready to prepare W-2 forms, change years to the prior year using Change Payroll Year on the Periodic Processing menu, do not check the box to change for all workstations, to prepare W-2 forms for last year.
- ____ 15. Prepare W-2 forms. Select Prepare W-2 Forms from the Quarter/Year-End Reports menu.
- ____ 16. Print the W-2 forms.
- ____ 17. Create your W-2 magnetic media file by selecting Create W-2 Magnetic Media from the Quarter/Year End Reports menu, if required by the IRS.
- ____ 18. Output your Magnetic Media file to a disk using the W-2 Forms function in the Quarter/Year End Reports menu, and select Magnetic Media in the Output section.
- ____ 19. Delete last year files if desired using the Purge Years function in Server Manager. Purge prior years by opening Server Manager, expand the company database, expand Applications, expand PA and right click on the payroll year you want to delete and select Delete Year. (NOT RECOMMENDED)
- ____ 20. Switch back to your current year using Change Payroll Year on the Periodic Processing menu to process payroll in your current year if needed.

Traverse General Ledger Year End Checklist

- ____ 1. Print the Chart of Accounts list on the Master Lists menu. Check the box to print the clear and consolidate information. Once the list is printed verify the following information:
 - The income statement accounts have an account type between 500 and 890.
 - The balance sheet accounts have an account type between 005 and 465.
 - The step and clear to account information.
- ____ 2. Use the Chart of Accounts function on the Setup and Maintenance menu to edit incorrect setup information found on the Chart of Accounts List if needed.
- ____ 3. Use the Period Conversion function in System Manager, Company Setup, to set up periods for your new year.
- ____ 4. Back up your data files. The next step makes changes to your data.
- ____ 5. Determine which years are available by opening the Year-End Maintenance function in the Periodic Processing menu and look at the years listed in the list box. Determine whether or not you need to add a new year for processing. If you need to add a new year, proceed to step 6, otherwise skip to step 7.
- ____ 6. Select Year-End Maintenance from the Periodic Processing menu, then select Add New to add a new year.

NOTE: When you set up the Account Mask for a company, TRAVERSE creates three years: current year, previous year, and next year. You may skip this step the first time you perform year-end in TRAVERSE.

- ____ 7. Select Change Fiscal Year from the Periodic Processing Menu. Select the “New Year” in the Current Year field and click OK to change to the new year. You must be in the current year to perform the next step.
- ____ 8. Select the Update Current Year function on the Periodic Processing menu to do the following:
 - Transfer the ending balances from the “Old Year” to the “New Year” for GL accounts that have an account type from 005-465.
 - Calculate the net income or net loss amount from the balances of all accounts with account types from 500-890.
 - Update the balance for the retained earnings account with the net income or net loss if selected. Check the box to consolidate unclosed income (loss) to retained earnings, and select your retained earnings account.
- ____ 9. Continue to process information for both years. Use the Change Fiscal Year function on the Periodic Processing menu to switch between the “Old Year” and the “New Year”. Use the Update Current Year function on the Periodic Processing menu as needed to update the current year balances with changes made to last year balances. Check the box to consolidate unclosed income accounts to retained earnings.

NOTE: If you are using the Close Periods feature you can only post adjusting entries to periods that are open. You can reopen a period if needed.

- ____ 10. Print financial statements for the fiscal periods adjusting entries were posted to.

NOTE: You can stop the General Ledger Year End processing at this point. The following steps are not required. If the following steps are done, you will NOT be able to do any further adjustments or postings to the year being closed. If step 12 is done, you will need to complete all steps up through step 21.

- ____ 11. Back up your data files. The next step makes changes to your data.

- ____ 12. When all the adjustments have been made, use the Clear and Close Last Year function on the Periodic Processing menu to clear and close last year's data. The clear-to account and the step number set up for an account are used to close the income and expense accounts. Closing entries are made to the GL Journal in the period you specify. (NOT RECOMMENDED)

NOTE: If you do run this, it is recommended that you run your clear and close to the extra period supplied by TRAVERSE. If you post your clearing and closing entries to your last "normal" period you will have 0 for a net income on your income statement for the full year.

- ____ 13. Select the Period Conversion function from the Company Setup menu on the System Manager menu to make sure the last period is open. If any other periods are open for the closing year, it is recommended that they be closed at this time. You may reopen a period if needed in the future.
- ____ 14. Print financial statements for the fiscal periods that the adjusting entries were posted to.
- ____ 15. Use the Change Fiscal Year function on the Periodic Processing Menu to switch to your last year.
- ____ 16. Print the GL Journal or the Activity Report for the Period you entered your closing entries into for the source code CL to verify the closing entries.
- ____ 17. Use the Post to Master function on the Transaction Journals menu to post the closing entries to the GL Master.
- ____ 18. Print the Trial Balance from the Management Reports menu to verify income and expense account balances are zero for the closing year.
- ____ 19. Use the Change Fiscal Year on the Periodic Processing Menu to switch to your current year.
- ____ 20. Use the Update Current Year Function on the Periodic Processing menu to update the current year with the final account balances.

NOTE: Do not check the box to consolidate unclosed income accounts to retained earnings; if you check the box, the beginning balance for the retained earnings account will be zero in the new year. This only applies after you have run the Clear and Close Last Year function and have posted closing entries to the master.

- ____ 21. Select the Period Conversion function from the Company Setup menu on the System Manager menu to close the last period. The period you posted to for your clearing and closing entries should be closed, so nothing will be posted to that period.