

Year End Procedures for Accounts Payable

The Year-end procedure in the **Accounts Payable** program shifts the vendor year to date total amounts from Current Year to Prior Year. It is recommended that you run any reports you may need BEFORE running the Year-end process; also you must have a current backup.

Some recommended reports are the *Aged Invoice Report* and the *Annual Vendor Listing*. You do have the option to run 1099's for either the Current or Previous Year. This means you can print 1099's either before or after you close the year.

IF you have prior year checks you need to process after the Year End process:

- You will need to process this batch of checks separately from the New Year checks.
- Wrap-up the prior year checks in Summary and use a prior-year date.
- Adjust the PYTD and YTD balances in the Vendor Master to ensure 1099's show correct dollar amounts.

You have 3 options for the Year-end close:

1. Reset Fiscal Year to Date Amounts – Checking the box for this option will zero out the figures in the Fiscal year to date column in the Vendor Master. If your fiscal year does not coincide with the calendar year, leave this box unchecked.
2. Reset Calendar Year to Date Amounts Checking the box for this option will shift Vendor Totals from the Current Year to the Previous Year. The Current Year amounts will contain zeros.
3. Yes to both questions. If your Fiscal Year is also the same as your Calendar Year, then you should check both boxes and reset both sets of totals at once.

Note: No journal entries will be created from either of these Year-End processes in Accounts Payable.

Purging Files After the Year End Process:

There are 3 purge processes available. Each of the processes has 3 options within them:

1 - Print a report of what will be purged without purging.

We recommend you choose this option first as a practice run to verify what will be purged when you run the process for real with option 2 or 3.

2 - Print a report of what is being purged and purge the files.

Recommended option to use when purging so you can retain a record of the records purged.

3 - Do Not print a report just purge the files.

We strongly recommend you only run this option if you are absolutely sure of your cut-off date and only if you have run with option 1 previously.

Note: Once these records are purged you will no longer be able to access them in Accounts Payable.

ALSO-When purging, you must purge in the order listed below in order to get a clean purge process.

Purge Invoices -This process will allow you to delete invoices through a date you specify. This process will allow you to keep your files cleaned up. We recommend you keep at least 2 years history on file.

Purge Check Register -This process will delete checks with the status of Reconciled or Voided from the check register file. The purge process WILL NOT remove any checks with the status of Stop-payment or Printed so if you have not run the Check Reconciliation process you will need to do so before running Purge Check Register. If you want a complete printout of your check register, be sure to print it before you purge.

Temporary Vendors - This process will remove any vendors flagged as temporary in your Vendor Master file. You must have ALL invoices and checks purged for a temporary vendor before the system will purge the vendor.

Accounts Payable Year End Close Checklist:

- Print all checks for December and wrap up all Accounts Payable checks for the fiscal/calendar year ending 12/31/0X. Wrap up checks is the process that updates YTD dollar amounts.
- Run the Check Register Report and Invoice Status Report for the year you are closing.
- Run the Annual Vendor Report.
- Run the Aged Invoices Report.
- Print the 1099's either before or after the Year-End Process.
- Make any changes to the 1099 totals if necessary and print again if necessary.
- Create a backup of Accounts Payable.
- Run the YE Close for the Calendar Year. If your Fiscal Year is the same as your Calendar Year, then run both CY and FY Processes at the same time.
- Purge Invoices (Optional). This program will delete paid or cancelled invoices from the system for the time frame you indicated.
- Purge Check Register (Optional). This program will delete reconciled or voided checks from the system for the time frame you indicated.
- Purge Temporary Vendors (Optional). This program will delete vendors marked as Temporary and have no invoices or checks in the system.
- Run another backup of AP and keep for a couple of months.