

2009 Dynamics GP Year End Closing Review

Jeff Smith, Senior Consulting Manager

jsmith@socius1.com

Session Presentation

www.socius1.com/gpyearend2009

Session Objectives

Review year-end procedures for:

- U.S. Payroll
- Project Accounting
- Inventory
- Receivables Management
- Payables Management
- Fixed Asset Management
- Analytical Accounting
- General Ledger

Guidelines

The procedures we cover in this session will apply to the following supported versions:

- 9.0
- 10.0

Guidelines

We will cover the following processes:

- Calendar year-end
- Fiscal year-end

Recommendations

Use your resources

- CustomerSource
- Microsoft Dynamics GP Solutions Support
- Socius

Be prepared

- Make sure all day-to-day activities are completed

Be methodical

- Review and follow year-end checklists
- Make backups

U.S. Payroll

Supported versions:

- Version 9.0
- Version 10.0

Release dates:

- 2009 year end update
- 2010 tax update

Payroll year end closing checklist:

- Knowledgebase Article #850663

U.S. Payroll

Websites:

- CustomerSource -> Support-> Tax Updates

Tax forms:

- 800-432-1281
- www.microsoftbusinesschecks.com

U.S. Payroll

Install the 2009 payroll year end update

- Help -> Products and Services -> Check for Year End Updates (9.0)

Create the year end wage file

- Tools -> Routines -> Payroll -> Year End Closing (9.0)
- Microsoft Dynamics GP -> Tools -> Routines -> Payroll -> Year End Closing (10.0)

Make a “Post year-end wage file” backup

U.S. Payroll

Year end wage file

- Year End Wage Report
- Edit W-2's
- Print W-2's
- Company-specific
- All years
- Create Magnetic Media
- Held in UPR10100-UPR10107 tables

U.S. Payroll

2010 pay runs

– Install 2010 Payroll Tax Update

- Help -> Products and Services -> Check for Payroll Tax Updates (9.0)
- Microsoft Dynamics GP->Maintenance->U.S. Payroll Updates->Check for Tax Updates (10.0)

U.S. Payroll

2010 Tax Updates

- Round 1 – table change only, (no code) due to release 12/18.
Federal
- Earned Income Credit
- FICA Limit for 2010 remains unchanged at 106,800
- State tax changes - Arizona, California, Maine, Minnesota, New Jersey, New York, North Dakota

U.S. Payroll

2010 Tax Updates

- Round 2 – Release date tentative 1/20 -
Code change will happen if needed by state

U.S. Payroll

Procedures:

- Verify that you have installed the latest 2009 payroll tax update
- Complete all pay runs for the current year
- Complete all month-end, period-end, or quarter-end procedures for the current year
- Make a backup of the original file
- Install the 2009 year-end update
- Create the year-end file
- Make a backup of the new file
- Verify W-2 and 1099-R statement information

U.S. Payroll

Procedures (Continued):

- Print W-2 statements and the W-3 transmittal form
- Print the 1099-R forms and the 1096 transmittal form
- Create the W-2 magnetic media file (optional)
- Archive inactive employee Human Resources information (optional)
- Set up fiscal periods for 2010
- Close fiscal periods for the payroll series (optional)
- Install the payroll tax update for 2010

U.S. Payroll

Alternate Procedures

(only if you must process 2010 pay runs before you complete the year-end closing procedures)

- Verify that you have installed the latest 2009 payroll tax update
- Complete all pay runs for the current year
- Complete all month-end, period-end, or quarter-end procedures for the current year (optional)
- Make a backup of the original file
- Install the year-end update
- Create the year-end file

U.S. Payroll

Alternate Procedures (Continued)

- Verify W-2 and 1099-R statement information
- Archive inactive employee Human Resources information (optional)
- Set up fiscal periods for 2010
- Close the fiscal periods for the Payroll series for 2009 (optional)
- Install the payroll tax update for 2010
- Process the 2010 pay runs. The user date must occur in 2010.
- Print the W-2 statements and the W-3 transmittal form

U.S. Payroll

Alternate Procedures (Continued)

- Print the 1099-R forms and 1096 transmittal form
- Create the W-2 Electronic file (optional)

U.S. Payroll

What are some of the related KnowledgeBase articles that can be referenced?

- #865131: “Employee changes that you make after you create the Year-End Wage file are not reflected in the W-2 reporting in Payroll in Microsoft Dynamics GP”
- #856808: “How to process a test “payroll year-end” close by using live payroll data in Microsoft Dynamics GP”

U.S. Payroll

What are some of the related KnowledgeBase articles that can be referenced?

- #975174: Hotfix rollup 975174 that contains the 2009 year-end update is available for the English version of Microsoft Dynamics GP 10.0
- #975177: Hotfix rollup 975177 that contains the 2009 year-end update is available for the English version of Microsoft GP9.0

U.S. Payroll

New Payroll Add-On for Payroll Year-End:

- Integrity Data
- Automatically e-mails W-2 statements for Dynamics GP
- Regularly \$750.00
- \$595.00 through December 15th
- http://www.integrity-data.com/Products/E-Mail_W-2_Statements/Pricing.aspx



Project Accounting

Not required

- Projects can span multiple fiscal periods
- Projects are independent of the fiscal or calendar year

Optional year-end procedures:

- Post all cost transactions
- Run the final billings and revenue recognition for the year
- Update the rate tables in the PA Position Rate Table Maintenance and PA Employee Rate Table Maintenance windows

Project Accounting

What are some of the related KnowledgeBase articles that can be referenced?

- #875116 Optional year-end closing procedures for Project Accounting in Microsoft Dynamics

Inventory Control

When should the close be done?

- The inventory module should be closed at the end of your fiscal year, before any new transactions that would affect inventory quantities are posted.

Inventory Control

What does the year-end close process do and/or affect?

- Transfers all summarized current-year Quantity, Cost and Sales amounts to transaction history for the items for which you have been keeping Summarized Sales History.
- Updates each item's Beginning Quantity to the Quantity on Hand at each site. Certain reports, such as Turnover Report, use the beginning quantity field for report calculations.

Inventory Control

What does the year end close process do and/or affect? (Continued)

- Zeros the Quantity Sold field in the Item Quantities Maintenance (Cards -> Inventory -> Quantities/Sites) for each site.
- Gives the option to: Remove Discontinued Items, Remove Sold Receipts, Remove Sold Lot Attributes, and Update Item's Standard Cost.

Inventory Control

What steps should I take to close the year?

- Enter and post all Purchase Order Processing, Invoicing/Sales Order Processing, and Inventory transactions for the current year.
- Follow the rest of the steps outlined in Knowledgebase article #872713, titled “Inventory year-end closing procedures in Inventory Control in Microsoft Dynamics GP”.

Inventory Control

Procedures:

- Post all transactions for the year
- Reconcile inventory quantities
- Complete a physical inventory count and post inventory adjustments
- Print additional reports
- Make a backup
- Close the year
- Close the fiscal periods for the Inventory series (optional)
- Make a final backup

Inventory Control

What are some of the related KnowledgeBase articles that can be referenced?

- #872713: “Inventory year-end closing procedures in Microsoft Dynamics GP Inventory Control”
- #930998: Error message when you perform the “Inventory Year-end Closing” routine in Microsoft Dynamics GP: “Update standard costs in the Standard Cost Rollup window”
- #923960 Enhancements made to the calculation of average cost in Microsoft Dynamics GP

Inventory Control

What are some of the related KnowledgeBase articles that can be referenced? (Continued)

- #872182: The inventory year-end routine does not remove discontinued items in Microsoft Dynamics GP
- #865739: Error message when you perform the Inventory year-end close in Microsoft Dynamics GP: “You cannot complete this process while invoices are being posted”

Receivables Management

When should the close be done?

- The Calendar Year end close should be done at the end of the calendar year prior to posting any transactions in the next calendar year.
- The Fiscal Year end close should be done at the end of the fiscal year prior to posting any transactions in the next fiscal year.

Receivables Management

What does the year end close process do and/or affect?

- The Calendar Year end close clears the Calendar Year-to-Date Finance Charges and moves them to the Last Year Calendar field in Customer Finance Charge Summary (Cards → Sales → Summary → Finance Charges.)
- The Fiscal Year end close transfers all amounts other than the Calendar YTD Finance Charge amount to the Last Year column in Customer Summary using the Amounts Since Last Closed View (Cards → Sales → Summary).

Receivables Management

What steps should I take to close the year?

- Post all transactions for the current year.
- Follow the rest of the steps outlined in KnowledgeBase article #857444: Year-end closing procedures for Receivables Management in Microsoft Dynamics GP

Receivables Management

Calendar Year Procedures:

- Post all sales and receivables transactions for the year
- Make a pre-year-end closing backup
- Close the year
- Close the fiscal periods (optional)
- Close the tax year
- Make a post-year-end closing backup

Receivables Management

Fiscal Year Procedures:

- Post all sales and receivables transactions for the year
- Make a pre-year-end backup
- Close the fiscal year
- Close the fiscal periods (optional)
- Make a post-year-end closing backup

Receivables Management

What are some of the key points to remember?

- Make restorable backups when recommended in the closing TechKnowledge.
- Receivables Management is not completely date sensitive. There are some date sensitive features. It would still be the best option to close the year on time.
- The following items are updated based upon the closing of Receivables:
 - Smartlist objects
 - Receivables Management summary reports
 - Amounts Since Last Close view

Receivables Management

What are some of the related KnowledgeBase articles that can be referenced?

- #857444: “Year-end closing checklist for Receivables Management in Microsoft Dynamics GP and Microsoft Business Solutions – Great Plains”
- #851140 : “Information about the year-end closing procedure in Receivables Management in Microsoft Dynamics GP after December 31”
- #856865: “How to remove outdated statement runs from the Reprint Statements Window in Microsoft Dynamics GP”

Payables Management

When should the Year End Close be done?

- The Calendar Year End Close Routine should be run at the end of the Calendar year prior to posting transactions in the new year.
- The Fiscal Year End Close Routine should be run at the end of the Fiscal year prior to posting transactions in the new year.

Payables Management

What does the Year End Close Process do?

- The Calendar Year End Close process transfers the 1099 Amount from the Year to Date column to the Last Year column in the Amounts Since Last Close view in the Vendor Yearly Summary window (Cards -> Purchasing -> Summary -> Yearly Button).
- The Fiscal Year End Close Process transfers all other amounts from the Year to Date column to the Last Year column in the Amounts Since Last Close view.

Payables Management

What steps should I take to close the year?

- Post all transactions for the current year.
- Make sure transactions for the new year are saved, not posted.
- Make a backup.
- Follow the steps in Knowledgebase article ‘Year-end Closing Procedures for the Payables Management module in Microsoft Dynamics GP and in Microsoft Business Solutions - Great Plains (#875169).’

Payables Management

Calendar Year Procedures:

- Post all transactions for the year
- Print the Aged Trial Balance with Options report
- Print the Vendor Period Analysis report
- Make a backup that is named “Pre-1099 Edits”
- Verify the 1099 information and edit it as required

Payables Management

Calendar Year Procedures: (Continued)

- Print the 1099 statements
- Make a backup that is named “Pre-Year-End”
- Close the year
- Close the fiscal periods (optional)
- Close the tax year
- Make a backup that is “Post-Year-End”

Payables Management

Fiscal Year Procedures:

- Post all transactions for the year
- Print the Vendor Period Analysis report
- Make a backup that is named “Pre-Year-End”
- Close the fiscal year
- Close the fiscal periods (optional)
- Make a backup that is “Post-Year-End”

Payables Management

What are some important points to remember?

- Follow the steps as outlined in the Knowledgebase article.
- Be sure to make all the backups that are suggested.
- As with Receivables, Payables Management is not fully date sensitive, so it is still recommended that you process your year end closing routines at the actual year end.

Payables Management

What are some of the related KnowledgeBase articles that can be referenced?

- #875169: “Year-end closing procedures for Payables Management in Microsoft Dynamics GP and Microsoft Business Solutions – Great Plains”
- #871754: “The Payables Year-End Closing Report can be printed only at the time of the year-end close in Microsoft Dynamics GP”
- #850151: “How to close fiscal year end in Great Plains”

Payables Management

What are some of the related KnowledgeBase articles that can be referenced? (Continued)

- #855996: “How to perform the year-end closing procedures after you have already posted transactions to new year in Microsoft Dynamics GP”

Fixed Asset Management

When should the Year End Close be done?

- The Fixed Assets Year End Close should be run after you close Payables Management, but before you close General Ledger.
- You can close each book separately, but you must close all books before you can do any processing in Fixed Assets for the new year.

Fixed Asset Management

What does the Year End Close process do?

- In the Asset General Information window (Cards -> Fixed Assets -> General):
 - The YTD Maintenance amount is removed.
 - The Quantity is copied to the Begin Quantity field.

Fixed Asset Management

What does the Year End Close process do? (Continued)

- In the Asset Book window (Cards -> Fixed Assets -> Book):
 - The YTD Depreciation Amount is removed.
 - Cost Basis is copied to Begin **Year** Cost.
 - Life to Date Depreciation is copied to Begin Reserve.
 - Salvage is copied to Begin Salvage.
- Increases the current fiscal **year** by one **year** for each book that is being closed.

Fixed Asset Management

What steps should I take to close the year?

- Print all the reports that you will need for the year that you are closing.
- Make a backup.
- Follow the steps in Knowledgebase article “The year-end closing procedures for the Fixed Asset Management module in Microsoft Dynamics GP and Microsoft Business Solutions – Great Plains (#865653).’

Fixed Asset Management

Procedures:

- Perform all year-end closing procedures for the Payables Management module
- Enter all fixed asset transactions for the current fiscal year
- Depreciate all assets through the last day of the current fiscal year
- Perform the GL posting (GL interface) process (optional)
- Run any year-end reports you want to keep as part of your year-end financial records

Fixed Asset Management

Procedures: (Continued)

- Guarantee that the fixed assets calendar is built correctly (optional)
- Verify that the quarters are set up correctly for all fiscal years
- Create a backup
- Perform the fixed asset year-end closing routine

Fixed Asset Management

What are some important points to remember?

- You must take depreciation to the last day of the year that you are closing before you close the year.
- Follow the steps in KnowledgeBase article #865653.

Fixed Asset Management

What are some of the related KnowledgeBase articles that can be referenced?

- #843663: “Depreciated To Date and Life To Date Depreciation Amount”
- #895051: “The value in the YTD Depreciation Amount box is not set to zero for the new fiscal year in the Microsoft Great Plains Fixed Assets module”

Analytical Accounting

Points of interest:

- Year-end close procedures for Analytical Accounting are not available in versions earlier than Dynamics GP 10.0 SP 2
- The General Ledger year-end close process automatically moves the Analytical Accounting transactions from the AAG30000 historical tables to the AAG40000 series tables. There is no year-end closing process in Analytical Accounting.

Analytical Accounting

How to consolidate balances in Analytical Accounting during the General Ledger year-end close process

- Microsoft Dynamics GP -> Tools -> Setup -> Company -> Analytical Accounting -> Options -> Include in Year End Close
- Cards -> Financial -> Analytical Accounting -> Transaction Dimension -> Year End Close -> Include in Year End Close

Analytical Accounting

How to move data to history for the earlier closed year

- Microsoft Dynamics GP -> Tools -> Utilities -> Financial -> Analytical Accounting -> Move Data to History
 - Transfer transaction detail to history
 - Consolidate transactions and transfer detail to history
 - Print transfer preview report only

General Leger

When should the Year End Close be done?

– The General Ledger Year-End Close should be done after you have completed your Year End closings for all other modules. Those other modules should be closed in the following order:

- Inventory Control
- Receivables Management
- Payables Management
- Fixed Asset Management
- Analytical Accounting

General Ledger

What does the Year End Close process do?

- The year-end close process closes all Profit and Loss accounts out to Retained Earnings, leaving the P&L accounts with a zero balance at the beginning of the new year.
- All Balance Sheet accounts are updated with the beginning balance in the new year which will be the same as the ending balance from the year you are closing.

General Ledger

What does the Year End Close process do? (Continued)

- The Retained earnings account(s) are updated with the amount from all P&L accounts if you close to one Retained Earnings account, or with the amount from the P&L accounts in that division if you close to divisional Retained Earnings. The Retained Earnings accounts are the only Balance Sheet accounts that should have a different beginning balance than the ending balance from the year that you are closing.

General Ledger

What does the Year End Close process do?

(Continued)

- The year-end close routine moves all open year transactions from the GL20000 table to the GL30000 table.
- The Fiscal Period tables are updated to mark the year that you are closing as historical.

General Ledger

What steps should I take to close the year?

- Follow the steps in Knowledgebase article “Year-end closing procedures for the General Ledger module in Microsoft Dynamics GP and in Microsoft Business Solutions – Great Plains (#888003).’ This is a comprehensive document that will guide you in the year end close process for General Ledger.

General Ledger

Procedures:

- Complete the posting procedures and the closing procedures for other modules
- Post the final adjusting entries to the General Ledger module
- Print an account list to verify the posting type of each account
- Close the last period of the fiscal year (optional)
- Perform file maintenance on the Financial series of modules (optional)
- Verify the settings in the General Ledger Setup window

Procedures: (Continued)

- Make a backup
- Print a final Detailed Trial Balance report
- Print year-end financial statements
- Set up a new fiscal year
- Close the fiscal year
- Close all fiscal periods for all series (optional)
- Adjust budget figures for the new year, and then print financial statements
- Make a backup

General Ledger

What are some important points to remember?

- Remember to make restorable backups as needed according to the Knowledgebase article.
- Follow all the steps in the Year End Close article.
- Make sure that you have enough free space on the server to allow for the GL20000 table to be doubled in size.

General Ledger

What are some important points to remember?

(Continued)

- Perform the Year End Close at the server.
- Have all other users out of Dynamics GP when you perform the year end close.
- The year-end close routine does appear to hang at 50%, but it is still processing, so let it run.

General Ledger

What are some of the related KnowledgeBase articles that can be referenced?

- #871679 How to set up an adjusting period in General Ledger in Microsoft Dynamics GP
- #874932 “Failed to Load Company Calendar” Checklist for FRx
- #850615 How to use divisional retained earnings accounts in General Ledger in Microsoft Dynamics GP

General Ledger

What are some of the related KnowledgeBase articles that can be referenced?

- #866439 Recommended maintenance with SQServer for Microsoft Dynamics GP databases
- #866371 How to print a Balance Sheet for 2009 when 2008 is an open year using FRx
- #864913 How to correct accounts that were set up to use the wrong posting type after you close the year in General Ledger in Microsoft Dynamics GP

General Ledger

What are some of the related KnowledgeBase articles that can be referenced? (Continued)

- #850741 Error message when you try to perform year-end closing process in General Ledger in Dynamics GP "Retained earnings account not found"
- #857582 How to clear beginning balances for unit accounts in Microsoft Dynamics GP
- #856550 Error message when you try to post a transaction in General Ledger in Microsoft Dynamics GP after the year is closed: "Year End Close is still in process and batches cannot be posted"

General Ledger

What are some of the related KnowledgeBase articles that can be referenced? (Continued)

- #950019 Error message when you try to perform the year-end closing routine in General Ledger in Microsoft Dynamics GP: “Violation of PRIMARY KEY constraint ‘PK##0671112’”

Offers Expiring December 23, 2009

- Need to add modules?
 - Buy 2, Get 1 50% off
- Ready to move to BRL?
 - 30% off your License Model Transition cost
 - 20% off additional users and modules purchased at the time of transition

For 1-10 user module based systems only

- Need to add users?
 - Buy 4, Get 1 Free

Call 800-589-6614 to learn more

Other Offers

- Thinking about CRM?
 - Save 20% on Microsoft Dynamics CRM user licenses just for being a Microsoft Dynamics GP client
 - Expires June 25, 2010

CONVERGENCE 2010

April 24 - 27 | Atlanta, GA



“Convergence is a first class conference. It allows us to view new products, enhance current applications, all while working with Socius to ensure a smooth transition. The Microsoft folks are great - we always leave feeling educated and excited about using Dynamics GP.”

- Laurie Lutz, Mindleaders.com



Come Learn More at Convergence!

www.microsoft.com/dynamics/convergence/

socius

Questions & Answers

Thank you!! Happy New Year!!