DIRECTIONS

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What's Inside

Newsletter for Sage 100

Year End 2016

The ABCs of Sage 100c
What it is and what it isn't

In case you've missed the buzz over the past year or so, or if the buzz you heard was a bit fuzzy, we wanted to take this opportunity to familiarize you with Sage 100c, the latest iteration of Sage's flagship ERP solution. Sage 100c is set to be the standard going forward, so all Sage 100 users need to be aware of what it is and what it isn't. Here are literally the ABCs of Sage 100c.

The As

1. Automation made easy.
Sage 100c is streamlined so you can stop wasting your time manually entering information into multiple systems.

2. Application scaling
The modern interface of Sage 100c allows you to adjust the resolution to fit today's high-definition screens.

The Bs

1. Building upon the success of Sage 100
Sage 100c is Sage 100—only better. The functionality you've grown your business on is remains, and then some.

2. Bundled subscription
Sage 100c delivers incremental value for the cost by allowing you to customize your choices to get the tools and services best suited to your business.

And the Cs

1. No clouds
Let's clear this one up right here. The "c" in Sage 100c does not stand for "cloud." Sage 100c is not a SaaS (software-as-as-service) offering, it is installed and implemented in the same way Sage 100 is. It is possible, though, to have your Sage 100c application hosted—contact us for details.

2. Connected services
By including connected services such as Sage Inventory Advisor, Crystal Reports, and CRM, Sage 100c.

3. Control over manufacturing
Sage 100c includes tools to help you gain control over your manufacturing process, including estimating, job planning, and scheduling.

Ready to make the move to Sage 100c? Contact us for complete information. ✰

Use Paperless Office To Archive Your Period And Year-End Reports

The best way to produce and retain copies of your year-end reports for audit purposes is to save them electronically using Paperless Office. Here we provide the steps. We are assuming you have previously setup Paperless Office, If not call us for additional instructions. The Steps outlined below are applicable for all modules.

Setup Period End Report Maintenance

1. Open Paperless Office, Setup, Period End Report Maintenance
2. Select applicable Company Code and P/R module from look up
3. In the PDF Directory, enter the full path of an existing folder to use for storing the period-end report in PDF format, or click the Browse Directory button to browse for a folder

4. Password Protect: Select whether to password-protect PDF documents created for the report. Password protection requires the entry of a password to view the PDF document after it is created
- Select Prompt to display a message requiring you to define a password each time the PDF document is created
- Select Yes to always password-protect the PDF document with the password entered in the Password field
- Select No to create the PDF document without password protection
5. Password: Type the password that will be required to view the PDF documents created. You can type up to 32 characters. This field is available only if Yes is selected in the Password Protect field
6. Confirm Password
7. Re-type the password entered in the Password field
8. Click Accept

Setup Paperless Office Report Maintenance

1. Open Paperless Office, Setup, Report Maintenance
2. Select applicable Company Code and desired module from look ups
3. In the Document field, select the report to define PDF settings for. This field displays all reports for the company and module selected. Select All Documents to define PDF settings for all reports in the selected company and module.
4. Follow Steps 4 through 8 above.

Setup Paperless Office For Payroll Data Entry Registers

1. Open Paperless Office, Setup, Journal & Register Maintenance
2. Select applicable Company Code and P/R module from look ups
3. In the Document field, select the report to define PDF settings for
4. Follow Steps 4 through 8 above. ✩

Year End Updates - What and When

As if closing the year and running special year-end payroll reports and forms were not enough to worry about, the various government agencies tend to wait to the last minute to announce changes to tax rates, limits, and calculations.

Payroll Year End Updates

Sage has a year-end center on Sage City so you can easily find the latest information and updates. You should plan to access the year-end center in mid-December to download 2017 Tax Tables, and any Interim Releases that may be required to support year-end changes. Click here to access the year-end center.

New tax tables are only available if you are on a current supported version of Sage 100. For 2017, this means Sage 100 Version 2015 and above. You may review the supported version matrix on Sage Knowledgebase for more details on supported versions.

If you are not currently running on a supported version, please plan ahead and schedule an upgrade by contacting us today.

You should update your State Unemployment Tax Act (SUTA) rate factor in the tax table maintenance window prior to running the first payroll of 2017, even if you have not installed the new year's tax table update. If you do not,

the SUTA calculations for your first payroll may be incorrect.

eFiling and Reporting (Aatrix)

The eFiling and Reporting (Aatrix) year end update will be released by automatic update by mid-December. Follow these steps to update your Aatrix forms.

- Navigate to Payroll > Period End > Federal eFiling and Reporting
- Change the Year field to reflect 2017 and select W-2 in the Form ID, clicking Accept to update.
- A new window will populate. Select the Automatic Update option.
- This will prompt the Aatrix Update Client window. Select Program Files and click Next to update forms.

Overview - Module Closing Sequence

It is essential to perform year-end closing in the proper module sequence. The period-end and year-end processes performed in one module often write data to another module, so to close the modules out of order may cause damage to your data.

Note: Before you begin any year-end closing procedures, ensure that you have a complete and verified back up of your data.

Modules should be closed in the following order—after you have backed up your data:

- Bill of Materials[1]
- Work Order[1]
- Bar Code
- Purchase Order
- Sales Order
- Inventory Management
- MRP
- TimeCard[2]
- Payroll
- Accounts Receivable
- Accounts Payable
- Job Cost
- Bank Reconciliation
- General Ledger

If you are running modules not on this list, or a third-party product, there may be special considerations involved in year-end closing. Give us a call and we will advise you on the best procedure for closing your year in Sage 100. ☆

[1]**Note:** While there is no formal year-end processing procedure in these modules, all transactions should be entered and posted before proceeding with yearend processing in the distribution modules.

[2]**Note:** While there is no formal year-end processing procedure in these modules, all transactions should be entered and posted before proceeding with year-end processing in Payroll.

General Module Closing Procedure For Sage 100

Here we provide general module closing procedures for the most common modules, applicable to current supported versions. Current versions of most Sage 100 modules store date information for all transactions. As a result, there is no time sensitivity in performing year end processing for any module, with the important exception of Payroll. Use this document as a guide. We highly recommend that you save time, paper, and filing cabinet space by using Paperless Office to electronically archive your reports.

Purchase Order

1. Before closing the Purchase Order module for the year, be certain that:

- All purchase orders for the prior year have been entered.
- All receipts, invoices, returns, and issues have been entered and updated.
- The current Purchase Order date agrees with the period-end date.
- A backup of Purchase Order files is made.

2. Generate and retain the following reports:

- Open Purchase Order
- Open Purchase Order by Item (optional)
- Purchases Clearing by Item and by Product Line Reports (should reconcile to the General Ledger Control account)
- Cash Requirements (optional)
- Receipt History
- Purchase History
- Purchase Order Recap (optional)

Purchase Order Full Period and Year-End Processing performs the following housekeeping tasks:

- Sets the PTD and YTD quantity and dollars purchased fields to zero.
- Removes completed purchase orders according to the number of days designated in the Purchase Order Setup options.
- Removes master and repeating orders that have expiration dates on or prior to the period-end date from the open purchase order file.
- Advances current period in Purchase Order Setup Options to the next period and year.

Sales Order

1. Before closing the Sales Order module for the year, be certain that:

- All Sales Order invoices for the current year have been entered and updated.
- The current Sales Order date agrees with the period-end date.
- A backup of the Sales Order data files has been made.

2. Generate and retain the following reports

- Open Sales Orders

General Module Closing Procedure For Sage 100

(continued)

- Open Orders By Item (optional)
- Back Order (if applicable)
- Customer Sales History (optional)
- Monthly Recap (optional)

Sales Order Full Period and Year End Processing performs the following housekeeping tasks:

- Resets the PTD and YTD Sales, Cost of Goods Sold, and Quantity Sold fields in the daily and monthly Sales Recap files to zero.
- Resets the periods for current year, quantity shipped, dollars sold, and cost of goods sold; and moves current year Quantity Sold to Prior Year Quantity Sold in the Sales Order Customer Sales History file.
- Removes master and repeating orders from the open sales order file that have expiration dates on or prior to the period-end date.
- Advances current period in Sales Order Setup Options to the next period.

Inventory Management

The Inventory year-end process should occur immediately after Purchase Order and Sales Order year-end processing and before Accounts Receivable year-end processing.

1. Before closing Inventory for the year, be certain that:

All adjustments have been entered and registers updated.

- Current Inventory date agrees with period-end date.
- A backup of Inventory files has been made.

2. Generate and retain the following reports:

- Inventory Trial Balance (should tie to the inventory accounts on the G/L

Trial Balance for the same period).
- Stock Status (quantities reflect day printed).
- Inventory Valuation (it should tie to G/L inventory account as of the day it is printed).
- Inventory Negative Tier Adjustment (from Period-End Menu). Be certain to update this report.

Note: Any negative tiers should be resolved before closing and making any new year entries.

- Inventory Full Period End and Year End Processing performs the following housekeeping tasks:
- Calculates beginning average cost (by item by warehouse) and average on-hand quantity.
- Resets PTD and YTD quantity sold and issued, quantity returned, dollars sold, and cost of goods sold.
- Moves current year information to prior year fields in the Inventory Item Warehouse Detail file.
- Removes any zero quantity costing tiers for LIFO, FIFO, Lot, or Serial items (if applicable).
- Advances current period in Inventory Setup Options to next period and year.
- To perform year-end processing, select the option Full Period End Processing.
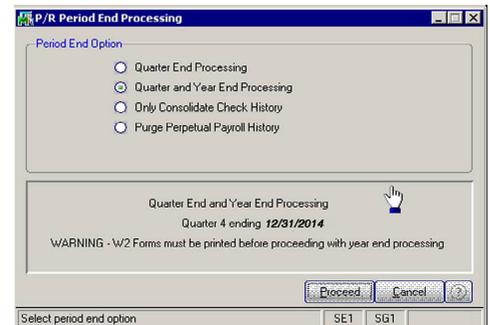
Payroll

The Payroll module is based on a calendar year. There is no future period in Payroll. You cannot post a payroll with a check date in a future quarter until the current quarter is closed by selecting Quarter and Year End Processing from the Period End menu. Before proceeding with year-end processing, make sure the Quarterly Governmental Report,

Quarterly 941 Form, and employee W-2 forms have been printed. Consider creating a company to archive your 2016 information (Page 8).

1. Before closing the Payroll module for the year, be certain that:

- All payroll cycles have been entered and updated for the quarter.
- All checks written during the quarter

(including manual) have been entered and updated.
- Payroll System Date is set to the last day of the calendar year.
- Correct tax tables are installed (2016 for 2016 Year-End Processing).
- Electronic Reporting files, if applicable, are processed and created.
- A backup of the payroll files has been made. Check and double-check the backup.

2. Generate and retain the following reports:

- Quarterly Tax
- Payroll Check History
- Quarterly Pay Period Recap
- Earnings
- Deductions
- Quarterly Governmental
- Quarterly 941 Form
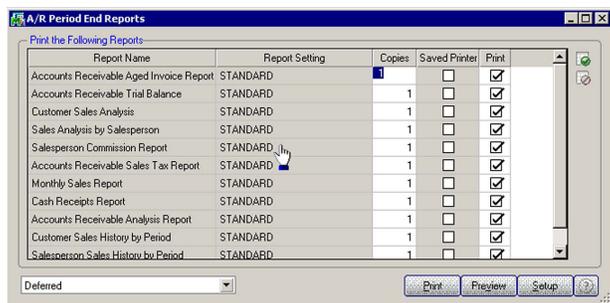- Benefit Accrual

General Module Closing Procedure For Sage 100

(continued)

• Workers' Compensation

3. Be certain to reconcile QTD and YTD totals on all reports.

Payroll Period-End Processing performs the following housekeeping tasks:

• Resets the QTD and YTD employee fields to zero.

• Increments the current year to the next year.

• Changes the current quarter from 4 to 1.

• Resets employee benefit limits according to Payroll Options Setup.

• Resets Pension Plan, Cafeteria Plan Deduction, Allocated Tips, Fringe Benefits, Non-Qualified Plan, and Dependent Care Benefits fields to zero.

• Sets all quarterly/yearly reports to zero.

• Removes check history and perpetual history depending upon your system settings.

• Purges terminated employees.

• Purges standard deductions that have met goals.

Once you have completed year-end processing for Payroll, be certain to install the Q1 2016 TTU (tax table update) before the first payroll run of the year.

Accounts Receivable

1. Before closing the Accounts Receivable module for the year, be certain that:

• All invoices and cash receipts have been entered and updated.

• Finance charges have been run and updated (if applicable).

• Customer statements have been printed (if applicable).

• The Accounts Receivable System Date is set to the last day of your fiscal year.

• A backup of the Accounts Receivable files has been made.

• Any AP from AR Clearing has been processed.

2. Generate and retain the following reports:

• Aged Invoice

• Trial Balance (this amount should agree and be reconciled to the General Ledger account before completing year-end processing)

• Customer Sales Analysis

• Cash Receipt Report

• Sales Analysis by Salesperson

• Salesperson Commission

• Sales Tax (if applicable, this report should be printed and cleared each month)

• Monthly Sales Analysis (optional)

• Monthly Cash Receipts

• Accounts Receivable Analysis

Accounts Receivable Full Period and Year End Processing performs the following housekeeping tasks:

• Purges AR Monthly Cash Receipts file (unless retained in AR Options).

• PTD and YTD fields in the Customer Masterfile are reset.

• Purges PTD and YTD COG in AR Analysis by Salesperson.

• Moves current year information to prior year.

• PTD and YTD sales, gross profit, and commission amounts are reset in the AR Salesperson masterfile.

• YTD information is moved to the prior-year field.

• Purges all temporary customers with zero balances.

• Purges various customer history files according to the parameters you selected in Accounts Receivable Options. We recommend you check these parameters prior to performing year-end processing.

• Sets current fiscal year to next sequential year and the current period changes to 1.

Accounts Payable

You do not need to print 1099 forms before proceeding with the Accounts Payable year-end processing because Sage 100 has a separate 1099 calendar year in Accounts Payable options.

1. Before closing the Accounts Payable module for the year, be certain that:

• All invoices have been recorded in both the Accounts Payable and Purchase Order modules.

• All checks are printed and updated.

• All manual checks written during the month have been entered.

• The current Accounts Payable date agrees with the period-end date.

• Accounts Payable files are backed up.

• AP from AR clearing has been processed.

• 1099 data for the calendar year is verified.

General Module Closing Procedure For Sage 100

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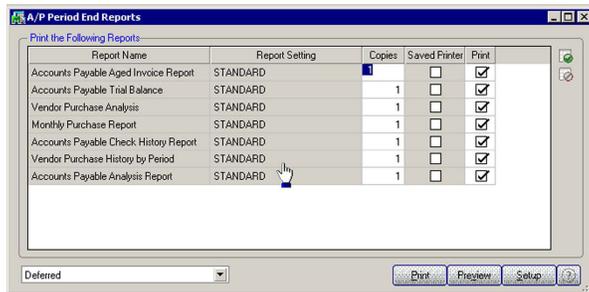
Note: If your 1099 information is not correct, please check with us for instructions before proceeding with year-end closing.

2. Generate and retain the following reports:

- Aged Invoice
- Trial Balance (the amounts should agree and be reconciled to the General Ledger account before completing period-end processing)
- Vendor Purchase Analysis
- Monthly Purchase
- Check History
- Accounts Payable Analysis
- 1099 printing to paper (verification only)

Year-end processing takes place automatically when period-end processing is performed for the last period of the fiscal year. Accounts Payable Full Period End and Year End Processing performs the following housekeeping tasks:

- Resets the PTD and YTD purchases, payments, and discounts fields in the vendor master file to zero. Moves current year information to prior-year fields.
- Removes all temporary vendors, and any associated memos, with zero balances from the vendor master file.
- Purges vendor, 1099, and check history according to the number of days to retain history in Accounts Payable Setup Options.

- Sets current fiscal year to next sequential year and the current period changes to 1.

General Ledger

Sage 100 allows you to post to unlimited future periods/years; however, you can only print accurate financial statements using Standard Financials for one future year.

1. Before closing General Ledger for the year, be certain that:

- The current General Ledger date agrees with the year-end date.
- Balance Sheet is in balance.
- Budget revisions are entered through Budget Revision Entry and the Budget Revision Register is run.
- All activity and adjustments in modules integrated with General Ledger are complete in the year to be closed.
- Recurring Journals have been printed and updated.
- Allocations have been posted if necessary and the Allocation Journal has been updated.
- General Journal adjustments have been entered.

Note: The General Ledger Worksheet is a useful tool in determining if adjustments need to be made.

- Daily Transaction Register is printed and updated.
- A backup of the General Ledger files has been made. This is even more important for General Ledger than the other modules. Do not neglect this step. Label and store the backup for safekeeping.
- A second backup has been performed. Label and store the backup for safekeeping.

2. From the Period End Report Selection menu confirm the list of reports you wish to print during year-end processing. The reports you select here will print automatically during year-end processing if you check the Print Period End Reports box on the Period End Processing window. At a minimum, the following reports should be created and retained:

- General Ledger Detail (the reports for periods 01–12 should be printed and retained)
- Trial Balance
- Standard Financial Statements
- General Ledger Analysis
- General Ledger Worksheet
- Balance Sheet

Year-end processing takes place automatically when period-end processing is performed for the last period of the fiscal year. Year-end processing performs the following housekeeping tasks:

- Sets current fiscal year to next sequential year and the current period changes to 1.
- Clears all income and expense account balances and posts net profit to the Retained Earnings account. Creates next year's budget based on your setup options in the Auto Budget feature in General Ledger Options. **Note:** Options determine how you create next year's Current Budget. The options are: copy this year's Actual or do nothing to next year's Current Budget.
- Transaction history may be purged based on how you have set the Number of Years to Retain General Ledger History setting in the General Ledger Options. It is advisable to retain at least seven years of history.

General Module Closing Procedure For Sage 100

(continued)

- To perform period-end processing, select the option Period-End Processing from the General Ledger period-end menu, ensuring that the period number displayed is your final period of the year.

Please call us if you have any questions or concerns regarding year-end processing—we would be happy to assist you.✪

Create An Archive Company

At year end, it is useful to establish an archive company for the year's data using the Copy Company feature. This gives you a readily accessible copy of the current year's data even after you perform year-end processing in your live company. To make a copy, select the Company Maintenance task from the Library Master module, Main Menu. Create a company code that is easy to identify, such as A for archive and the last two digits of the year—A16 for the year 2016. Next, from the new company's Company Maintenance screen, click on the Copy Icon and enter the Company Code of your current year's live company. You will be presented with a list of the installed modules in that company and you can select which modules you wish to copy to your archive company.

The steps below provide an overview of the process.

1. Set Up A New Company:

Create a new (archive) Company Code into which your 2016 data will be copied. Next, enter in the source company code (your current live company) to copy the data from.

2. Select Modules To Copy:

For the purpose of creating an archive company, we suggest you select all modules and copy them to your new company code.

3. Confirm:

After you have confirmed your selection, answer Yes to the prompt to copy all selected data files to the archive company. It is that easy.

Housekeeping

If you have been archiving companies for more than seven years, now might be a good time to delete older ones you no longer need. ✪

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