



# Welcome to the Dynamics GP Users' Group

## 2011 Year-End Processing

**experience insight**

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# Introduction

## Charles Allen

- Managing Consultant
- More than 20 years experience
- Microsoft MVP



## Cindy Boersma

- Senior Managing Consultant
- More than 25 years experience
- CPA



# Year-End Closing Agenda

- 8:30 – 8:45 Introductions and Opening Remarks
- 8:45 – 9:15 Payroll
- 9:15 – 9:45 Inventory
- 9:45 – 10:15 Fixed Assets
- 10:15 – 10:30 Break
- 10:30 – 10:45 Payables Management
- 10:45 – 11:15 Receivables Management
- 11:15 – 12:00 General Ledger

# Payroll & HR



# Payroll Year-End Closing Procedures

## Changes This Year

- New Kind of Employer field on the Tax ID form for W-3 reporting
- New Codes for Box 12 on the W-2
- Box 9 (EIC) is removed
- W-3 Form
- W-2 Electronic Filing

# Payroll Year-End Closing Procedures

## Important notes about the year-end update

- It is inclusive of all previous updates for the same version of GP
- It includes fixes to modules in addition to form changes
- The 10.0 update is an EXE file
- The 2010 update is a MSP file
- You may need to copy the file to the local machine if the installation fails

# Payroll Year-End Closing Procedures

## Installing the Year-End Update

- Make a backup of all GP-related databases
- Export all modified reports and forms to a package file
- Turn on the dexsql.log file
- Back up the GP folder
- Allow plenty of time, at least 15 to 30 minutes per database



# Payroll Year-End Closing Procedures

- (Required) Verify the version of GP you are using
- (Required) Complete all pay runs for 2011
- (Optional) Complete all monthly and quarterly procedures for Payroll
- Make a backup of your Dynamics and company databases
- Install the year-end update on ALL GP workstations

# Payroll Year-End Closing Procedures

- Where to Find the Year-End Update Files
- GP 2010

<https://mbs.microsoft.com/customersource/downloads/taxupdates/usgpye2010.htm?printpage=false>

- GP 10 (Important info coming at the end of this section)

<https://mbs.microsoft.com/customersource/downloads/taxupdates/usgpye10.htm?printpage=false>

# Payroll Year-End Closing Procedures

- (Required) Close the Payroll Year (Tools >> Routines >> Payroll >> Year-End Closing)
- (Recommended) Make a backup of the post close data
- (Recommended) Verify W-2 and 1099-R statement information
- (Required) Print the W-2 statements and W-3 transmittal form
- (Required) Print the 1099-R Validation Report, 1099-R forms and the 1096 Transmittal form
- (Required) File your taxes
- (Optional) Archive inactive employee HR Information

# Payroll Year-End Closing Procedures

- (Required) Set up fiscal periods for 2012
- (Optional) Delete HR information for inactive employees
- (Optional) Close fiscal periods for payroll series in 2011
- (Required) Install the payroll tax update for 2012
- GP 2010 and 10 - Maintenance >> U.S. Payroll Updates >> Check for Tax Updates
- You will need your authorization number – this is usually your main phone number with area code – check CustomerSource account information
- You can also download the latest tax updates from CustomerSource

# Payroll Year-End Closing Procedures

## Tax Table Update Schedule

- Round 1 – Mid-December
- Round 2 - January



# Payroll Year-End Closing Procedures

- Verify the year-end update has been applied
- Version 2010 or 10 – Open the Payroll Setup window (Microsoft Dynamics GP >> Tools >> Setup >> Payroll >> Payroll) and check the Last Year-end Update date. It should be 11/17/2011.

# Payroll Year-End Closing Procedures

## Magnetic Media Filers Take Note

- Make sure you are registered with the SSA
- Complete all pay runs in 2011
- Create the Year End Wage File
- Verify W-2 amounts
- *Be sure nobody updates the W-2 data while the electronic filing is in process*

# Payroll Year-End Closing Procedures

- Dynamics GP does not support electronic filing of 1099-R, SUTA forms, or state W-2 forms
- Two third parties provide solutions
  - Greenshades
  - MasterTax

# Payroll Year-End Closing Procedures

- Important information about GP 10
  - The last tax update for GP 10 will be the Round 1 U.S. tax tables for 2013
  - You must upgrade to GP 2010 or 12 (due to release in December 2012) to get any tax updates after the Round 1 2013 tax updates

# Payroll Year-End Closing Procedures

- If you are using Personal Data Keeper, you must install its latest service pack

# Payroll Year-End Closing Procedures

For more information consult the Payroll User Guide or KB article 850663 “Year-end Closing Procedures for Microsoft Dynamics GP Payroll”



# Payroll Year-End Closing Procedures

## End Payroll



# Inventory



# Inventory Year End Closing Procedures

- Post all transactions for the year
- Reconcile Inventory Quantities
- Complete a Physical Inventory count and post any adjustments
- Print additional reports
- Back up your company database
- Close the year
- Close the fiscal periods for the Inventory series (optional – but recommended)
- Back up your company database

# Physical Inventory

- Create a Stock Count Schedule
- Start the count – this “freezes the inventory”
- The Stock Print Options allows you to print the count sheet
- Physically count the inventory
- Enter stock count results

# Physical Inventory – other options

- ABC analysis
- Physical inventory without Dynamics GP

# Close the year for Inventory

## Closing the year for Inventory-

- Updates each Item's Beginning Quantity to be the Quantity on Hand at each Site
- Quantity Sold field for each item is reset to zero

# Inventory Year End Closing Tips

- *The year-end close must be completed before any transactions for the new year have been posted*
- *You have the option of removing Discontinued Items, Sold Receipts and Sold Lot Attributes*

# Inventory Year End Closing Tips

- *If you mark Update Item's Standard Cost, the Standard Cost for any Items that have been assigned the FIFO periodic or LIFO periodic Valuation Method will be adjusted automatically to reflect each Item's current Cost. Current Cost is the amount you most recently paid for the Item.*
- *Inventory has no Year End Closing report.*

# Inventory Year End Questions and Answers

**Question 1:** How is the Average Cost of an Item updated throughout the year and during the year-end closing process when using the Average Perpetual Method of Costing?

**Answer 1:** If you're using the Average Perpetual Costing Method, all Receipts for each Item will be averaged to determine the Average Cost. Average doesn't change until another Purchase Receipt for the Item is posted to the Inventory Purchase Receipts File. The year-end closing process doesn't change the Average Cost, but it will remove the Purchase Receipts that have been completely sold.

# Inventory Year End Questions and Answers

**Question 2:** Can the Inventory Year-End Closing window (Routines | Inventory | Year-End Close) be used throughout the year to update the standard Cost of Items if using the Periodic Valuation Method?

**Answer 2:** This is not recommended because the Beginning Quantity field is updated during the year-end closing process.

# Inventory Year-End Closing

For more information consult the Inventory User Guide or KB article 872713 “Inventory year-end closing procedures in Inventory Control in Microsoft Dynamics GP” and document “Information on the Inventory Year-End Closing Procedures in Inventory Control Module in Microsoft Dynamics GP”



# Inventory Year-End Closing Procedures

## End Inventory



# Fixed Assets



# Fixed Assets Year-End Closing

- Changes This Year
  - Luxury depreciation changes

# Fixed Assets Year-End Closing

- Perform all year-end closing for Payables
- Enter all fixed asset transactions for the year
- Depreciate all assets through the end of the year
- Perform the GL Posting through the end of the year
- Run year-end reports
- Verify the Fixed Asset calendar is built correctly
- Verify the quarters are set up correctly
- Perform the year-end closing routine

# Fixed Assets Year-End Closing

## Reports to Print

- Annual Activity
- Additions
- Retirements
- Transfers
- Depreciation Ledger
- Property Ledger
- Fixed Asset to General Ledger Reconciliation
- Book to Book Reconciliation
- Book to Book YTD Depreciation Comparison

# Fixed Assets Year-End Closing

## Items Updated During Close

- Updates the Begin Quantity on the Asset General Information
- Clears the YTD Maintenance amount
- Clears the YTD Depreciation amount
- Copies Cost Basis amount to Begin Year Cost
- Copies LTD Depreciation to Begin Reserve
- Copies Salvage Value to Begin Salvage
- Increases the Current Fiscal Year by 1 on Book Setup

# Fixed Assets Year-End Closing

For more information consult the Fixed Assets User Guide or KB article 865653 “The year-end closing procedures for the Fixed Asset Management module in Microsoft Dynamics GP”



# Fixed Assets Year-End Closing

End Fixed Assets

# Payables Management



# Year-End Closing Procedures for Payables

- Changes This Year
- 1099-DIV form

# Year-End Closing Procedures for Payables

## Master Year-End Closing Checklist

- Post all transactions for the year
- Print the Aged Trial Balance with Options report
- Print the Vendor Period Analysis report
- Install the Payroll Year-End Update (Optional)
- Verify 1099 data
- Print 1099 statements
- Close the Year
- Close the Fiscal Periods
- Close the Tax Year

# Year-End Closing Procedures for Payables

## Calendar Year-End Closing List

- Post all transactions for the year
- Print the Aged Trial Balance with Options report
- Print the Vendor Period Analysis report
- Install the Payroll Year-End Update (Optional)
- Verify 1099 data
- Print 1099 statements
- Close the Calendar Year
- Close the Fiscal Periods
- Close the Tax Year

# Year-End Closing Procedures for Payables

## Fiscal Year-End Closing Checklist

- Post all transactions for the year
- Print the Vendor Period Analysis report
- Close the Fiscal Year
- Close the Fiscal Periods

# Printing 1099's

## Print 1099 Statements

- Microsoft Dynamics GP menu >> Tools >> Routines >> Purchasing >> Print 1099

# Closing the Year for Payables

## Electronic Filing of 1099

- GP does not support electronic filing of state 1099's
- Greenshades Software provides a product to electronically submit 1099's

# Payables Closing Tip

## *We recommend:*

- Posting all payables transactions for the calendar year before closing the year.
- Entering future-period payables transactions prior to closing the year:
  - Enter new year transactions in a separate batch.
  - Post new year batch after closing the year.

# Payables Closing Questions

**Question:** Can I remove inactive vendors?

**Answer:** If the vendor has no 1099 amounts for the year and has no documents in work or history. You will need to purge historical data for a vendor to remove it.

# Payables Closing

For more information consult the Payables Management User Guide or KB article 875169 “Year-end closing procedures for the Payables Management module in Microsoft Dynamics GP”



# Payables Year-End Closing Procedures

## End Payables Management

# Receivables Management



# Receivables Year-end Closing Procedures

- Post all transactions for the year
- Make a backup
- Close the Calendar Year
- Close the Fiscal Year
- Close the Tax Year

# Calendar Year for Receivables

Clears the Following Fields

- Finance Charges Current YTD
- Total # Finance Charges YTD
- Total Finance Charges YTD
- Total Waived FC YTD
- Unpaid Finance Charges YTD

Updates the Following Fields

- Finance Charges LYR Calendar
- Total # FC LYR

# Fiscal Year for Receivables

- Summary amounts transferred from
- Year-to-date column to Last Year column
  - Only transfers amounts from fiscal year being closed
  - New fiscal year amounts remain in the Year-to-Date column

# Receivables Closing

## Areas Not Date-Sensitive

- Amounts Since Last Close
- Customer Finance Charge Summary Window
- SmartList objects

# Receivables Closing

Why close Receivables Management?

Produce reports for each year's summary data rather than calculating it each time.

# Receivables Closing

- For more information consult the Receivables Management User Guide or KB article 857444 “Year-end closing procedures for Receivables Management in Microsoft Dynamics GP”

# Receivables Year-End Closing Procedures

## End Receivables Management

# General Ledger



# General Ledger Year-End Closing

## Pre-Close

Because the year-end close moves data from one set of data to another by using temporary tables, make sure you have enough hard drive space. You must have free disk space that is equal to the size of the GL20000 table. Your database administrator can aid you with this item.

# General Ledger Year-End Closing Procedures

- Close all other modules
- Post final adjustments
- Print GL Account List to verify Posting Type (Balance Sheet vs. Profit Loss) or use Accounts SmartList
- Make sure Maintain History is marked in Setup >> Financial >> GL
- Print a Trial Balance Detail report

# General Ledger Year-End Closing Procedures

- Print final financial reports
- Set up a new fiscal year
- Close the fiscal year
- Back up your company database

# Year-End Closing – General Ledger

*What will the General Ledger closing process accomplish?*



# Year-End Closing – General Ledger

- Transfers amounts to transaction and account history
- Reconciles and summarizes General Ledger balances
- Closes P&L accounts to Retained Earnings
- Clears all profit and loss account balances for new year
- Summarizes year end balance sheet accounts to bring balances forward to new fiscal year
- Removes inactive accounts that have zero balances
- Prints Year-End Closing Report

# General Ledger Closing Tip

*Run a smart list for GL Accounts and review the Posting Type for accuracy!!!*

## **Remember:**

- Balance Sheet Type accounts will have a balance forward in the new year
- Profit and Loss Type accounts will be closed to retained earnings and have a zero balance in the new year

# General Ledger Closing Question

**Question:** Once I close GL for a year, can I reopen it to post new transactions?

**Answer:** Yes. You can post into the most recently-closed fiscal year.

Make sure Allow Posting to History is marked in General Ledger Setup.

# General Ledger Closing Question

**Question:** I need to print financial reports and trial balance reports for the new year prior to closing the old year. Can I do this?

**Answer:** Yes. With FRx or Management Reporter, you can create provisional reports to print new year reports prior to closing the old year.



# General Ledger Closing

For more information, review your General Ledger User Guide and KB Article 888003 “Year-end Closing Procedures for General Ledger in Microsoft Dynamics GP”



# General Ledger Year-End Closing Procedures

## End General Ledger



# Business Intelligence (BI) Assessment

In an effort to help our clients have better reporting capabilities, BKD Technologies is offering a full-day BI strategy assessment to your organization. We plan to:

1. Come to your office
2. Review existing BI capabilities & needs
3. Document gaps / Draft a BI assessment
4. Recommend options for filling gaps

# Introducing Training Options from BKD

BKD wants to help support your GP solution by offering training opportunities for your organization.

Training alternatives will include classroom training in the Kansas City area as well as Web-based training.

Look for the following courses coming in 2012!

- Business Intelligence for Microsoft Dynamics GP
- Report Design in Management Reporter 2.0
- FRx 6.7 Report Design Essentials 1, FRx 6.7 Report Design Essentials 2
- Report Writer



# Going Paperless In Dynamics GP Webinar

- Going Paperless In Dynamics GP
- Day: January 20, 2010
- Register at: [www.bkdtechnologies.com/attend](http://www.bkdtechnologies.com/attend)



# BKD Technologies Support Center

- Microsoft Dynamics GP – 877.253.7778  
[Gpsupport@bkd.com](mailto:Gpsupport@bkd.com)
- Monday - Friday, 8 a.m. - 5 p.m.  
Support Center toll free



# BKD Holiday Hours

During the upcoming holiday season, BKD will be closed the following days:

- Friday, December 23, 2011
- Monday, December 26, 2011
- Friday, December 30, 2011
- Monday, January 2, 2012

## Holiday Support Contact

- If you run into problems on the days above, please contact Cindy Boersma at 816.507.2525



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# Happy Holidays

We wish you and your family a safe and happy holiday. We hope 2012 brings you much happiness.





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