2017 Year End Best Practices

OVERVIEW

This checklist is an optional guide for closing the fiscal year. It is designed to be a concise step-by-step checklist to use *in conjunction with* the Year End Procedures booklet. It is intended for individuals who would like to follow a single path through the year end process even if that means delaying some work in order to maintain a set step-by-step sequence of tasks to complete. Please refer to the Year End Procedures when greater detail on any particular step is needed.

When using this guide, you *MUST NOT* skip around; you must complete steps in the exact order presented. Skipping back and forth through this checklist may result in having to repeat the same steps multiple times, possibly closing the year with incorrect information and/or other unforeseen problems.

Some users may need to disregard this checklist. Depending on your situation, the Year End Procedures may be more suitable as your sole guide. Unlike this checklist, the Year End Procedures is not presented in a standardized 'one-size-fits-all' sequential order. Instead, due to the variety of circumstances in local governments and the flexibility of UAN, the order for completing the activities is adaptable to the needs of your particular entity. If that approach fits your entity's needs better, you should disregard this checklist and solely use the Year End Procedures.

Certain steps have been flagged with a ☆. The star icon signals that immediate action can be taken to gather outside information, prepare or organize data before you have reached that step in the checklist. For details, read the year end procedures section referenced in each step with the star icon.

TEMPORARY APPROPRIATIONS

Your governing board should adopt 2018 temporary appropriations by December 31, 2017 in order to authorize encumbrances and expenditures on and after January 1, 2018. Temporary appropriations should include all expenses you may incur throughout the *first* quarter of the year.

INSTALL

Install 2018.1 before beginning the year end process.

OPEN TEMPORARY MODE (ANYTIME AFTER DECEMBER 1)

For detailed information, see Appendix 1 and the Step 3: Open Temporary Mode section of the year end procedures.

Open Temp Mode (General → Maintenance →Year End →Open Temporary Mode)
- ☐ Year End Renaming form – optionally revise Withholding Names.
  Renaming is **only** possible when opening Temporary Mode - you **cannot** change existing withholding names **at any other time** during the year. When ready, save the form (with or without changes) and the application will process for 1-10 minutes. A message will open announcing UAN is in Temporary Mode. Click OK and UAN will close.
- ☐ Login to UAN and you will now have the option to choose work year 2017 or 2018.

Reminder (from Year End Procedures Appendix 1): the rules that have governed post dates throughout 2017 still apply during year end:

- You can never ***backdate*** printed warrants in UAN; therefore, you cannot print warrants with a 2017 post date after the calendar date has passed December 31, 2017. However, remember that receipts and electronic payments ***may*** be backdated to reflect the actual calendar date that online (or phone) transactions were made, in order to be cleared on the correct bank reconciliation.
- You can ***forward*** date any payments up to thirty days beyond the calendar date **within the work year**. Consequently, in order to post transactions in fiscal year 2018, you must be logged into work year 2018. The only dating restriction specific to Temporary Mode is that 2018 transactions cannot be dated beyond the Temporary Mode period (sixty days after December 31, 2017). In other words, in order to post transactions dated March 1, 2018 or later, you must first close fiscal year 2017.

NEW YEAR ACCOUNTING PROCEDURES (AFTER OPENING TEMPORARY MODE)

For detailed information, see Appendix 4: New Year Accounting Procedures of the year end procedures.

- ☐ Login to work year 2018.
- ☐ Add new items you will need in the new year. Listed below are the most common items.
    - ☐ Funds (Accounting → Maintenance → Funds)
    - ☐ Cost Centers (Accounting → Maintenance → Cost Centers)
    - ☐ Revenue Accounts (Accounting → Maintenance → Revenue Accounts)
    - ☐ Appropriation Accounts (Accounting → Maintenance → Appropriation Accounts)
    - ☐ Vendor/Payees (General → Maintenance → Vendors/Payees)
- ☐ ✩ Add Revenue Budgets.
    - ☐ Add Revenue Budgets (Accounting → Maintenance → Revenue Budgets)
    - ☐ Print the Revenue Status (Accounting → Reports & Statements → Revenue Reports)
        - ☐ Confirm individual amounts were entered correctly and each fund matches total of the Taxes and Other Sources columns on the most recent Official Certificate of Estimated Resources.
- ☐ ✩ Add Appropriation Budgets (after passing appropriation legislation).
    - ☐ Add Appropriation Budgets (Accounting → Maintenance → Appropriation Budgets)
    - ☐ Print the Appropriation Status (Accounting → Reports & Statements →Appropriation Reports)
        - ☐ Confirm individual amounts were entered correctly and fund totals match your appropriation legislation.
- ☐ Add New Purchase Orders.
    - ☐ Add Purchase Orders (Accounting → Transactions → Purchase Orders). If you tend to use similar purchase orders from year to year, consider using the Duplicate button. For instructions, click 'How To Duplicate POs' under the FAQs menu when the Purchase Orders area is open.

NEW YEAR PAYROLL PROCEDURES (AFTER OPENING TEMPORARY MODE)

For detailed information, see Appendix 5: New Year Payroll Procedures of the year end procedures.

- ☐ Login to work year 2018.
- ☐ Update payroll for the new year. Listed below are the most common items.
    - ☐ Add any new earnings/leaves or withholdings to the software list.
        - ☐ Add earnings or leaves (Payroll → Maintenance → Earnings/Leave).
        - ☐ Add withholdings (Payroll → Maintenance → Withholdings).

- ☐ Add any new earnings/leaves or withholdings to assign to individual employees.
    - ☐ Add employee earnings (Payroll → Maintenance → Employees).
    - ☐ Add employee leaves (Payroll → Maintenance → Employees).
    - ☐ Add employee withholdings (Payroll → Maintenance →Employees).
- ☐ Update Withholding Rates.
    - ☐ Update rates in the main withholding list. (Payroll → Maintenance → Withholdings).
    - ☐ Update rates for withholdings assigned to employees (Payroll → Maintenance →Withholdings Editor).
- ☐ Update Withholding Skip Calendars.
    - ☐ Add & Apply using the Skip Calendars Editor (Payroll → Maintenance → Skip Calendars Editor).
    Reminder: Only employee withholdings that are set to skip deductions under Payroll → Maintenance → Employees will be available to apply a skip calendar.
- ☐ Evaluate Leave Balances.
    - ☐ If you need to adjust leave balances in the new year, pay particular attention to the date you are paying wages, the pay period of the wages, and the date the leave changes are effective pursuant to your policy and then adjust them at the proper time. Please note do not complete this step until all payrolls that will be posted with a 2017 date are complete, including any bonus or leave payouts. (Payroll → Utilities → Leave Balance Adjustment).

Please Note: You are ready to begin posting accounting and payroll transactions for fiscal year 2018.

STEPS TO CLOSE FISCAL YEAR 2017 (WHEN YOU ARE READY)

Reminder: you must have 2017 closed before the calendar date of March 1, 2018. Otherwise, the application will lock you out of work year 2018 until 2017 is closed.

- ☐ Login to work year 2017.
- ☐ Complete all 2017 Transactions.
    - ☐ Verify Carry Over Withholdings.
    For detailed information, see Step 4H - Carryover Withholdings and Appendix 3 of the year end procedures.
        - ☐ Print the Withholding Summary for 2017 (Payroll → Reports & Statements → Withholding Reports).
            - ☐ Confirm whether the list of withholdings should carry over to 2018 for payment. If a message opens that reads 'there is no data to report,' it means there are no remaining unpaid withholdings from wages posted in 2017.
            <u>Note</u>: when printing the unpaid withholding report *as of 2017* it is proper for it to continue to list withholdings that were deducted from 2017 wages, but *already paid* to the withholding agencies in work year 2018 (if any).
            - ☐ Post any withholdings that are due for payment before closing the year (Payroll → Transactions → Withholdings Payments). Reminder: if the calendar date is already on or after January 1, you should post the warrant payments while logged into work year 2018 (i.e. you cannot back date printed warrants).
            - ☐ Clear any unpaid withholdings that you paid previously from Accounting instead of Payroll and/or that you should not carry over into 2018. (Payroll → Utilities → Unpaid Withholding Clear).

☐ Close (or Reduce) Purchase Orders.
For detailed information, see Step 4G - Carryover Purchase Orders of the year end procedures.

  ☐ Close purchase orders that should not be carried over into 2018 (Accounting → Utilities → Purchase Order Utility, using the Close Item button). Note: you cannot close carry over purchase orders that you have already used in 2018, but you can reduce them.

  ☐ Reduce purchase orders that you intend to carry over to the amount needed after 2017 is closed (Accounting → Utilities → Purchase Order Utility, using the Adjust button).

☐ Verify W-2/W-3 and 1099/1096 form information.
For detailed information, see Appendix 2 & 3 of the year end procedures.
Enter corrections before closing 2017. Edits to some of the following forms will not automatically update 2017 W-2 forms if done in work year 2018 and more time-consuming manual edits will be necessary.

  ☐ Verify Employees' Name, Address and Social Security Number (Payroll → Maintenance → Employees).

  ☐ Verify Local Tax W-2 Abbreviations and School District Numbers (Payroll → Maintenance → Withholdings).

  ☐ Verify the Federal and State Tax IDs and the entity address (General → Maintenance → Entity Setup, Entity Information tab).

  ☐ Print the W-2 Report and confirm information (Payroll → Reports & Statements → Tax Reports-Federal).

  ☐ Print the Vendor/Payee 1099 & 1096 Report and confirm information. (General → Reports & Statements → Vendor/Payee Reports; to print vendor social security and tax ID numbers, checkmark the checkbox in the Options tab).

  ☐ Add and Print the W-2 & W-3 Forms when you are ready – or this step can be completed after advancing to the new year (Payroll → Reports & Statements → External Forms → W-2 & W-3 Forms and make sure the 'Report Year' drop-down menu is on 2017).

  ☐ Add and Print 1099 Misc and 1096 Forms when you are ready. Or this step can be completed after advancing to the new year (General → Reports & Statements → Year End →1099-Misc & 1096 Forms and make sure the 'Report Year' drop-down menu is on 2017).

☐ Work through the Year End Checklist form (General → Maintenance →Year End → Year End Checklist).
For detailed information, see 'Step 4: Year End Checklist' of the year end procedures.

  ☐ Overview – skip this tab for now.

  ☐ 4A-Batch Transactions – you must post or delete all 2017-batch transactions before closing the year. A green 'Complete' icon will display when there are zero batch items.

  ☐ ✫ 4B-AFR Demographics & Debt – select a Submission Type and complete all entries applicable to the entity. A green 'Complete' icon will display when the minimum required fields are completed.

  ☐ 4C-Annual Financial Reports – select the AFR Filing Type that will be submitted. The red 'Incomplete' icon will display until additional steps that follow on this document are completed.

  ☐ 4D-Entity & Fiscal Officer – enter your most current contact information. Verify the fiscal officer name and entity information. A green 'Complete' icon will display when the minimum required fields are completed.

  ☐ ✫ 4E-Hardware & Mailing – enter hardware tag numbers, hardware address, and mailing address. A green 'Complete' icon will display when the minimum required fields are completed.

  ☐ 4F-Next Year FO & Details – select and enter newly elected fiscal officer contact information (when applicable) and answer the questions in the details section. A green 'Complete' icon will display when the minimum required fields are completed.

- 4G-Carryover Purchase Orders – verify the purchase orders that should carry over into 2018 (if any). Purchase orders carried over will reduce resources available for appropriation in 2018.
  Reminder: Before closing fiscal year 2017, close purchase orders that should not carry over and reduce purchase orders with remaining balances that are in excess of the amount you need to carry over for 2018 payments (whether posted or to be posted). A yellow 'Caution!' icon will continue to display to bring this information to your attention, but it will not prevent you from closing the year.

- 4H-Carryover Withholdings – verify the total amount of withholdings that should carry over for payment in 2018 (if any). Carryover withholdings will reduce resources available for appropriation in 2018. *Reminder*: if there are withholdings listed that were already paid (or will be paid) in work year 2018, it is proper for the software to continue to report them as unpaid withholdings as of 2017. Just confirm that the amounts listed are not in excess of those carryover amounts. A yellow 'Caution!' icon will always display to bring this information to your attention, but it will not prevent you from closing the year.

- Complete the December 31 Bank Reconciliation on or after the calendar date of December 31.
  (Accounting → Transactions → Bank Reconciliation)
  For detailed information, see Step 5: Bank Reconciliation of the year end procedures.

- Complete the AFR-Fund Utility (General → Reports & Statements → Year End → AFR-Fund Utility)
  - Complete for either Regulatory or OCBOA AFR filing.
    For detailed information, see Step 4C - Annual Financial Reports of the year end procedures

- ☆ Complete manual input of required information (only of items applicable to the entity).
  For detailed information, see Appendix 2 of the year end procedures.
  ALL *of the following menu items are located under* General → Reports & Statements → Year End …
  - → Cash & Assets Not Recorded
  - → Cash Reconciliation
  - →Schedule of Debt Service
  - → Schedule of Outstanding Debt
  - Print the relevant reports after you have entered the data applicable to the entity. Each of the four menu areas listed above includes a Print button for this purpose.

- Complete AFR-Component Units (General → Reports & Statements → Year End →AFR-Component Units).
  It is *very rare* for this to be applicable to UAN clients, and when applicable, *only* for OCBOA filing.
  For detailed information, see 'OPTION #1 For Step 4C OCBOA Reporting' of the year end procedures.

- Print Regulatory **or** OCBOA AFR statements depending on your filing choice:
  For detailed information, see Appendix 2 of the year end procedures.

  - AFR-Regulatory (General → Reports & Statements → Year End →AFR-Regulatory Statements)
    - Combining Statement – Governmental
    - Combining Statement – Proprietary and Fiduciary
    - Combined Statement – Governmental
    - Combined Statement – Proprietary and Fiduciary
    - Comparison of Budgeted and Actual Receipts
    - Comparison of Disbursements and Encumbrances
    - Reconciliation of Interfund Transactions

- AFR-OCBOA (General → Reports & Statements → Year End →AFR-OCBOA Statements)
  - Net Position
  - Activities
  - Governmental – Fund Balances
  - Governmental – Changes
  - Proprietary – Net Position
  - Proprietary – Changes
  - Proprietary – Cash Flow
  - Fiduciary – Net Position
  - Fiduciary – Changes
  - Budgetary

- ☆ Add-in files that you create outside of the UAN application using AFR-Notes & Documents (General → Reports & Statements → Year End → AFR-Notes & Documents, select Year 2017).

  Notes to the Annual Financial Statements are required. You can include other documents when audit requires or requests them and/or other supporting documents that you choose to submit.
  For detailed information, see Appendix 2 of the year end procedures.

  Important: You **cannot** submit separate files. You are required to add all external documents applicable to the entity into UAN in order for UAN to compress them into the AFR-AOS Backup that it creates during the year end closing. The AFR-AOS Backup is a single file (put on a disc for mailing or on the hard drive for internet upload) that you will submit as your final year end audit submission *before the deadline* set by the Auditor of State - financial penalties may be assessed for late filings.

- Close the fiscal year on or after January 1, 2018.
  For detailed information, see 'Finish: Close The Year' of the year end procedures.
  - Open the Year End Checklist (General → Maintenance → Year End →Year End Checklist).
  - Click the Finish (Close the Year) tab which *should* display a green flag since all steps prior to this should have been completed.
    Note: if the flag is still red and the 'Close 2017' button is tinted gray, then you have missed something and have not met the minimum system requirements to close the year. Review the Year End Checklist tab pages that are still displaying the red 'Incomplete' icon and complete the necessary requirements.
  - Click the 'Close 2017' button and follow the system messages, which will guide you through the closing process including three data backups (two UAN Backups and one AFR-AOS Backup for filing). Note: After the last backup is complete, you will receive a final system message. Read the important information on the message and click OK. UAN will close automatically.

STEPS AFTER CLOSING FISCAL YEAR 2017

- Login to UAN.
- Print Cash Summary by Fund (Accounting → Reports & Statements → Fund Reports).
  For detailed information, see 'Finish: Close The Year' of the year end procedures.
  - Print the Cash Summary by Fund for December 2017 and for January 2018 to confirm the fund balances carried forward correctly.
- Submit the AFR – AOS submission file through internet upload or by mailing a disc to UAN to meet reporting requirements.

For detailed information, see 'Finish: Close The Year' of the year end procedures.

☐ Publish a notice in the local newspaper that the Annual Financial Report is complete and available at the office of the fiscal officer.
For detailed information, see 'Finish: Close The Year' of the year end procedures.

☐ Add and print the Year End Balance Certificate to send to the county auditor (Budget → Transactions → Year End Balances Certificates. Note: the 'Year' drop-down menu should be 2018 with a gray subtitle: 'Balances as of 12/31/2017').
For detailed information, see Appendix 6 of the year end procedures.

☐ Print Year End Reports (i.e. December 31, 2017 year-to-date reports).
For detailed information, see Appendix 2 of the year end procedure.
Some reports that are frequently printed by UAN entities for year end purposes are listed below. *Reminder*: In each report area, be sure to select 2017 from the Year drop-down menu. Some reports require selecting the Year bullet point to print year-to-date while others will automatically print that way just by selecting 2017.

  ☐ Appropriation Reports (Accounting → Reports & Statements → Appropriation Reports)
    ☐ Appropriation Ledger
    ☐ Appropriation Status
  ☐ Bank Reconciliation Summary (Accounting → Reports & Statements → Bank Reconciliation Reports)
  ☐ Cash Journal (Accounting → Reports & Statements → Cash Reports)
  ☐ Fund Balance Adjustment Listing (Accounting → Reports & Statements →Fund Balance Adjustment Reports)
  ☐ Fund Reports (Accounting → Reports & Statements →Fund Reports)
    ☐ Cash Summary by Fund
    ☐ Fund Status
  ☐ Interfund Advance Listing (Accounting → Reports & Statements →Interfund Advance Reports)
  ☐ Interfund Transfer Listing (Accounting → Reports & Statements → Interfund Transfer Reports)
  ☐ Investment Journal (Accounting → Reports & Statements → Investment Reports)
  ☐ Purchase Order Status (Accounting → Reports & Statements → Purchase Order Reports)
        Note: click the Filters tab and select 'All' from the Status drop-down menu.
  ☐ Receipt Listing (Accounting → Reports & Statements → Receipt Reports)
    ☐ Click the Sorting tab, then select 'Deposit Ticket then Receipt Number'.
  ☐ Revenue Reports (Accounting → Reports & Statements → Revenue Reports)
    ☐ Revenue Ledger
    ☐ Revenue Status
  ☐ Vendor/Payee Reports (General → Reports & Statements →Vendor/Payee Reports)
    ☐ Vendor/Payee Payment Register
    ☐ Vendor/Payee Receipt Register
  ☐ Wage Reports (Payroll → Reports & Statements → Wage Reports)
    ☐ Wage Withholding Detail
    ☐ Wage Base Detail
  ☐ Withholding Reports (Payroll → Reports & Statements → Withholding Reports)
    ☐ Withholding Summary (the default setting is *Unpaid*)
    ☐ Withholding Summary (click the Filters tab and change the Status to *Paid*)
    ☐ Withholding Summary (click the Filters tab and change the Status to *Cleared*)

☐ Add and Print W-2 & W-3 Forms if you did not complete it in the earlier step (Payroll → Reports & Statements → External Forms → W-2 & W-3 Forms and change the 'Report Year' drop-down menu to 2017).
For detailed information, see Appendix 3 of the year end procedures.

☐ Add and Print 1099 Misc and 1096 Forms if you did not complete it in the earlier step (General → Reports & Statements → Year End →1099-Misc & 1096 Forms and change the 'Report Year' drop-down menu to 2017). *For detailed information, see Appendix 2 of the year end procedures.*

☐ Add and Print 1095 and 1094 Forms *only if* the entity is an Applicable Large Employer or Self-Insured (Payroll → Reports & Statements → External Forms → 1095 & 1094 Forms and change the 'Report Year' drop-down menu to 2017).
For detailed information, see Appendix 2 of the year end procedures.

☐ Verify the AFR filing status (General → Maintenance → Year End → AFR-Filing Status). This will open the AOS eServices 'Customer Log-in' page where you can confirm that UAN successfully received the AFR-AOS Backup file that you submitted by disc or internet upload. *For detailed steps on using AOS eServices for this purpose, see the 'Finish: Close The Year' section of the year end procedures.*

    ☐ If a file was submitted through the internet, check the filing status 3 business days after uploading.
    ☐ If a disc was submitted, check the filing status 5 business days after mailing.

☐ Authorize UAN to submit 2017 annual financial information on your behalf to OhioCheckbook.com in a quick, easy and convenient process (*optional*).
For details, see 'Finish: Close The Year' of the year end procedures.

AFTER RECEIVING THE AMENDED CERTIFICATE

Complete the following after you receive the 2018 Amended Certificate of Estimated Resources from the county auditor. *For detailed information, see Appendix 4 of the year end procedures.*

☐ Verify the Revenue Budgets.
    ☐ Print Resources Available for Appropriation (Accounting → Reports & Statements → Budgetary Reports).
        ☐ Confirm the Estimated Revenue column for each fund matches total of the 'Taxes' and 'Other Sources' columns for each fund on the most recent 2018 Amended Certificate of Estimated Resources from the budget commission. Also, verify that the Total Estimated Resources on the report matches the Total Available for Appropriations on the most recent Amended Certificate of Estimated Resources.

☐ Print Comparison of Budget and Appropriated (Accounting → Reports & Statements → Budgetary Reports).
    ☐ Confirm the Final Appropriation amount for each fund equals the fund subtotals on the appropriation legislation. The amount for each fund in the variance column should be a positive number or zero. It should not be negative (if it is negative, please review Appendix 4 of the year end procedures for further explanation).

Reminder: you are required to pass permanent appropriation legislation and input the amounts into UAN on or before April 1. After passing legislation, enter permanent appropriations under (Accounting → Maintenance →Appropriation Budgets, Add – Permanent Appropriation). Review the appropriation section of Appendix 4 of the year end procedures steps and reports for verification.