Flexgen Trustee 2023 - 2024 Fiscal Year End Process

Rev. 06/05/2024

Reminders

This is not a replacement for the detailed instructions attached.

EARLY JUNE

- Read all Year End instructions
- 28310, 21100, 22200 should all be zero
- Make sure Trial Balance Fund (bottom line) is in balance- should be 0.00
- Balance ACV accounts
- Balance Tax Aggregate
- Warrants and bank statements should be in balance.
- Obtain Flash drives, Tapes, or other media for Backups.
- Notify Departments of your year-end cut off time for June posting
- If your office closes early the last day of the Fiscal Year, notify the Public.

JUNE 30th- BEFORE RECEIPTING IN JULY

- Balance Tax Aggregate reports BEFORE receipting taxes in July
- Print paid/unpaid reports, and any others your auditor may require
- Change Revenue code and Default Codes to 40120 BEFORE receipting in July
- Miscellaneous Receipt numbers can be reset for the new year now, optional.
- Again, make sure 28310, 21100/22200 are all zero/make sure trial balance fund is in balance

EARLY JULY

- Combine Tax Relief accounts 11410 and 11410-999 before closing June
- Balance all accounts on Trial Balance.
- Last Chance to make entries in June.
- Print Extra copies of MTD Trustee's Report, if needed
- Close June
- Close Year

MID/LATE JULY

- Send delinquent tax file to the state (optional)

Rev. 05/20/2024

TRUSTEE PREPARATION & CLOSING

2023-2024 FISCAL YEAR END

Please take a moment to **review** all instructions <u>before the end of June</u> as there are some items you will need to address before then.

BEFORE RECEIPTING IN JULY (check off the items to keep track of your progress)

○ **Print 'Tax Aggregate by Tax Year' Report before receipting July 1 receipts.**

• Menus > Reports > Audit > Tax Agg by Tax Year.

• Menus > Reports > Master > Master > Summary > Receipt.

○ **Print Paid/Unpaid Listing(s) before receipting July 1 receipts**

Print any paid and/or unpaid listings as of June 30th, per your auditor requirements, before receipting any taxes in July.

○ **Change Revenue Allocation #'s before receipting July 1 receipts**

Your Revenue Code for Prior Year Taxes (40120 for example) needs to have the allocation table number updated (40120 was 2022 table, needs to be 2023 table now).   Go to the Revenue Control and change the assigned allocation table #.

• Menus > System Control > Revenue

○ **Change Default Codes before receipting July 1 receipts**

Effective July 1, 2024, your current year (2023) taxes become prior year taxes. You will need to change your default revenue codes relating to <u>2023</u> tax revenue (example: change 40110 to 40120).

• Menus > System Control > Default Codes.

If you collect City or Special School District taxes, you may be using other revenue accounts and they will need to be updated as well (40610, 40620, 40630, etc.) You should do this before receipting any taxes in the new fiscal year. ** If you forget to do this before receipting in July, you will need to change or void & re-key your July receipts.

<u>Print a report to check your accuracy</u>:

• Menus > Reports > Other A-L > Default Code

* Note: You do not want to change your 2021, 2022, etc. default codes unless they are incorrect. These should have been changed at the end of that fiscal year.

○ **Allocation Tables**

As a rule, Allocation Tables should not be deleted once they have been used, and they rarely get changed. This can result in incorrect entries being made to your general ledger, or even system errors.   If you need to create a new Allocation Table, go to:

• Menus > System Control >Sys Control > allocation Table.

*** This does not have to be done at this time. You can create your 2024 allocation table when you load tax roll in September/October.

○ **<u>Miscellaneous Receipting</u>:**

Before receipting miscellaneous revenue in July, you may want to change your Misc. Receipt Year to 2024. You will need to change your Misc Receipt Year to 2024 eventually, either now (July 1) or when you load the Property Taxes in the fall. (You should not be changing your Current Tax Year at this time, **only** the Misc Receipt Year.)

Whenever you change your Miscellaneous Receipt Year to 2024 the system will ask you if you want to reset your receipt numbering process back to the Number #0001, or you can continue with whatever Misc Receipt # you are on now by answering "No".

  • Menu > System Admin > Control File > Trustee System Control

○ **<u>Discounts</u>:**

If you offer an early payment discount for 2024 taxes, you will need to turn off that option for 2023. (We will reset it for 2024 discounts later in the fall.)

  • Menu > System Control > Sys Control > Discount

Key in the tax year 2023 and the month(s) that you offer a discount: Usually it is 10=October and then F6 to Delete that record. Review 11=November or any other month(s) you have offered discounts, and F6 Delete.

Rev. 05/20/2024

BEFORE CLOSING THE MONTH OF JUNE

Please complete all of these steps <u>before starting</u> the June Month End close.

- **Check supplies** - You will need Flash drives, tapes, or other media to hold 3 backups. If you are using 1 Flash drive to hold all 3 backups, your flash drive should be at least 16GB.
- **Review All Reports** - Correcting entries must be posted before the month of June is closed. Some important factors to consider are listed below.

- **Review May and June's Trial Balance and Month-to-Date Account Analysis**

    Correct any mistakes that may have been made during the year. Pay special attention to balances in 14310, 21100/22200, 28310, and 29900.

    * If you use 28310 999, leave as is. Balance will roll over to new tax year.

    Also check that the Trial Balance Fund (bottom line) is in balance $0.00.

- **ACV Account Balances**

    * If you have only one account on your Trial Balance for ACVs (11410), skip to the next step (Trustee Reports).

    Many of you have an accumulated balance in two accounts for collection of ACVs. This will list as Accounts Receivable #11410 and 11410-999.

    These two line-items should be consolidated before going to the next step. The following **Journal Entry** should be made and dated in June prior to closing the month.

    Credit 11410 for the balance amount in this account (to zero it out)

    Debit 11410-999 for the same amount above.

    This will zero out the 11410 account and list 1 total for the amount of outstanding ACVs in #11410-999.

    * If your county pays tax relief, you will need to do the same <u>if</u> you have more than one account for your county tax relief.

- **Trustee Reports**

    Before closing June, you may need to print copies of the MTD Reports from the Months past for all Departments. <u>Once the year end is complete, the 2023-2024 MTD reports are no longer available for reprint.</u>

    - Menus > Accounting > Reports > MTD Trustee's Report

- **Y-T-D RDB Report**

    One copy of the Y-T-D RDB Report (Receipts, Disbursements, & Balances) will be printed with the year-end reports. If you need <u>Month-Range</u> RDB's print them before closing June. Match them to totals on the Trial Balance.

- ◦ **Summary Audit Net Change Report**

  This report lists changes made to tax records usually as a directive from the Tax Assessor's office and is often asked for by auditors. You can get this by going to:

  - ▪ Menus > Reports > Audit > Summary Net Change

- ◦ **Check for Unprorated Receipts**

  - • Daily > Day End > Unprorated Receipts

- ◦ **Unreconciled ACV Listing**

  If the State of TN still owes you payments for ACV's and you have been reconciling them on the computer, it is suggested you print out a list of unreconciled ACV's. This total should correspond to the amount shown on your Balance Sheet for account 11410.

  - ▪ Menus > Reports > Other > ACV> Applied> Unreconciled

- ◦ **Year-End Cost Center Report**

  If you need a Cost Center Report for year-to-date activity, you can get this at:

  - ▪ Menus > Accounting > Reports > Standard Reports - <u>Enter #03 for Desired Report Order</u>.

- ◦ **Run a 12 Month Bank Analysis**

  - ▪ Menus > Accounting > Reports

- ◦ **Run Any Additional Reports as required by your local office before closing**

- ◦ **Purging Posting Journal**

  This is a good time to purge the Posting Journal if you don't purge on a regular basis. Do this before beginning the month-end closing process for June.

  - ▪ Menus > Accounting > Transactions > Purge Posting Journal > "<u>**DO NOT PRINT**</u>"

IMPORTANT - Have your backup tape(s)/CD's/USB's ready and available before continuing to the next phase. You will be asked to make three separate backups during this process. <u>A "daily" backup is sufficient for each process.</u> Backups will be made at these points in the process:

1. Before closing June
2. After closing June/prior to closing the fiscal year, and
3. After closing the fiscal year.

You will be instructed how to label these backups in your closing instructions.

- ▪ County Audit recommends these backups be kept off-site for several years. A fire-proof safe or deposit box in another county building is one suggestion of off-site storage.
- ▪ Do not assume that a locked cabinet or vault are sufficient.
- ▪ Remember that the heat generated during a fire can reach temperatures that can damage your backup even if the flames do not reach it.

- It is also recommended that you keep a weekly backup off-site.

** Now that you have completed the Preparation Process (all the previous pages) you are ready to start the June Month End Close and the Year-End Close.

These are 2 separate processes and do not have to be completed at the same time. However, once June is closed you will not be able to post any more changes to the 2023-2024 Fiscal Year.

Rev. 05/20/2024

TRUSTEE JUNE MONTH-END CLOSING

Closing the month of June and the fiscal year are separate processes. It is recommended that the two processes be done at the same time. If time does not permit, the process could span several days as long as there is <u>no activity in the system between the start of the June close and the end of the Year End</u>.

** VERY IMPORTANT **   *<u>Make sure that Everyone is logged out!!!</u>*

The only person logged into Flexgen should be the one person completing this Month End and Year End process.

Review June Trial Balance Report for Accuracy

    <u>**Backup files (#1)**</u>

        Create your first daily backup tape. It should be labeled "June 30, 2024" Pre-Month End Backup- Do Not Destroy". Keep this backup in a safe place.

    <u>**Month End Close:**</u>

        Menus > Accounting > Period End

- **Follow the month-end steps**:
  - Warrant Listing
  - Summarized Receipt Listing
  - Purge Warrant Files (24-month lag recommended; closing June 2024 - purge through June 2022)
  - Purge Receipt Files (24-month lag recommended; closing June 2024 - purge through June 2022)
  - <u>Month End Closing</u> -- No corrections can be made after starting this process.
    - Step 1: Scan for Unposted transactions
    - Step 2: Trustee Reports
    - Step 3: Accounting Reports
    - Step 4: Clear Accounting Flags

- **Backup files (#2)**

        Make a daily backup and label it as "Pre-Year-End Backup 2023-2024, Do Not Destroy".

        Place this backup in a safe place.

<u>This completes the Month End Close for June.</u>

If you want to take a break before starting the Year End process this will be the best time to do so - but nobody should be logging in and working during this break.

The next step is the Year End. Once started, it should be completed as soon as possible.

If you stop in the middle of the Year End and go home for the evening, Nobody Should Be Logging Into FlexGen to do any work until that final Year End step has been completed. **You will lose critical data and will have to restore from a backup and start over.**
Rev. 05/20/2024

TRUSTEE YEAR-END CLOSE:

EVERYONE ELSE NEEDS TO BE LOGGED OUT OF FLEXGEN.

- **Step A:** > Menus > Accounting > Period End > Copy Files to Work Directory
  Select the option to Copy Files to Work Directory.
- **Step B:** > Menus > Accounting > Period End > Year End Closing
  Select this option to get the following menu items:
  - **#1 Scan For Unposted Transactions** This will scan the accounting files for entries that have not been posted. If no errors are found, the status will be 'COMPLETE'. If unposted transactions are reported, they must be analyzed before continuing.
  - **#2 Accounting Reports** If you need more than 1 copy of these reports wait for step 2 to stop printing, and then go back and select it again.
    This will print 5 reports in the following order:
    - 1) YTD Receipts, Disbursements, and Balances Report (RDB)
    - 2) Year-To-Date Trustee's Report   3) Trial Balance June 30, 2024
    - 4) Balance Sheet June 30, 2024   5) YTD Account Analysis
  - **#3 Close Accounts**
    This copies the General Ledger and Transaction File to a History File. This option will also reset the general ledger balances for the new year.
  - **#4 Accounting Reports (After Closing)** – (again, if you are needing more than 1 copy of these reports, wait for step 4 to stop printing, and then go back and select it again)
    - This will print a Trial Balance and a Balance Sheet dated July 1, 2024.
      - Check *this* Trial Balance to be sure the YTD debits/ credits are zero.
      - Also, the beginning and ending balances should be the same.
      - Compare the July 1, 2024 Trial Balance to the one printed at June Month-End close. Verify that the ending balances from the June 30th Close match the beginning balances for July 1st. **If they do not match, stop right here and contact LGC.**
  - **#5 Create STATEPC Audit File**
    This creates a file for state audit. You will not be prompted for a diskette at this time.
  - **#6 Update Transaction Posted File**
    This process updates the transaction file with transactions for the new fiscal year.
- **Step C: Backup Files (#3)**
  Make your last daily backup. This is your July 1, 2024 starting point.
  Label the tape "Beginning Fiscal Year 2024-2025, Do Not Destroy". Keep this backup in a safe place.

This Completes The Year End Closing Process!

Rev. 05/20/2024

Contacting LGC Support

You may contact LGC Support by phone or by submitting a support request on our website:
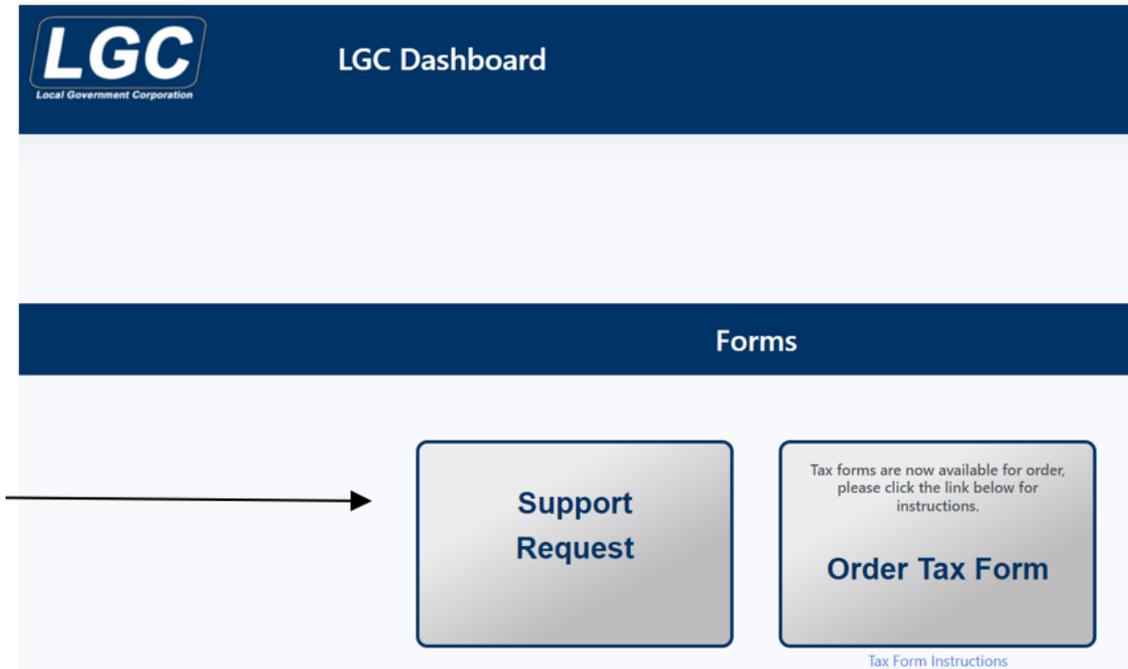
800-737-1826
7:00 a.m. - 5:00 p.m.
Central Standard Time

Online request from our LGC website for assistance:

https://www.lgc-tn.com

Login to our website and under the LGC Dashboard on the left side of the screen, select "Support Request" .

The LGC website contains additional information about our products, training and support services. You may also submit online support requests from our website or use the Live Chat option.

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