

Ascente and Traverse Year End Procedures

The following procedures are an outline of the steps required for both Calendar Year End Closing (12/31) and Fiscal Year End Closing (which may or may not be the same). If you have not purchased the module listed, or are not using the module, you do not need to do anything for that module (the exception to this is General Ledger). Modules are listed in the recommended order of completion. For more detailed information, please refer to the on-line help (F1).

Year End Update Installation

We will need to access your server to install the final Traverse – Year End updates that are typically made available a few weeks into December.

- We will be contacting you to schedule this installation. You can also contact us to get this scheduled.
- We will need to know the following information:
 - Do you process payroll checks in Traverse?
 - If you use the Ascente – Timecard Entry program, you will need to have your Ascente / Payroll / Maintenance / Payroll Year setup. Please contact mrice@compusource.com at Compusource if you do not see this menu option or are on a release of Ascente prior to version 4.2.4 so that the installation of this update can be scheduled.
 - Do you process 1099's in Traverse?
- Please address any issues that would prevent us from being able to remotely access your server. Obviously, if we can't access your server, we will not be able to install the necessary updates to do processing in 2019.

Regular Month End Processing

- It is assumed that you are still completing your normal month end processing for all the Ascente & Traverse modules.
- It is assumed that you are also completing your normal quarter end processing for the modules that have quarterly processing requirements such as payroll or sales tax reporting.
- Some of the items on the checklists may already be part of your regular month end processing routine in the different modules.

Database Backups

- It is assumed that you are doing regular database backups for Ascente and Traverse and all the steps below.
- Database backups are your responsibility. We are glad to assist you with this if you have any questions regarding backups.
- You should keep an offsite copy of your database backups. Cloud backups are an example of this.
- We recommend that you complete a database backup prior to completing the following processing.
- You should make a copy of the final Ascente and Traverse database backup and copy it to your final Year End directory just in case you ever need to restore the database for the year being closed.
- Some of the year end processing will make permanent changes that can't be reversed. This will result in reports not being able to be reprinted after the year end processing has been done. Therefore, you need to print and save your yearend reports as mentioned above.

Management Reports

There are many yearend and management reports mentioned in the following modules. These can be very long reports. We recommend that you always preview these first and output them to a [PDF](#) file and save the [PDF](#) files in a special directory for the fiscal year end reports that you can access and view when necessary. You can of course also print the reports you determine are necessary. See the [PDF Document Retention](#) section below.

PDF Document Retention

- You need to save the PDF files you create in a common directory that all required operators can access.
- You need to be sure that these files are backed-up.
- You need to treat these reports with the importance of all other yearend reports. Many of these can't be recreated.

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- You should review this with your IT person if you have any doubts that it is being done correctly.
- Here is a video [link](#) discussing this.

Year End Processing Resources

- Compusource Website: www.compusource.com and servicecontractorsoftware.com
 - Year End Procedures: [Link](#)
 - Year End Processing – Frequently Asked Questions (FAQ) [Link](#)
 - Training Videos: [Link](#)
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Ascente

Payroll

Service / Job Cost – Timecard Processing

Complete the following special steps if using Timecard Entry:

1. Ascente – Payroll Year
 - A. If you don't see the Ascente / Payroll / Maintenance / **Payroll Year** option on the menu, please contact Mark Rice mrice@compusource.com to schedule getting the current version of Ascente installed.
 - B. You will need to have the current and next payroll years setup with their 'Last Work Date' for each payroll year.
2. Ascente Mobile Pro Considerations
 - A. If Ascente Mobile Pro is used and you have your technicians enter timecard records on their mobile device, all labor hours for the year being closed need to be synced to Ascente and the timecard records.
3. Enter all Timecard transactions for the old payroll year and then register and update.
 - A. **DO NOT enter any transactions for the new year until ALL the following steps are completed!** Note that you can enter transactions with a work date in a different calendar year than the payroll year.
 - B. **IMPORTANT:** The transactions must be posted to the payroll year in which the check date will fall. If you have setup your Ascente / Payroll / Maintenance / Payroll Year records were setup before the timecard records were entered, the following should not be an issue. For example: If the work date was 12/28/19, but won't be paid until 1/05/20 then this transaction needs to be posted to payroll year 2020.
 - C. Work Date refers to the date the employee performed the labor.
 - D. Payroll Year refers to the year the transactions will be paid and reported on a W2.
 - E. Fiscal Year refers to your General Ledger reporting year, which may be different than a calendar year.
4. Complete the Traverse Payroll Year End procedures.
5. In Ascente, click on File / *Change Payroll Year*, and set the Payroll Year to the new year. This must be done for every individual user that does Timecard Entry.

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- A. If the new Traverse payroll year does not exist, call Compusource Support to assist with this. If the Ascente / Payroll / Maintenance / Payroll Year record for the new payroll year has not been added, do that.
6. Start Entering Timecards for the new year. When doing this, *BE SURE* the “Current Payroll Year” on the screen is the new payroll year.



Ascente

Service Dispatch

1. Complete all Service billing for the year being closed in Ascente and post the batches in Traverse.

Job Cost

1. Apply all Job Cost costs in Ascente for the year being closed.
2. Complete all Job Cost billing for the year being closed in Ascente and post the batches in Traverse.
3. Only if you do have Use Tax Costs that you need on your job cost reports, run the Periodic / Use Tax Postings program. I DO NOT recommend you run this program if you have never done this before. This program is not used by many companies. This should be a monthly process if you do this.
4. Only if you do *work in process* accounting, complete the Complete Job Cost – Periodic / Relieve Work in Process processing for the year being closed in Ascente. This should be a monthly process if you do this.
5. Optionally, you can export to [PDF](#) files or print any year end job cost reports you that you believe might be necessary. These can be huge reports so preview first if you are going to print them.

Ascente

System Transaction Numbers

Branch Records: After Yearend Processing is Done and Before Starting for the New Year

Some companies like to have their system assigned transaction codes reference the year of business. These transaction 'Next Transaction #'s' are determined by the Ascente / Service or Job Cost / Maintenance / Branch record(s). If your company does that, you will want to edit all branch records to set the 'Next Number' to reference the new year and restart from 0. I *DO NOT* recommend making these changes if you do not currently set these to reference the year of business. This is just a reminder if you do.

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	2017	2018
Service Order	R170823	R180000
Maint Service Order	RM175211	RM180000
Purchase Order	R17 4122	R180000
Quote	RQ1700562	RQ180000
Job	RJ170610	RJ180000

Traverse

Accounts Receivable Year End Checklist

1. You should do all your standard Accounts Receivable month end processing in addition to the following if they have not already been done for the month/fiscal period:
2. Enter and post all transactions and cash receipts for the year being closed.
3. *This should be a monthly process, only if you calculate finance charges and has not been done this already:*
 - A. Set the Traverse work station date using the Traverse / File / Date function to change the workstation date to a fiscal period in the fiscal year the finance charge revenue should post to.
 - B. Calculate all finance charges for the final period using the Calculate Finance Charges function on the Open Invoices menu. This should be a monthly process you do. (This is optional and only necessary if you do access finance charges for late receivables)
 - C. You will need to run the Traverse / AR / Periodic Processing / Periodic Maintenance to post the finance charge revenue to the General Ledger. You should NOT select any of the 'Delete' or 'Clear' options.
4. Print customer statements using the AR / Open Invoices / Print Statements function on the Open Invoice menu for the final period. *(This is optional and should be a monthly process)*
5. Print and save the final Accounts Receivable / Open Invoices / Aged Trial Balance Report for the year end date. Run this by the Fiscal – Cutoff Date to reconcile to the General Ledger and they are balanced. *(This is a recommendation, but not required and should be a monthly process)*
6. You can review and print the Traverse / General Ledger / Interactive Views / Subsidiary Ledger Audit View. I recommend that you save a copy of this. *(This is recommended, but not required and should be a monthly process)*
7. *These reports are optional and not always done, but it is recommended that these be output and saved to a [PDF](#) file and saved. These can optionally also be printed and saved.* Print the following reports from the Management Reports menu:
 - A. The Customer Analysis Report to identify sales and profit amounts, number of invoices and Average invoice amounts for the period-to-date, quarter-to-date, and year-to-date, and last year.
 - B. The Open Invoice Report to display the amount due after you post transactions, customers that have open invoices, and summary invoice information.

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- C. If you are using multi-currency, print the Gains and Losses Report to reconcile any difference in currency to the General Ledger. (The multi-currency feature is very rarely used)
 - D. The Detail History Report to view posted transactions. You must elect to save history in Traverse - AR - Business Rules to print this report.
 - E. AR Analysis Report to analyze receivables.
 - F. Sales Analysis Report to analyze sales trends based on the last 12 months.
 - G. Customer Activity Report to identify your top customers.
 - H. Customer Sales Report to view sales, gross profit and average income amounts per customer.
8. Print the Tax Locations List from the System Manager Tax Setup menu for a record of the accumulated sales and use tax information for each tax location. This information is also available in the Ascente / Service or Job Cost / Reports / Sales and use Tax Report. *If you don't use this report in Traverse, this may not be required, but you can still output this to a [PDF](#) file for your year end 2017 records.*
9. Use the Clear Tax function on the Tax Setup menu in System Manager to remove the accumulated sales tax at the end of the tax reporting period. NOTE: Make sure you have printed a current Tax Locations List because this function clears the accumulated sales and use tax amounts and these values will no longer be available.
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Ascente

Purchase Order Year End Checklist

Accounts Payable processing for 1099's is done on a calendar year (CY) basis and there are also processing requirements for closing the accounts payable for a fiscal year basis (FY) that may not be a calendar year. For that reason, all purchase order transactions for the purchases need to be completed so that the accounts payable processing for the year can be completed.

1. Enter all purchase order transactions for year being closed.
 2. Process all the purchase order receipts for year being closed.
 3. You can optionally run the Ascente / Periodic / Move PO's to History program for 'Fully Received and Invoiced' purchase orders as of the year end date. This step is not recommended or required.
 4. This step is not required, you can optionally export to a [PDF](#) file or print the following reports:
 - A. PO's Not Received
 - B. PO's Received Not Invoiced
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Traverse

Accounts Payable Year End Checklist

Accounts Payable processing for 1099's is done on a calendar year (CY) basis and there are also processing requirements for closing the accounts payable for a fiscal year basis (FY).

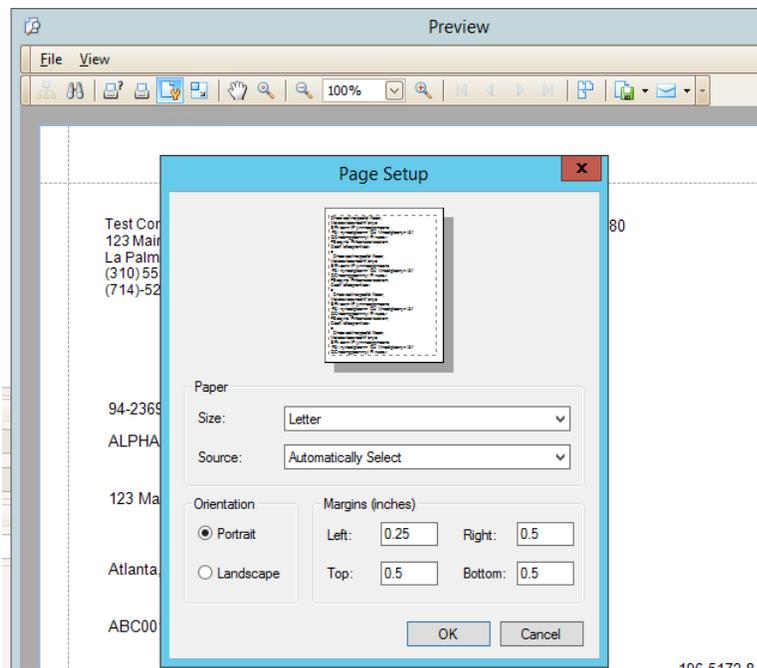
1. Enter and post all payable transactions and payments for the year being closed.
2. Print and save the final Accounts Payable - Aged Trial Balance Report from the Management Reports menu to reconcile your Accounts Payable GL account with the total on the report. I recommend saving a [PDF](#) copy of this yearend report.
3. You can review and print the Traverse / General Ledger / Interactive Views / Subsidiary Ledger Audit View. I recommend that you save a copy of this. *(This is recommended, but not required and should be a monthly process)*
4. Print or save to [PDF](#) file the following summary history reports from the Management Reports menu. To print these reports, the option to save purchase history must be selected in Traverse AP - Business Rules.
 - A. AP Analysis Report to analyze payables.
 - B. Purchase Analysis Report to summarize purchase trends based on the last 12 months.
 - C. Vendor Purchase History Report to show the quantity purchased from vendors.

These reports are optional and not typically done, but it is recommended that these be output and saved to a [PDF](#) file or printed and saved. Print the following reports from the Management Reports menu:

5. Output to a [PDF](#) file or print the following detail history reports from the Management Reports menu. The option to save summary and detail purchase history must be selected in Traverse AP – Business Rules:
 - A. Payments History Report to list paid invoices, check numbers, check dates, and payment types.
 - B. Vendor Activity Report to show how often purchases were made from each vendor for the year.
 - C. Vendor Detail History Report to display posted purchases and returns made to vendors during the year.
6. You can print 1099's before or after you run Period-End Maintenance. Simply select the calendar year to use when printing the 1099 forms. It is recommended that you print a worksheet first.
 - A. Verify limits in the 1099 Field Indicators function on the Setup and Maintenance menu.
 - B. Manage 1099 Invoices
 - The Traverse / Accounts Payable / Periodic Processing / Manage 1099 Invoices allows you to edit 1099 flag and 1099 amount of individual paid invoice of 1099 vendor. This is done if there are invoices flagged as 1099 invoices that should not be or edit the invoice '1099 Amount' if necessary.
 - C. 1099 Processing (1099-MISC Form)
 - Use the Traverse / Accounts Payable / Periodic Processing / 1099 Processing program to produce the 1099 forms or magnetic media file.

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- Select the 'Year' that the 1099's are going to be generated for.
- Select the 'Bank Accounts' of the payments to be selected.
- Click on the [Generate] button to select the vendors for the 1099's.
- Click on the [Output / Worksheet] option to generate a worksheet for you to review before printing the 1099's. If there are issues that need to be addressed. Correct those before printing the 1099's.
 - Edit the 1099 flag for the vendor's if necessary.
 - Use the Traverse / Accounts Payable / Periodic Processing / Manage 1099 Invoices program if necessary
- Click on the [Output / Worksheet] option to generate a worksheet for you to review before printing the 1099's. If there are issues that need to be addressed. Correct those before printing the 1099's.
- Click on the [Output / 1099-MISC Forms] option to preview and print the 1099's.
 - We ALWAYS recommend printing to plain paper before printing on the final forms. You need to verify the totals and alignment before printing on the final forms.
 - The [Page Setup] button  to adjust the printer margins to address any alignment issues.



- From the Preview, you can click on the [Print] button  to print the 1099-MISC Forms.
- Click on the [Output / 1096 Summary] option generate the 1096 Summary Report.

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- Click on the [Output / Magnetic Media] option Produce a file containing the 1099 information.

D. **NOTE:** If the company is not on a calendar fiscal year, this step becomes part of month-end for December.

Ascente

Inventory

Year End Checklist

1. Complete all inventory transactions for the year being closed.
2. Complete all Inventory to Job Transfers for the year being closed.
3. You can optionally perform a Physical Inventory to load the current inventory quantity counts.
 - A. Here is a [link](#) to a video on the physical inventory process
 - B. Here is a [link](#) to a document on the physical inventory process
4. You can optionally preview and export to a [PDF](#) file or print the following as of the yearend date:
 - A. Reports / Inventory Reports / Costed Inventory Report

Traverse

Payroll

Year End Checklist

1. Post the payroll checks for the last payroll cycle of the year.
2. Print and optionally save to PDF file the following Payroll - Quarterly reports:
 - A. Earnings and Deductions Report
 - B. Leave Report
 - C. Withholding Report
 - D. Employer's Tax Report
 - E. State Unemployment Report
 - F. FUTA Worksheet
 - G. 941 Worksheet
3. Print and optionally save to [PDF](#) file the following Payroll - History reports:
 - A. Transaction History Report
 - B. Check History Report

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C. Department History Report

4. (OPTIONAL BUT RECOMMENDED) Print or save to [PDF](#) file any additional reports you may need.
5. Verify that any employee that has been terminated has a termination date entered in their Employee Information [Key Dates] tab, 'Termination Date' field.
6. Change payroll years using the Traverse / Periodic Processing / *Change Payroll Year* function on the to switch to your new year.
 - A. If the new fiscal year is not on the list, call Compusource to get this and the yearend updates installed.
7. Only if you use Payroll – Recurring Entries:
 - A. Delete outdated recurring entries using the Traverse / Payroll / Periodic Processing / Purge Recurring Entries.
8. Only if you do leave accruals (vacation and sick hours):
 - A. Consolidate sick and vacation balance records using the Traverse / Payroll / Periodic Processing / Roll Up Leave Balance function.
9. If you elected to have the system accrue leave hours (vacation and sick hours)
 - A. Switch to the New Year files by selecting Traverse / Payroll / Periodic Processing / Change Payroll Year program.
 - B. If you want to clear vacation and sick leave for the start of your new year, run the Traverse / Payroll / Periodic Processing / Clear Leave Hours. Otherwise, manually update sick and vacation hours in the New Year using the Traverse / Payroll / Periodic Processing / Leave Adjustments program.
10. Verify that the federal, state, and local tax tables and formulas are installed in the New Payroll Year by using the Traverse / Payroll / Setup and Maintenance / Formula Tables program. If the new year's records do not exist, contact Compusource to obtain the latest version of the state and federal tax routines.
 - A. **NOTE:** After updating the tax tables for the new year, you must update the SUI rate for your company. Go to Traverse / Payroll / Setup and Maintenance / Formula Tables and look up your state code SUI. Example: California's SUI rate is stored under PCA_SUI
 - B. Verify that all rates or formulas that are specific or unique to your company are correct before processing the first payroll for the new payroll year.
 - C. If you have multiple Traverse companies that process payroll checks, check all of them also before proceeding to process your first payroll for the new year.
11. Make sure you are in your payroll new year. Select the Traverse / Payroll / Periodic Processing / *Change Payroll Year* to see what year appears in the box. If the New Year does not default into the box, select the new year and change to your New Year, uncheck the box for this workstation only to change all workstations to the new year.
15. When you are ready to prepare W-2's, run the Traverse / Payroll / Periodic Processing / W-2 Processing program.
 - D. Select the fiscal year for which you want to generate the W-2 information from the Year field.
 - E. Click the [Generate] button to prepare W-2 information using the selected criteria.

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- F. Click on the [Output / Worksheet] button to generate a worksheet that lists W-2 information.
- G. *Optionally*, use the [Wage] button to edit the wage information for the selected employee.
- **NOTE:** Any changes made will reflect on the W-2, but will not be reflected any of the payroll history records or reports. This should only be used in very special conditions.
 - Be sure to [Save] any changes were made.
- H. If you made any changes using the [Wage] button:
- Click on the [Output / Worksheet] button to generate another worksheet that will list W-2 information and should reflect the changes you made using the [Wages] button.
 - Do not proceed to print your W-2's until the totals on the worksheet report are correct. These are the totals that do print on the W-2's.
- I. Print your W-2's
- Remember to print these on plain paper first to verify results and alignment before printing on the final forms.
 - **NOTE:** There are no Traverse settings to adjust the print location for the W2's. This is determined by the printer settings.
 - Be sure to do a test print to plain paper first, to ensure that the forms will line up.
 - If you need to make alignment adjustments, you can first preview the forms and then select the 'Page Setup' option. This will allow you to adjust the top/bottom and left/right margins as necessary to align the form. It will probably take a little trial and error before you get it right. You may want to note the final settings for the next year.
 - Click on the [Output] button and then either of the following as are appropriate to print your W-2's:
 - W2-Forms Two Per Page
 - W2-Forms Four Per Page
 - W3-Summary
 - Magnetic Media
 - Locate and W2Report file that was generated file if filing electronically. Form Alignment.
- J. Switch back to your new payroll year using the Traverse / Payroll / Periodic Processing / *Change Payroll Year* to process payroll in the new payroll year.

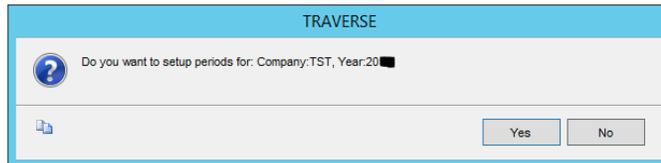
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Traverse

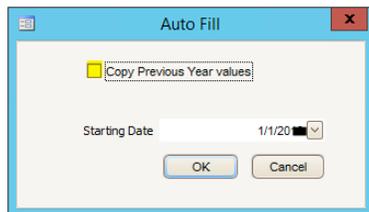
General Ledger

Year End Checklist

1. Complete all posting in all other accounting modules.
2. Complete all year end journal entries, you can do this again later.
3. Run the Transaction Journals / Post to Master and post all journals for the year being closed.
4. Print the Chart of Accounts list on the Master Lists menu. Check the box to print the clear and consolidate information. Once the list is printed verify the following information:
 - a. The income statement accounts have an account type between 500 and 890.
 - b. The balance sheet accounts have an account type between 005 and 465.
 - c. If you determine that a GL account has an incorrect 'account type', the 'account type' issue needs to be resolved before proceeding. If a GL Accounts 'account type' is incorrect and needs to be corrected, and if the 'account type' is being changed from a 'debit balance' account to a 'credit balance' account, contact Ascente Support to assist with this correction. See the Traverse / General Ledger / Master Lists / Chart of Accounts List to determine the 'balance type' of a GL account.
5. Use the Chart of Accounts function on the Setup and Maintenance menu to edit incorrect setup information found on the Chart of Accounts List if needed. If issues exist, it is typically the new chart of account records added since last year that have the issues.
6. Use the System Manager / Company Setup / [Period Conversion](#) function to set up periods for your new year.
 - a. If the fiscal year does not exist, type in the new fiscal year and hit the [Tab] key.



- b.
- c. You will be prompted with 'Do you want to setup periods for Company XXX, Year #####'. Click on the [Yes] button.
- d. You will then be prompted with an 'Auto Fill' dialog box. If your fiscal year is calendar, click on the [OK] button.
- e. If your fiscal year is not calendar and the same as the previous year, check the 'Copy Previous Year Values' box and click the [OK] box.

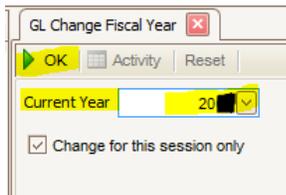


- f.
- g. Verify that the created fiscal period's start and end dates are correct, correct if necessary.

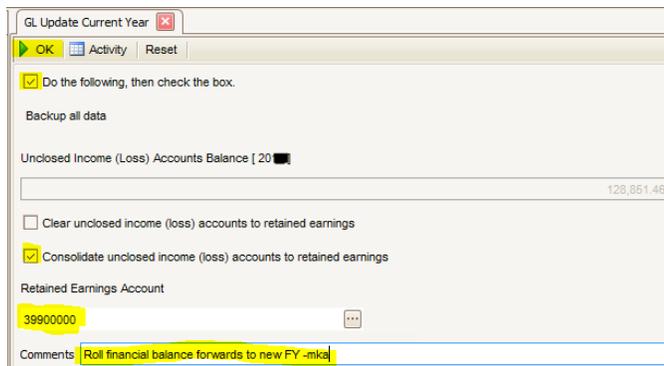
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- h. It is also a good idea to immediately close all the fiscal periods for the new fiscal year that are closed, or that anyone should not be posting to now. For that matter, every fiscal year and period that you do not want postings made to should be closed. You can always reopen them.
- i. Common Issue:
 - o If your fiscal year is calendar, in January of the new year if the new fiscal year has not been created, Ascente operators will get errors and not be able to run many transaction entry programs until the new fiscal year is created.

7. Select the General Ledger / Periodic Processing / Change Fiscal Year and select the new fiscal year you are rolling the previous year's totals into. Select the "New Year" in the Current Year field and click OK to change to the new year. *You must be in the current year to perform the next step.*



8. Select the [Update Current Year](#) function on the Periodic Processing menu to do the following:
- a. Transfer the ending balances from the "Old Year" to the "New Year" for GL accounts that have an account type from 005-465.
 - b. Calculate the net income or net loss amount from the balances of all accounts with account types from 500-890.
 - c. Update the balance for the retained earnings account with the net income or net loss if selected. Check the box to consolidate unclosed income (loss) to retained earnings, and select your retained earnings account.



- d. It should be noted that this program can be run multiple times. If your accountant has you do some yearend journal entries in March of 2018 for a calendar year of 2017, you can run this again in 2018 to roll those 2017 entries into the new fiscal year 2018.
- e. Common Issues
 - o You must run the General Ledger / Periodic Processing / Change Fiscal Year and select the new fiscal year you are rolling the previous year's totals into before running the [Update Current Year](#)

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program. You need to be in the new fiscal year to roll the previous year's balance forwards into the new fiscal year.

- You will see the profit and loss accounts balances roll into the new year if you do not click the 'Consolidate unclosed income (loss) accounts to retained earnings'. If that happens, just check that box and run it again.
9. Continue to process information for both years. Use the Change Fiscal Year function on the Periodic Processing menu to switch between the "Old Year" and the "New Year". Use the [Update Current Year](#) function on the Periodic Processing menu as needed to update the current year balances with changes made to last year balances. Check the box to 'Consolidate unclosed income accounts to retained earnings' and then enter your retained earnings GL account.
- NOTE: If you are using the Close Periods feature of the [Period Conversions](#) program, you can only post adjusting entries to periods that are open. You can reopen a closed period if needed.*
10. Print and save all financial statements for the fiscal periods any adjusting entries were posted to in the new year.
11. We always recommend printing or outputting to a [PDF](#) file the final financial reports for the year being closed:
- a. All General Ledger / Management Reports / Financial Statements
 - b. General Ledger / Transaction Journals / Final Trial Balance Report for the final period of the old year.
 - c. I would output the General Ledger / Transaction Journals / Activity Report for all periods to a PDF file. This would be a huge report to print and I do not recommend printing this report.
12. Select the System Manager / Company Setup / [Period Conversion](#) close all periods in the old year so that no postings are accidentally made to that year. You can open the periods at any time. This will prevent postings for 1/5/2018 from accidentally being entered and posted to 1/15/2017.

*NOTE: You can stop the General Ledger Year End processing at this point. **We do not recommend running any of the other General Ledger / Periodic Processing programs.** If you do, you may not be able to do any more processing in the year you are closing.*