

Month/Year End Close



State of Florida Project Aspire

White Paper Month/Year End Close – Project Aspire Functionality

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TABLE OF CONTENTS

1.0	TOPIC.....	3
2.0	BACKGROUND.....	3
3.0	PERFORMING MONTH END CLOSING.....	3
4.0	PERFORMING YEAR END CLOSING.....	8
5.0	ASSUMPTIONS.....	20
6.0	MISCELLANEOUS.....	21

1.0 TOPIC

The purpose of this document is to provide an overview of the PeopleSoft delivered Month/Year End Closing Procedures to the Project Aspire team.

2.0 BACKGROUND

The Month End Closing Procedures include typical month-end activities by individual application such as AR, AP as well as those for GL. The Year End Closing Procedures will focus on the GL year-end close process in Aspire. Procurement related year-end closing procedures are referenced in detail in the P2P ADML 1940 documentation and will not be included in this white paper.

3.0 PERFORMING MONTH END CLOSING

This section provides an overview of month-end closing and discusses how to:

- Close a month (period) in Aspire

Complete a month-end procedures checklist for each Aspire application.

Understanding Month End Closings

The purpose of monthly or period end closings in Aspire is to stop processing accounting transactions for the prior monthly period. To ensure that the processing of accounting transactions ceases for the prior month or period, Aspire allows you to close periods by individual application within the Ledgers for a Business Unit page. The Open Period Update page or Open Periods Mass Update page is used to change the range of fiscal years and accounting periods. Additionally, the option is available to have the year-end close process close the GL open periods. This will prohibit the entry and posting of additional transactions to the prior period. However, if the prior month period is open for Accounts Payable for example, it will allow a user to enter and post a journal voucher to a prior period.

Navigation:

Set Up Financials/Supply Chain, Business Unit Related, General Ledger, Open Periods, Open Period Update

Select PeopleSoft Product, Business Unit and Ledger Group as shown below:

Open Period Display
 Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

PeopleSoft Product: begins with

Business Unit: =

Ledger Group: =


[Basic Search](#) [Save Search Criteria](#)



The available PeopleSoft Products or Applications that you could close the period for are displayed below:

PeopleSoft Product	Description
AM	Asset Management
AP	Accounts Payable
AR	Accounts Receivable
BI	Billing
CA	Contracts
EX	Expenses
GL	General Ledger
IN	Inventory
PC	Project Costing

Once the parameters are selected the following page appears:

Open Period Update

PeopleSoft Product: GL **Business Unit:** US001 **Ledger Group:** ACTUALS  [Ledgers for](#)
Default Adjustment Period: **Adjustments Year:** Show all transaction type

Open Period(s)		Customize Find 		First <input type="text" value="1-6 of 6"/> 			
Trans Type		From Year	From Period	First Open	To Year	To Period	Last Open
DEF	Default	<input type="text" value="2005"/>	<input type="text" value="1"/>	01/01/2005	<input type="text" value="2005"/>	<input type="text" value="1"/>	12/31/2005
PCA	Procurement Car	<input type="text" value="2005"/>	<input type="text" value="1"/>	01/01/2005	<input type="text" value="2005"/>	<input type="text" value="1"/>	12/31/2005
POR	Purchase Order	<input type="text" value="2005"/>	<input type="text" value="1"/>	01/01/2005	<input type="text" value="2005"/>	<input type="text" value="1"/>	12/31/2005
RCA	Receipt Accrual	<input type="text" value="2005"/>	<input type="text" value="1"/>	01/01/2005	<input type="text" value="2005"/>	<input type="text" value="1"/>	12/31/2005
REQ	Requisition	<input type="text" value="2005"/>	<input type="text" value="1"/>	01/01/2005	<input type="text" value="2005"/>	<input type="text" value="1"/>	12/31/2005
UNP	GL Journal Unpost	<input type="text" value="2005"/>	<input type="text" value="1"/>	01/01/2005	<input type="text" value="2005"/>	<input type="text" value="1"/>	12/31/2005

Here you can update the open periods by application.

Completing a Month End Closing Procedures Checklist

Before closing the period for the Aspire financial applications and ultimately the General Ledger, the following procedures are typical of most month-end activities.

Complete the month-end process of each Aspire application in the following order:

Accounts Payable

1. Ensure that all AP inbound interfaces have run in Aspire
2. Ensure that all AP batch processes have run in Aspire – Budget Checking, Voucher Build (AP_VCHRBLD), Voucher Edit, Voucher Post, Payment Post, AP to AM interface, AP to Project Costing interface through the last day of the month
3. Process all manual journal vouchers and adjustment vouchers for the prior period
4. Journal Generate AP transactions to the GL
5. Run Open AP Liability Report to reconcile to the GL Trial Balance for the AP Liability (Control) account
6. Close the period for AP

Project Costing/Grants/Contracts

1. Run SWCAP and CWIP Month-End Allocations
2. Ensure that all Projects, Contracts, and Grants batch processes have run – Cost Collection, Indirect Cost, Labor Distribution, Pricing, Contracts to Billing, Revenue Collection, Revenue Recognition, Projects to Asset Management through the end of the period
3. Run any month end reports
4. Close the period for Project Costing

Accounts Receivable/Billing

1. Ensure that all AR interfaces have run for the period
2. Ensure that deposits are recorded for all deposits received in Treasury by the end of the month
3. Ensure that deposits are accounted for: Direct Journal made, or payments applied
4. Ensure ARUPDATE has run through the end of the period
5. Run any reconciliation reports necessary
6. Process any manual adjustments
7. Journal Generate AR/Billing transactions to the GL
8. Close the period for AR Billing

Asset Management

1. Ensure that the nightly jobs – AMDPCALC and AMAEDIST have run through the end of the period
2. Run the AMDPCLOS job at the end of the month
3. Journal Generate AM transactions to the GL
4. Run any reconciliation reports for AM to GL
5. Close the period for AM

General Ledger

1. Process and journal generate all inbound interfaces to Aspire from FLAIR (only during transition) and the various agency legacy systems including Payroll, etc.
2. Edit and Post all journals that have been generated to GL from the Aspire subsystems for each agency GL BU

3. Process all manual journal entries including InterUnit journals for each agency
GL BU
4. Run all necessary month end reports including cash basis, trial balance, etc.
5. Close the period for GL

**Note: The Treasury application will follow the same closing schedule as the GL.
There isn't any period close for this application.**

4.0 PERFORMING YEAR END CLOSING

This section provides an overview of year-end closing and discusses how to:

Complete a year-end procedures checklist.

Perform year-end closing procedures.

Understand results of year-end closing.

Understand year-end close in conjunction with interim close (optional).

Understanding Year End Closings

Before year-end close begins, the process uncloses the periods in the fiscal year being processed. It then closes the revenue and expenditure accounts to fund balance accounts (storing them in period 999) and generates the balance forward amounts (storing these balances in period 0). It directly updates the ACTUALS ledger and creates offsets to the fund balance accounts.

Completing a Year End Closing Procedures Checklist

Because your final adjustments may not be known for weeks after year-end, closing a year and opening a new one is often an iterative process. PeopleSoft General Ledger enables you to carry on your normal accounting and reporting activities during year-end, while maintaining control over the closing process. The following procedures are typical of most year-end activities.

To complete the year-end process:
--

1. Stop processing accounting transactions for the old year.

As you would at the end of any accounting period, use the [Open Period Update](#) page or [Open Periods Mass Update](#) page to change the range of open fiscal years and accounting periods to prohibit the entry and posting of additional transactions to the old year.

2. Produce preliminary year-end reports.

Produce your usual period-end reports and any other special year-end reports.

3. Begin to process in the new fiscal year.

Just as at any other time of year, you can use the [Open Period Update](#) page or [Open Periods Mass Update](#) page to open the first accounting period in the new year for entry and posting.

4. Record adjustments to the old year.

When you are ready to post adjusting entries to the old year:

- a. Enter them as Adjusting Journals.
 - b. Or re-open the appropriate accounting period, enter and post the entries, and close the period again.
5. Close the old year.

To close your revenue and expenditure accounts to fund balance and roll forward beginning balances to the new year, **use the Close Request Process page to initiate the background request**. PeopleSoft General Ledger performs closing according to the options selected in the closing rules.

6. Produce reports for the new fiscal year.

Until you run year-end closing, your reports for the next year will not include any results from prior years. Once you run the close process, balance sheet accounts and inception-to-date revenue and expenditure accounts will be available for reporting.

7. Make additional adjustments to the old year.

When you need to make additional adjustments for the old year, follow the same process used in step 4.

8. Re-close the old year.

Whenever you make adjustments to a closed year, you need to **run year-end closing again to ensure that the opening balances for the new year reflect all activity for prior years**.

Performing Year End Closing Procedures

Year-end closing requires the completion of three major tasks.

To perform a year-end close:

1. Define ChartField value sets.

If you are going to close to multiple fund balance accounts, you need to define the sets of values for the ChartFields you want to use as the source for the year-end closing. With Chartfield Value Sets, you identify the various sets of revenue and expenditure accounts that will be closed to fund balance other than the designated default fund balance account or those revenue/expenditure balances to be carried forward into the new fiscal year. These can be the same sets of ChartFields that you use for interim closing or different value sets.

Specifically, you need to create ChartField value sets for the ChartFields to be closed to fund balance. (ChartField value sets are defined on the ChartField Value Set page.)

2. Define closing rules.

Define the rules for the year-end close. Specifically, you need to identify:

- Which Revenue/Expenditure accounts are closed to which fund balance accounts
- Whether or not to store Revenue/Expenditure reversal entries
- Whether or not to have beginning balances reflect separate debits or credits, or to reflect the net of the debits and credits
- Whether or not to close the general ledger periods
- Whether or not to create journal entries for the year-end entries
- Which ChartField value sets to use for the roll-forward amounts

If you have chosen to perform interim closes (optional) using an offset to fund balance, you must perform all interim closes for all the interim periods and use the offset account defined for the interim closes as the target fund balance account for the year-end close. **Note: At this time the agencies business units will not be performing an interim close.**

3. Run closing request.

When you request that the year-end close be processed, you identify:

- Which ledger to close
- Which closing rule to use
- Which date to use as the closing date
- Which business units to close

You run year-end close using the Close Request Process page.

You can undo a close, if need be, using the undo procedure. The undo is performed by changing the Close Request Type on the Close Request page. After undoing the close you would simply run the close process again outlined in the above referenced step.

Understanding the Results of Year End Closing

The process of year-end closing closes the revenue and expenditure accounts to a designated fund balance account and generates the balance forward amounts. To maintain the integrity of financial reporting, the entries generated by year-end closing are stored in special system-defined periods. The year-end closing entries to record the result of

operations (revenues and expenditures) to fund balance accounts are posted in period 999, and the balance forward amounts are stored in period 0 of the next fiscal year.

PeopleSoft General Ledger stores the closing entries in the ACTUALS ledger after closing has been performed for the old year. The period 998 is generally used as an adjustment period for year end. The journal entries posted in period 998 will be included in the fiscal year end closing of the ACTUALS ledger.

Additional adjustment periods can be defined as needed based on the CAFR design solution.

Navigation:

General Ledger, Close Ledgers, Closing Options

Closing Options | Net Income/Retained Earnings | Journal Options | Roll Forward Options

SetID: SHARE Closing Rule: YEAREND Closing Type: Year End

Effective Date: 01/01/1900 Status: Active

Description: Year End Closing Ledger Template: STANDARD

[Year End Closing Options](#)

Retained Earnings

ChartField	Retain CFV	ChartField Value
Account	<input type="checkbox"/>	360000

By clicking on the Year End Closing Options hyperlink [Year End Closing Options](#) on this page displays the following:

Year End Close Options

'Close by: ACCOUNT

- Set Default Retained Earnings
- Create Jnl by RE Group
- Close the G/L Open Periods
- Store P/L Reversal Entries
- Initialize DR/CR with Net Bal
- Close DR/CR with Net Balance

OK Cancel

This will be already configured in Aspire so you **ONLY** have to execute the Ledger Close shown as follows (page 15) to process year end close.

Net Income/Retained Earnings page

[Closing Options](#) | **Net Income/Retained Earnings** | [Journal Options](#) | [Roll Forward Options](#)

SetID: SHARE Closing Rule: YEAREND Closing Type: Year End

Effective Date: 01/01/1900 Status: Active

Close To Multiple Ret Earnings

Retained Earnings

ChartField Value Group Number: 1

Profit/Loss

ChartField Value Set: INCOM_ACCT_ADMIN_DIV

ChartField	Retain Value	ChartField Value
Account	<input type="checkbox"/>	360100

Journal Options page

[Closing Options](#) [Net Income/Retained Earnings](#) **Journal Options** [Roll Forward Options](#)

SetID: SHARE Closing Rule: YEAREND Closing Type: Year End

Effective Date [Find](#) | [View All](#) First 1 of 1 Last

Effective Date: 01/01/1900 Status: Active

Journal ID Mask: YE *Source: CFO Closing Doc Type: FS-CLS OpenBal DocType: FS-OPEN

Description: Closing Journals

Create Journal Entries

Roll Forward Options page

[Closing Options](#) [Net Income/Retained Earnings](#) [Journal Options](#) **Roll Forward Options**

SetID: SHARE Closing Rule: YEAREND Closing Type: Year End

Effective Date [Find](#) | [View All](#) First 1 of 1 Last

Effective Date: 01/01/1900 Status: Active

Do Not Roll Forward Zero Bal

*P/L to Roll Forward to Next Yr: Do Not Roll Forward

Roll Forward Profit/Loss [Customize](#) | [Find](#) | [View All](#) First 1 of 1 Last

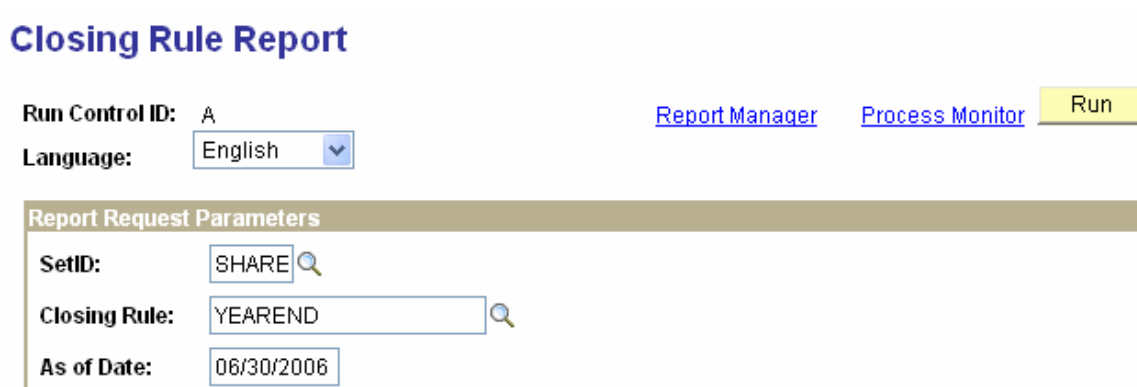
ChartField Value Set [Update/New](#)

[Update/New](#) + -

Run the Closing Rule Report if desired.



Enter the closing rule in the run control page:



Click on Run to generate the report.

Creating the Close Request

This is the only step that has to be done for Year End Closing.

Access the Close Request page as shown next

Ledger Close Request

Run Control ID: A [Report Manager](#) [Process Monitor](#) [Run](#)

Process Request Parameters Find | View All | First 1 of 1 Last

Process Frequency
 Once
 Always
 Don't Run

Request Number: 1
 *Close Request Type:

Fiscal Year:

Business Unit for Prompting:

Check only, Do not process

Closing Rule:

Ledger Group:

Ledger:

Closing Date Option
 BU Process Date
 As of Date
 Specify:

Selections
 Selected Detail Values
 Detail - Selected Parents
 Tree SetID:
 Tree:
 Level:

Business Unit to Close Customize | Find | View All | First 1 of 1 Last

*Select Value

By clicking on the plus signs enables you to process more than one business unit at a time for the Closing Rule ---- Year End and the Ledger Group ACTUALS. However, due to the length of the process it is recommended that you run the Ledger Close process for only one GL BU at a time.

Click on Run to execute the process closing request.

Click on Run when all parameters are entered .

Note: The processing time that this job will take will vary due to the complexity of the closing rules and the number of business units.

Monitor Validation Checking

During closing, PeopleSoft General Ledger performs validation checking for the business unit and closing rule. Specifically, the system checks whether the following conditions exist:

All ChartFields in the closing rule are valid for the business unit and ledger.

All ChartField values are valid.

All fund balance accounts are valid for the business unit.

Any duplication or overlapping in the revenue/expenditure selection criteria occurred (which could cause double entries to fund balance accounts).

The system displays an error message if any of these validations fail. Note: It is recommended that you run the Ledger Close process initially with “Check only, Do not process” enabled (checked). This will allow you to resolve any of the above referenced errors that occur during validation.

Processing an Undo Close

If you make a mistake and want to reverse the entries to the fund balance accounts (interim and year-end closing) and balance forward calculations (year-end closing), you can run an undo process.

Note. For year-end close, it is not necessary to Undo before re-running a year-end close because old amounts are always deleted first.

The undo process differs if you are undoing an interim close or a year-end close.

Undoing a Year End Close

This section discusses how to Undo a year-end close.

To undo a year-end close enter the Ledger Group, Ledger (if necessary), fiscal year, and the business units you want to unclose.

When you run an undo for a **year-end close** and you:

Did not elect to create journal entries, the system clears the period 999 (results of year-end close) and period 0 (balance forward) rows from the ledger.

- Did elect to create journal entries, the system deletes the journal entries and clears the period 999 and period 0 rows

Pages Used to Produce Interim and Year-End Closing Reports

Page Name	Object Name	Navigation	Usage
Closing Rules report	RUN_GLS1002	General Ledger, Close Ledgers, Closing Rule Report	Specify run parameters for the Closing Rules report (GLS1002 SQR). The report lists detailed information about the closing set rules.
Closing & Trial Balance report	RUN_GLS1003	General Ledger, Close Ledgers, Closing Trial Balance	Specify run parameters for the Closing Trial Balance Report. The GLS1003 SQR report lists summary information of all entries on the ledger by account type. The report shows ledger entry Account Type with its Beginning Balance and Period Total, along with any Adjustments made to the beginning balance. It also lists the Closing Entry and Period Total amounts for the year.
Journal Closing Status report	RUN_GLS1004	General Ledger, Close Ledgers, Journal Closing Status Report	Use the Journal Closing Status report page to specify the run parameters for the Journal Closing Status Report.

Generating the Journal Closing Status Report

The Journal Closing Status Report page is presented in more detail because there are additional parameters required above those usually required for the generating of reports.

Access the Generating the Journal Closing Status Report page.

Navigation:

General Ledger, Close Ledgers, Journal Closing Status Report

[New](#)

Journal Closing Status Report

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value [Add a New Value](#)

Run Control ID: begins with

Case Sensitive

[Basic Search](#)  [Save Search Criteria](#)

[Find an Existing Value](#) | [Add a New Value](#)

Enter a Run Control ID and click on Search or Add a New Run Control ID

The page shown below is the Journal Closing Status Report page:

Journal Closing Status Report

Run Control ID: A

[Report Manager](#)

[Process Monitor](#)

Language:

English

Report Request Parameters

Unit: Ledger Group: Ledger:
 Fiscal Year: Begin Date: End Date:
 Process Instance: Report Closing Status:
 Display Full Numeric Field Select From Closing Log Table

ChartField Selection

[Customize](#) | [Find](#) | First 1-23 of 23 Last

Sequence	ChartField Name	Include CF	Value
<input type="text" value="1"/>	Account	<input type="checkbox"/>	<input type="text"/> <input type="button" value="Q"/>
<input type="text" value="2"/>	Alternate Account	<input type="checkbox"/>	<input type="text"/> <input type="button" value="Q"/>
<input type="text" value="3"/>	Operating Unit	<input type="checkbox"/>	<input type="text"/> <input type="button" value="Q"/>
<input type="text" value="4"/>	Fund Code	<input type="checkbox"/>	<input type="text"/> <input type="button" value="Q"/>

Remember to click on the Refresh button  to explode the Chartfield Selections available to print on your report.

Display Full Numeric Field	Select to display the full numeric value if it is larger than the report column size. The number will wrap to a second line.
Select From Closing Log Table	If you click the checkbox, the scope of the report is defined by the process instance stored in the closing log table and the Process Instance becomes available.
Process Instance	When you click Select From Closing Log Table the process instance number of the run of the Ledger Close process is available for selection in the Process Instances field.
Report Closing Status	Select one of the following:
<i>All</i>	Includes all journals regardless of their closing status.
<i>All Except</i>	Includes only journals that the Ledger Close process did process.
<i>Closed</i>	Includes only journals that the Ledger Close process (GLPCLOSE) closed.
<i>Not Process</i>	Includes only journals that the Ledger Close process did not process.
<i>Unclosed</i>	Includes only journals that the Ledger Close process processed but did not close.
ChartField Selection group box	Enter a Sequence number and a ChartField Field Long Name . Use Select to include only selected values, and enter a Value

5.0 Assumptions

- The Aspire General Ledger will be the source of all official financial balances of the State of Florida.
- ADML 11 – Certified Forward process will address the year end closing and rolling forward of the APPROP and REL budgets
- ADML 1940 will address in detail all procedures/processes relating to year end close for Requisitions and Purchase Orders created in My Florida Market Place.
- Journal Generation from the subsystems will be a nightly process
- Agency batch transactions will be received and processed on a nightly basis
- Interface processes between the individual subsystems will be a nightly process
- All month-end and year-end allocations in GL will be successfully processed prior to the close.
- DFS will coordinate and run all month/year end processes
- The Closing Rules will be determined during the configuration phase of the Aspire project.
- The only transactions allowed to prior year balances will be those handled as GL adjustments. A GL adjustment does not change overall cash.

6.0 Miscellaneous

None