



Year End 2009

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## The Importance Of Budgeting

### Budgeting Options With Sage MAS 90 And 200

**D**oes your organization produce budgets and track progress? What about revenue forecasts? In this article, we discuss why budgeting is important, and how you can produce budgets with surprisingly little effort in Sage MAS 90 and Sage MAS 200 ERP.

#### Why Budget And Forecast?

If you are only forecasting revenue but not budgeting expenses, you only have half the picture. By doing both, you can anticipate potential cash flow crunches and make plans to manage through them, such as applying for a business line of credit. In fact, budgets and forecasts can help you qualify for funding—demonstrating your company's potential to investors and lenders.

Budgets and forecasts also are an excellent management tool. They can help your staff to understand goals and be accountable for staying in budget and reaching revenue milestones.

Budgets and forecasts also are essential if you are thinking of developing a new product line. By comparing expected revenues to costs you will quickly get a feel for the feasibility of your venture, as well as identify capital requirements.

Sage MAS 90 and 200 General Ledger Version 4.0 and above contains enhanced budgeting tools to help you create a basic budget. If you prefer to use Microsoft Excel for budgeting, F9 software allows you to read and write budget information between Excel



spreadsheets and General Ledger module. If you need a tool with more flexibility and power, Sage Active Planner is available as a stand-alone budgeting tool. Here we provide an overview of each option.

#### Budgeting In General Ledger

With the current version of the Sage MAS 90 General Ledger module, you can save your historical budgets for reporting and comparison purposes, and set up budgets for future fiscal periods. An efficient grid-entry screen allows you to simultaneously edit budgets for multiple accounts.

Using Automatic Budget Copy, budgets can be generated for a new fiscal year based on prior year budget or actual expenses. You then can globally update by an amount or percentage and adjust individual accounts manually as needed. Budget Revision Entry allows you to perform what-if scenarios by making a number of changes without immediately

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## The Importance Of Budgeting

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updating the budget. You can print the Budget Revision Register to verify the accuracy of the information entered before updating.

### Budgeting With F9 And Excel

If you and your staff like working in Excel, F9 software may be your choice for budgeting. F9, an Excel add-in, dynamically links Sage MAS 90 General Ledger data to Excel. Read Budget and Write Budget buttons pass budgets back and forth between the General Ledger and spreadsheet. Since F9 is hot-linked to the General Ledger you can be sure all numbers are up-to-date, consistent,

and complete. If you want multiple users to develop budgets using Excel, but want to restrict General Ledger access to just a few key people, your accounting staff can export the budgets through F9 and forward them on to the appropriate staff. When complete and approved, accounting staff can use the F9 tool to load the revised budgets.

### Sage Active Planner

If your organization is growing and many people are involved in the budgeting process, consider an enterprise-level budgeting software such as Sage Active Planner. Budget

templates or Plan Sheets have a familiar spreadsheet look and feel and can be automatically distributed to budget owners in multiple departments and then consolidated at the end of the process. You can allocate budgets from bottom-up, top-down, or a combination of both. You also can consolidate several different budget plans. When budgets are complete, they can be entered into the General Ledger manually or through the built-in data import capabilities.

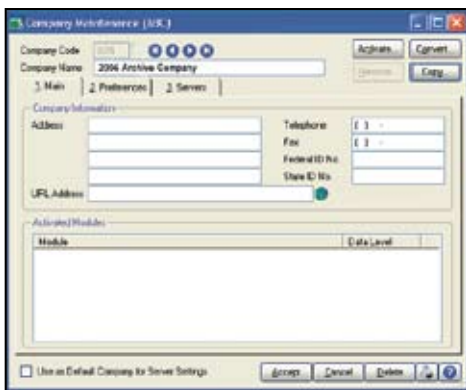
Do you need help getting started with budgeting at any level? Give us a call for assistance. ✨

## Creating A New Company In Sage MAS 90 Is Easy As 1-2-3

At year end, it is useful to establish an archive company for the year's data using the Copy Company feature. This gives you a readily accessible copy of the current year's data even after you perform year-end processing in your live company. To make a copy, select the Company Maintenance

task from the Library Master module's Main Menu. Create a company code that is easy to identify, such as A for archive and the last two digits of the year—A09 for the year 2009. Next, from the new company's Company Maintenance screen, click on the Copy button and type in the Company Code of your

current year's live company. You will be presented with a list of the modules installed in that company and you can select which modules you wish to copy to your archive company. The steps below provide an overview of the process.



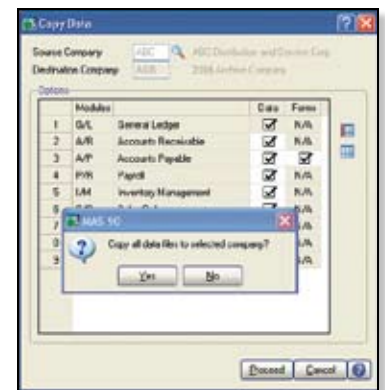
### 1. Set Up A New Company:

Create a new (archive) Company Code into which your 2009 data will be copied. Next, enter in the source company code (your current live company) to copy the data from.



### 2. Select Modules To Copy:

For the purpose of creating an archive company, we suggest you select all modules and copy them to your new company code.



### 3. Confirm:

After you've confirmed your selection, answer *Yes* to the prompt to copy all selected data files to the archive company. It's that easy. ✨

# What's New And What's Coming

## Update To The Payroll Module

Sage has released an IRD (Interim Release Disk) for 2009. The IRD only needs to be loaded for those who print New Jersey W2s and if you are using the Electronic Reporting to submit your 1099s. The IRD needs to be installed prior to printing W2s and creating your file for 1099's using the Electronic Reporting. The IRD will be compatible with Sage MAS 90 ERP Versions 3.71 and above.

**Note:** This is the last year Payroll Module updates will be provided for Version 3.71. Support and Tax Table Updates for 3.71 will end September 30, 2010.

## Sage Online Community

Early in the year, Sage launched the Sage MAS 90 and 200 Online Community. This is an excellent resource for best practices for using your software. It gets better over time as the blogs and discussion forums fill with useful information. In the discussion forums you can post questions, discuss ideas, and share information about your experiences. The online community is a great place to find creative ideas to get more out of your software investment, and even provide feedback directly to Sage staff. Here's the link: <http://community.sagemas.com/sagemas/>.

## Version 4.4 Coming Early In 2010

With the release of Sage MAS 90 ERP Version 4.4, the Inventory Management, Purchase Order, Bill of Materials, and Bar Code modules will migrate to the Business Framework. The Business Framework adds flexibility and workflow efficiencies to the modules. Beyond the updated modules, there are significant feature enhancements, including expanded customer and item numbers, automated standard cost adjustment, quicker physical count processing of inventory, and greater decimal precision.

Another important new feature is the

Parallel Migration Wizard. It will be available for conversions from Versions 3.71 and greater, to Version 4.4 of Sage MAS 90 and 200 ERP. With the Parallel Migration Wizard, you can take the stress and time pressure out of upgrading.

The key to the new upgrade process is the ability to convert your system in two phases, removing the time-sensitive nature of upgrading. During the first phase, the Parallel Migration Wizard is used to convert your current data to a new parallel installation, either on the same or a different server. Normal operations can continue on your old system. You can test and train on the new system at a pace that suits your business needs.

In phase two, your current data is migrated to the new system, and very quickly you will be running on the new software. If you have been holding off on upgrading due to concerns of losing information or business downtime, Version 4.4 might be the time for you to make the move. Give us a call to discuss. ✨

## (( Tips & Tricks ))

### How To Find Your Sage MAS 90 Version Number

To find the version number for Version 4.0 and above:

- » Expand Library Master, Setup, and System Configuration.
- » Double-click Modules. The version of each module is listed in the Level column.

To find your version number for earlier versions:

- » Expand Library Master and Utilities.
- » Double-click Installed Applications. The version of each module is listed in the Level No column.

Hint: use the horizontal scroll bar if the entire window is not visible.

# Module Closing Sequence

The order that modules are closed is very important. The period-end and year-end processes performed in one module often write data to another module, so to close the modules out of order may cause damage to your data.

**Note:** Before you begin any year-end closing procedures, ensure that you have a complete and verified back up of your data.

Modules should be closed in the following order—after you back up your data:

- **Bill of Materials<sup>1</sup>**
- **Work Order<sup>1</sup>**

**<sup>1</sup>Note: that while there is no formal year-end processing procedure in these modules, all transactions should be entered and posted before proceeding with year-end processing in the other distribution modules.**

- **Bar Code**
- **Purchase Order**
- **Sales Order**
- **Inventory Management**
- **MRP**
- **TimeCard<sup>2</sup>**
- **Electronic Reporting<sup>2</sup>**

**<sup>2</sup>Note: that while there is no formal year-end processing procedure in these modules, all transactions should be entered and posted before proceeding with year-end processing in Payroll.**

- **Payroll**
- **Accounts Receivable**
- **Accounts Payable**
- **Job Cost**
- **General Ledger**

If you are running modules not on this list, for example e-Business Manager, one or more Sage MAS 90 ERP Extended Solutions, or a third-party product, there may be special considerations involved in year-end closing. Give us a call and we will advise you on the best procedure for closing your year in Sage MAS 90 or Sage MAS 200. ✨

# General Module Closing For Sage MAS 90 And 200

Here we provide general module closing procedures for the most common modules. For your convenience we indicate the version that a module was updated to the Business Framework. For instructions on how to check your version, see *Tips & Tricks* on page 3. Modules that have not been updated to the Business Framework maintain buckets of data by year (year-to-date, prior-year, etc.). These data receptacles are initialized during year-end processing, so year-end processing is time sensitive and must be performed in the first month of the new year. Regardless of your version, the Payroll module is the most time sensitive when it comes to year-end processing, because there is no future period.

Use this document as a guide. If you are using Paperless Office, we highly recommend that you save time, paper, and filing cabinet space by using the Period End feature to electronically archive the reports.

## Purchase Order

Purchase order has the capability to post to one accounting period beyond the current period. Be sure to close Purchase Order before the end of the one future period; otherwise your reports and data could be skewed.

1. Before closing the Purchase Order module for the year, be certain that:

- All purchase orders for the year have been entered.
- All receipts, invoices, returns, and issues have been entered and updated.
- The current Purchase Order date agrees with the period-end date.
- A backup of Purchase Order files is made.

2. From the Reports Menu the following reports should be created and retained:

- Open Purchase Order
- Open Purchase Order by Item (optional)
- Verify the Purchase Order total equals the General Ledger balance for the Purchases Clearing Account. This report is an “as of

date” which means it may not tie to the General Ledger for the month you are closing (due to future postings).

- Cash Requirements (optional)
- Receipt History
- Purchase History
- Purchase Order Recap (optional)



3. The Purchase Order Full Period and Year-End Processing performs the following tasks:

- Sets the PTD quantity and purchase history for Misc Charge Codes to zero. YTD figures are moved to the Last Year fields.
- Removes completed purchase orders according to the number of days designated in the Purchase Order Setup options.
- Removes master and repeating orders that have expiration dates on or prior to the period-end date from the open purchase order file.
- Receipt History may be purged (based on setup options).
- Purchase History YTD is cleared and moved to prior year fields.
- Clears all Monthly Reports.
- Advances current period in Purchase Order Setup Options to the next period and year.

## Sales Order

Updated to Business Framework in Version 4.1  
Sales Order for version 4.1 and up has

the capability to retain information that may normally be purged in version 4.0 and below. The information below is for version 4.1 and higher. Sales Orders may be entered with a date of the new year without adverse consequence.

1. Before closing the Sales Order module for the year, be certain that:

- All Sales Order invoices for the current year have been entered and updated.
- The current Sales Order date agrees with the period-end date.
- A backup of Sales Order data files has been made.

2. From the Reports Menu you may want to save the following prior to closing:

- Open Sales Orders
- Open Orders by Item
- Back Orders if applicable
- Sales Order Recap as this report may be purged based upon setup options

All of the Sales/Customer Sales reports located on the Reports Menu are not purged during period/year end processing if the set up option to Retain Sales History is activated.

3. Sales Order Year End processing performs the following tasks:

- Sales Order Recap report may be purged (based on the setup options)
- Removes master and repeating orders from the open sales order file that have expiration dates on or prior to the year-end date.
- Advances current period in Sales Order Setup Options to the next period

## Inventory Management

Inventory Management has the capability to post to one accounting period beyond the current period. Be sure to close Inventory Management before the end of the one future period; otherwise your reports and data could be skewed.

The Inventory year-end process should occur immediately after Purchase Order and

# General Module Closing For Sage MAS 90 And 200

Sales Order year-end processing and before Accounts Receivable year-end processing.

1. Before closing Inventory for the year, be certain that:

- All adjustments have been entered and registers updated.
- Current Inventory date agrees with period-end date.
- A backup of Inventory files has been made.

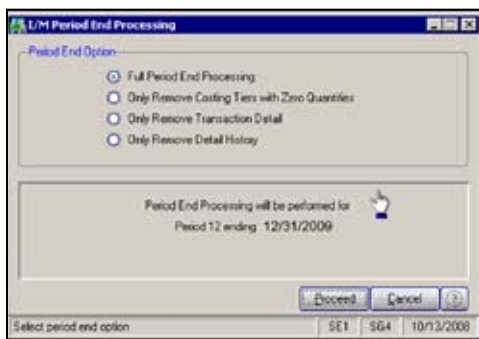
2. From the Reports Menu the following reports should be created and retained:

- Inventory Trial Balance (should tie to the inventory accounts on the G/L Trial Balance for the same period).
- Stock Status (quantities reflect day printed).
- Inventory Valuation report is an as of date which means it may not tie to the General Ledger for the month you are closing (due to future postings).
- Inventory Negative Tier Adjustment (from Period-End Menu). Be certain to update this report.

Note: Any negative tiers should be resolved before closing if possible.

3. The Inventory Full Period End and Year End Processing performs the following tasks:

- Calculates beginning average cost (by item by warehouse) and average on-hand quantity.



- Resets PTD and YTD quantity sold and issued, quantity returned, dollars sold,

and cost of goods sold for each item.

- Moves current year information to prior year fields in the Inventory Item Warehouse Detail file.
- Removes any zero quantity costing tiers for LIFO, FIFO, Lot, or Serial items (if applicable).
- Transaction History may be purged (based in setup options).
- Inventory Sales, Receipt, and Issue History Reports maybe cleared (based on if retaining sales history for the item).
- Clears all Monthly Reports.
- Future postings are moved to the current period.
- Advances current period in Inventory Setup Options to next period and year.

To perform year-end processing, select the option Full Period End Processing. This ensures that the ending period is the last period of your year.

## Payroll

The Payroll module is based on a calendar year. There is no future period in Payroll. You cannot post a payroll with a check date in a future quarter until the current quarter is closed by selecting Quarter and Year End Processing from the Period End menu. Before proceeding with year-end processing, make sure the Quarterly Governmental Report, Quarterly 941 Form, and employee W-2 Forms have been printed. Consider creating a company to archive your 2009 information (see page 2) and review year-end update information (see page 3).

1. Before closing the Payroll module for the year, be certain that:

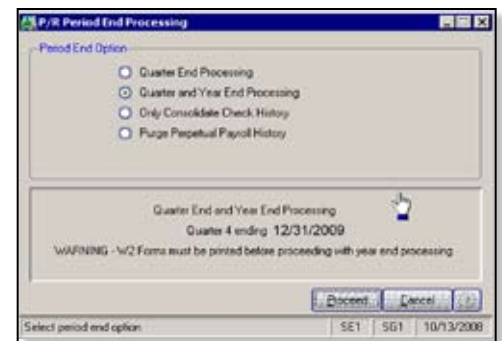
- All payroll cycles have been entered and updated for the quarter.
- All checks written during the quarter (including manual) have been entered and updated.
- Payroll System Date is set to the last day

of the calendar year.

- Proper year tax tables are installed (2009 for 2009 Year-End Processing).
- W-2s are printed and verified.
- Electronic Reporting files, if applicable, are processed and created.
- A backup of the payroll files has been made. Check and double-check the backup.

2. The following reports should be created and retained:

- Quarterly Tax
- Payroll Check History
- Quarterly Pay Period Recap
- Earnings
- Deductions
- Quarterly Governmental
- Quarterly 941 Form
- Benefit Accrual
- Workers' Compensation



3. Be certain to reconcile QTD and YTD totals on all reports.

4. Payroll Period-End Processing performs the following housekeeping tasks:

- Resets the QTD and YTD employee fields to zero.
- Increments the current year to the next year.
- Changes the current quarter from 4 to 1.
- Resets employee benefit limits according to Payroll Options Setup.
- Resets Pension Plan, Cafeteria Plan Deduction, Allocated Tips, Fringe Benefits, Non-Qualified Plan, and

# General Module Closing For Sage MAS 90 And 200

- Dependent Care Benefits fields to zero.
- Sets all quarterly/yearly reports to zero.
- Removes check history
- Perpetual History maybe cleared (based on setup option)
- Purges terminated employees.
- Purges standard deductions that have met goals.

Note: Once you have completed year-end processing for Payroll, be certain to install the Q1 2010 TTU (tax table update) for 2010 before the first payroll run of the year.

## Accounts Receivable

### Updated to Business Framework in Version 4.1

Accounts Receivable for version 4.1 and up has the capability to retain information that may normally be purged in version 4.0 and below. The information below is for version 4.1 and higher. Invoices may be entered with a date of the new year without adverse consequence.

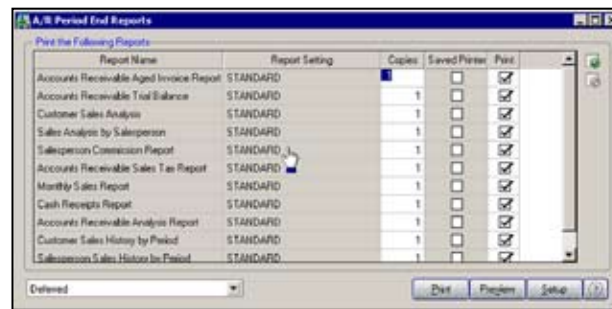
1. Before closing the Accounts Receivable module for the year, be certain that:

- All invoices and cash receipts have been entered and updated.
- Finance charges have been run and updated (if applicable).
- Customer statements have been printed (if applicable).
- The Accounts Receivable System Date is set to the last day of your fiscal year.
- A backup of the Accounts Receivable files has been made.
- Any AP from AR Clearing has been processed.

2. From the Reports Menu the following reports should be created and retained:

- Aged Invoice
- Trial Balance (this amount should agree and be reconciled to the General Ledger account before completing year-end processing)
- Cash Receipt Report
- Salesperson Commission

- Sales Tax
- Monthly Sales Report
- All Customer Sales and Salesperson reports located on the Reports Menu are not purged during period/year end processing if the set up option to Retain Customer History and Salesperson History is activated.
- Accounts Receivable Analysis



3. The Accounts Receivable Full Period and Year End Processing performs the following tasks:

- All PTD and YTD fields in the Customer Masterfile are reset to the next period/year. (may view closed information based on setup options).
- Temporary Customers and invoices with a zero balance invoices may be removed from the Accounts Receivable Open Invoice file (based on setup options).
- Clears Monthly Sales Reports
- Cash Receipts and Salesperson History may be cleared (based on setup options).
- Sets current fiscal year to next sequential year and the current period changes to 1.

## Accounts Payable

### Updated to Business Framework in Version 4.2

Accounts Payable for version 4.2 and up has the capability to retain information that may normally be purged in version 4.1 and below. The information below is for version 4.2 and higher.

Invoices may be entered with a date of the new year without adverse consequence. You don't need to print 1099 forms before proceeding with the Accounts Payable year-end processing because Sage MAS 90 and 200 has a separate 1099 calendar year in Accounts Payable options.

Note: Please check with us for instructions if your 1099 information is not correct before

proceeding with year-end closing.

1. Before closing the Accounts Payable module for the year, be certain that:

- All invoices have been recorded in both the Accounts Payable and Purchase Order modules.
- All checks are printed

and updated.

- All manual checks written during the month have been entered.
- The current Accounts Payable date agrees with the period-end date.
- Accounts Payable files are backed up.
- AP from AR clearing has been processed.
- 1099 data for the calendar year is verified.

2. From the Reports Menu the following reports should be created and retained:

- Aged Invoice
- Trial Balance (this amount should agree and be reconciled to the General Ledger account before completing period-end processing)
- Monthly Purchase



# General Module Closing For Sage MAS 90 And 200

- Accounts Payable Analysis
- 1099 printing to paper (verification only)
- All Vendor purchase history reports located on the Reports Menu are not purged during period/year end processing if the set up option to Retain Vendor History is activated.

3. Year-end processing takes place automatically when period-end processing is performed for the last period of the fiscal year. The Accounts Payable Full Period End and Year End Processing performs the following tasks:

- All PTD and YTD fields in the Vendor Masterfile are reset to the next period/year. (may view closed period and year information based on setup options).
- Temporary Vendors and invoices, with a zero balance. may be removed (based on setup options).
- Clears Monthly Purchase Report.
- Sets current fiscal year to next sequential year and the current period changes to 1.

## General Ledger

### Updated to Business Framework in Version 4.0

Sage MAS 90 or 200 allows you to post to unlimited future periods/years; however, you can only print accurate financial statements for one future year.

1. Before closing General Ledger for the year, be certain that:

- The current General Ledger date agrees with year-end date.
- Balance Sheet is in balance.
- Budget revisions are entered through Budget Revision Entry, and the Budget Revision Register is run.
- All activity and adjustments in modules integrated with General Ledger are complete in the year to be closed.
- Recurring Journals have been printed and updated.
- Allocations have been posted if necessary and the Allocation Journal has been

updated.

- General Journal adjustments have been entered.

Note: The General Ledger Worksheet is a useful tool in determining which adjustments to make.

- Daily Transaction Register is printed and updated.
  - A backup of the General Ledger files has been made. This is even more important for General Ledger than the other modules. Do not neglect this step. Label and store the backup for safekeeping.
  - A second backup has been performed. Label and store the backup for safekeeping, once year-end processing is completed.
2. From the Period End Report Selection menu confirm the list of reports you wish to print during year-end processing. The reports you select here will print automatically during year-end processing if you check the Print Period End Reports box on the Period End Processing window. At a minimum, the following reports should be created and retained:

- General Ledger Detail (the reports for periods 01–12 should be printed and retained)
- Trial Balance
- Standard Financial Statements
- General Ledger Analysis
- General Ledger Worksheet
- Balance Sheet

3. Year-end processing takes place automatically when period-end processing is performed for the last period of the fiscal year. Year-end processing performs the following tasks:

- Sets current fiscal year to next sequential year and the current period changes to 1.
- Clears all income and expense account



balances and posts net profit to the Retained Earnings account.

- Creates next year's budget based on your setup options in the Auto Budget feature in General Ledger Options. Note: Options determine how you create next year's Current Budget. The options are: copy this year's Actual or do nothing to next year's Current Budget.
- Transaction history may be purged based on how you have set the Number of Years to Retain General Ledger History setting in the General Ledger Options. It is advisable to retain at least seven years of history.
- To perform period-end processing, select the option Period-End Processing from the General Ledger period-end menu, ensuring that the period number displayed is your final period of the year.

Please call us if you have any questions or concerns regarding year-end processing—we would be happy to assist you. ✨



## IN THE SPOTLIGHT: The Applianz System Can Save On Upgrade Costs

**H**as your organization been holding off on upgrading your Sage MAS 90 ERP software, because of the cost of the hardware and operating system upgrades you would need? If so, read on to learn about the Applianz System, a cost-effective platform for your mission-critical business management software.

### Leverages Existing Systems

Many customers have older Windows 98, NT, or even Windows 95-based workstations. Because Sage discontinued support for these operating systems with Version 4.1, you may be looking at significant costs to upgrade your operating system or hardware. However, with the Applianz System you can continue to use your existing PCs and network to run the latest Sage business software without upgrading your hardware.

### How It Works

The Applianz System uses platform virtualization to provide you with three different types of sessions.

- The Server Session—This session type is a Windows 2003 server session—the server session is where company data and server software are installed. This session is what would traditionally be a dedicated server, but with Applianz technology it is all on one server.
- The Template Session—This session is used primarily during initial setup so you can configure a template from which you can clone all your individual workstation application sessions.
- Application Sessions—The application session is what is used to run the

workstation software.

All of the sessions exist on one Applianz server. These sessions can be run on any of your older workstations, so there is no need to upgrade them.

A user of the Applianz System connects using a thin client known as the Applianz Client. It securely connects the user to an already running application session, and displays the workstation software for your application. When processor-intensive operations are performed in the software, they use the processor of the Applianz System, instead of the user's PC. Only when the software on the application session changes the display is that visual change transferred to the Applianz Client software. Because only a small amount of visual display information is transferred from the Applianz System to the Applianz Client, it is possible to use the Applianz Client from any location outside your network. The only requirement is that you configure your firewall or router to allow the Applianz Client to make the connection to your Applianz System.

### Remote Access

The savings in upgrade costs alone may be enough for you to seriously consider the Applianz solution, but it comes with other significant benefits. It provides you with one-click remote access from any location, such as a regional or home office, without the complexity and expense of VPNs or other remote access software. You have easy access to support when you authorize us to log on remotely to perform any required maintenance or modifications, or to review a procedural question.

### Automatic Backup

Applianz also backs up your system automatically every night, removing the necessity of in-house backups. The backup is stored off-site, so should your business ever be disrupted by fire or natural disaster, Applianz can restore you to a new system in hours.

Applianz is a Sage Endorsed Solution. Please give us a call if you would like more information. ★

## Contact Information

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