



End of Year Instructions and QuickBooks Checklist

The End of Year closeout process is to be conducted by the county bookkeeper and CES in order to verify ending balances and preparing for creation of the new year's budget. A checklist will be provided and steps should be followed in order to maintain consistency among all counties across the state. Please be advised that the closeout process should be completed no later than **February 10, 2023**.

You are allowed to continue entering transactions into QuickBooks for the new year before the books are closed. Any transactions that are entered after January 1st that are to be in the prior year's books need to be entered as December 31st in the register so that they will be included in the prior year.

Those counties who need to archive their file need to contact the QuickBooks Administrator in December to plan for the execution and creation of a new file in early January. Those who do not contact and plan for this will not be allowed to archive and will have to wait until the following year. Please read up on archiving and the effects of archiving your file beforehand!

Steps to follow for closing out the year:

1. Consult with CES on any knowledge of questions or potential changes that need to take place with current year transactions.
2. Record and deposit **all** receipts and credit card transactions for the current year
 - a. Deposit money from "undeposited funds account" if appropriate
 - b. One can verify if any exist by going to lists, chart of accounts, and viewing 1499 – undeposited funds account
3. Record **all** interest and bank charges for **all** bank accounts including savings, cd's, money market, etc.
4. Pay **all** bills and expenses that relate to the current calendar year.
5. Update your QuickBooks program by going to Help menu and clicking on Update program, and Update.
6. Go to Employee menu and scroll down to Update Payroll and click Update.
7. Complete **all** payroll checks and 1099 payee vendors for the month of December.
8. Go to Payroll center and view liability checks that need to be printed or click on customize liabilities and view payments due. Record them on a separate sheet of paper for reference. Then go and prepare tax forms for Federal 941, Missouri 941, Missouri Division of Employment Security, W-2, and any 1099's that need to be created. Make sure the form for each match the amounts recorded on the separate sheet of paper and intended for payments on the checks. If they match, then the checks can be printed along with the forms.
 - a. Dates on checks **must** be dated December 31 or earlier.
 - b. Photo copies of forms **must** be mailed and maintained in office for future reference.

- c. If payment is sent electronically, transactions still need to be recorded in the QuickBooks register. However, the print button needs to be unchecked so that checks are not printed.
9. Verify the Unclassified Report to have a zero balance on December 31st
 - a. If a balance exists, review transactions in the report for those that should be classed
 - b. Basically payroll and liabilities are usually what shows in this report.
10. Review the Customer Center and the Vendor Center to determine whether or not there are balances in accounts that need to be collected or paid on.
11. Pull a Funds Class Balance Report as of December 31st and review class balances to determine end of year balances that you wish to maintain. If transfers of dollars need to be done between classes, you should consult with CES, and council for approval.
 - a. For those classes that need to have a zero balance, the transfer must be done before closing. In most cases, this can be done in the general journal entry window.
12. CES or council officer must review and approve the Reconciliation Report. See monthly Safeguarding Cash procedure guide under checklist tab in the online accounting manual.
13. Reconcile the following reports and registers:
 - a. Funds Class Balance Report should match Balance Sheet as of December 31st
 - b. Balance sheet accounts should match bank statements as of December 31st
 - c. The Unclassified Report should be zero on December 31st
 - d. 9000 liability **account** registers should be zero on December 31st. See Chart of Account listing for a quick view of register balances.
 - e. Clean up any outstanding transactions that are out of the ordinary such as old uncleared transactions in reconciliation window, uncleared print options in the print forms window, etc.
 - i. For transactions needing removed from reconciliation window, it may require a reversing entry. See voiding transactions guide for prior year transactions.
 - ii. For transactions needing to be cleaned up in print option windows, one may need to go to that specific transaction and uncheck the print box.
14. Printing and filing of Year End Reports – cash basis
 - a. All necessary monthly reports required by your county extension council
 - b. Annual Revenue and Expense Summary, separated by class
 - c. Balance Sheet
 - d. Funds Class Balance
 - e. Missing Checks report (this will show all the checks prepared and if there is a gap or duplicate, it will be indicated with an asterick)
 - f. Voided / Deleted Transaction Summary Report
 - g. Ledger reports of all funds for the full year
 - h. Payroll Summary reports for all employees
 - i. Budget vs Actual for the year
 - j. All tax forms and signed by council:
 - i. Quarterly Federal 941
 - ii. Quarterly Mo941
 - iii. Quarterly Missouri unemployment
 - iv. W-2

- v. W-3 Federal and Missouri
 - vi. 1099's if applicable
 - vii. Filing instructions for the MO annual tax return state that along with the MO W-3, W-2 and any 1099-Rs, include "a list of the total amount of income tax withheld as shown on the W-2". I use the Employee State Taxes Detail report modified to show only MO withholding.
15. Update the Fixed Asset Inventory report
 16. Backup the QuickBooks data file on your jump stick or external drive
 17. **When all these steps have been completed**, notify the QuickBooks Administrator that you are ready to close.
 18. Print, have CES and council sign, and scan the Annual Rev and Expense signature form and the annual check list for closing. Send via email to the QuickBooks administrator and **name the file**: X county 20xx annual rev and exp signature
X county 20xx annual checklist
 19. Print, have CES and council sign and scan the budget signature form and send via email to the QuickBooks administrator and **name the file**: x county 20xx budget signature

