

Year-End Checklist

This is a checklist to guide you through many of the required steps for performing your *End-of-Year Processes*. This includes preparing for and running the Year-End Batch Processing, processing the required IRS Forms, and closing the General Ledger.

IMPORTANT: Perform each of these tasks in the order presented.

Note: Notations in parentheses such as (G/L > System Tasks > Accounting Period) are paths to the information / functions in CAMS-ii.

Before You Begin the Year-End Batch Processing

Perform these tasks **BEFORE** you begin Year-End Batch Processing:

| Number | Task | Finished ? |
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| 1. | Ensure that the CAMS-ii year-end software release has been installed. The CAMS-ii system does not allow Year-End Batch Processing to occur unless the year-end release has been installed. | |
| 2. | Perform any/all over-the-counter member transactions that must be done for the current year. | |
| 3. | Perform a Quarterly Transactions Validation. (Back Office > Standard > Reports > Transactions – Quarterly) | |
| 4. | View and Correct any out-of-balance accounts associated with the quarterly transactions validation. Go to the CAMS-ii Help (CAMS-ii FAQs > Teller/Member FAQs > Shares Out of Balance) for help with correcting out-of-balance situations. | |
| 5. | Perform a History Transactions Validation. (Back Office > Standard > Reports > Transactions – History) | |
| 6. | View and Correct any out-of-balance accounts associated with the history transactions validation. | |
| 7. | Perform a Social Security Number validation. (Back Office > Standard > Reports > SSN Validation) | |
| 8. | Maintain Dividend Rates <ul style="list-style-type: none"> • Review/Change dividend rates as applicable for all dividend rate tables. (Back Office > Standard > Parameters > Dividends Rates Maint.) • Process and review dividend estimation reports. Confirm calculations. (Back Office > Standard > Reports > Dividend Estimation) • Finalize/Confirm dividend rates as applicable for all dividend rate tables. (Back Office > Standard > Parameters > Dividends Rates Maint.) | |
| 9. | Ensure that club accounts are setup for dividend calculations, as applicable. (Back Office > Standard > Parameters > Dividends Rates Maint.) | |
| 10. | Check the member statement message(s). (Back Office > Standard > Parameters > Message Narratives > Statement–Regular) | |

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| <p>11.</p> | <p>Ensure that the various parameters for IRS Forms 1098, 1099, 5498, etc. are correct:</p> <ul style="list-style-type: none"> • In Control - Master Parameters (Back Office > Standard > Parameters > Control – Master): check/change/confirm the: <ul style="list-style-type: none"> + Employers Identification Number (that is, Federal ID Number) + Minimum dollar reporting amounts for 1099 + IRS Transmitter Code • In Control – Loans Parameters (Back Office > Standard > Parameters > Control –Loans) check/change/confirm the: <ul style="list-style-type: none"> + Minimum dollar reporting amounts for 1098 • In Account Type/Rates Maintenance (Back Office > Standard > Parameters > Account Type Maintenance): <ul style="list-style-type: none"> + Ensure that all loans account types requiring 1098s are set up as requiring 1098s by selecting the 1098 Needed check box. | |
| <p>12.</p> | <p>For customers using Linux: Make sure that you have moved the History Backup created during the end of month processing in November before performing year-end batch processing. Use backup media labeled “History” labelling it “Prior to year-end batch processing.”</p> <p>For customers using Microsoft Windows: Perform a History Backup in the month of December, using backup media labeled “History” and label it “Prior to year-end batch processing.”</p> <p>IMPORTANT: Do NOT perform the year-end batch processing until you have a good history backup that was created in December.</p> | |

Scheduling the Year-End Batch Processing

The Year-End Batch Processing is simply another period-end processing similar to a month-end or a quarter-end batch processing. The Year-End Batch Processing is an extension of the tasks that you would normally perform during a quarter-end batch processing.

Credit Unions that DO NOT use CAMS-ii AutoBatch

Use these instructions if your credit union is NOT setup for using CAMS-ii AutoBatch.

IMPORTANT:

1. If your system is NOT set up for CAMS-ii AutoBatch, you must schedule and process the year-end batch processing with the computer dated on your credit union's last BUSINESS day of the calendar year. The day you are setting up your year-end batch processing schedule is the CURRENT DATE.
2. If your system is NOT set up for CAMS-ii AutoBatch, when you are setting up your year-end batch processing schedule, the Next Day Processing Date must be the first BUSINESS day of the new calendar year for your credit union.
3. Once the year-end batch processing has completed, you **must not** enter any over-the-counter member transactions for the preceding year.

| Number | Task | Finished ? |
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| 1. | Ensure that you have completed all of the items listed in the <i>Before You Begin the Year-End Batch Processing</i> section. | |
| 2. | <p><i>For credit unions NOT using CAMS-ii AutoBatch, schedule the Year-End Batch Processing in CAMS:</i></p> <ul style="list-style-type: none"> • Print and review the Year-End Batch Processing job log for the following: • Ensure that the CURRENT DATE is set to your credit union's LAST BUSINESS DAY of the calendar year that is ending. • Ensure that the NEXT DAY PROCESSING DATE is set to your credit union's FIRST BUSINESS DAY of the upcoming calendar year. • Ensure that you have scheduled all the normal reports/jobs that your credit union typically does at a month-end and/or quarter-end. • Ensure that the appropriate dividend tables are set to calculate and/or post. • Ensure that all of the IRS forms (1098, 1099, 5498, etc.) are set to process as they apply to your credit union. • Start the Year-End Batch Processing (see the Note below). <p>This includes a before-batch backup:</p> <ul style="list-style-type: none"> • Use the backup media labeled December and label it "Prior to batch." <p>This includes a post-batch backup:</p> <ul style="list-style-type: none"> • For credit unions that use zip cartridges for backups, use a different backup zip cartridge labeled December and label it "After batch." • For credit unions that use CD-RW, continue to use the December CD-RW. • • Note: If your credit union uses either a Linux or AIX CAMS server, each of these systems allow you to defer or delay the starting of the batch processing. We strongly recommend that you do not use the defer or delay option with your year-end batch processing. Instruct the batch processing to start now to ensure that all processing completes prior to the computer clock advancing to the new calendar year. | |

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| 3. | <p>Ensure that the year-end batch processing completed from start to finish. View and/or print the various reports from the Document Retrieval Manager -- dividend calculations and postings, account recap totals, general ledger summary totals, and so forth.</p> <p>IMPORTANT: THIS IS THE TIME TO DISCOVER IF THERE ARE ANY PROBLEMS. DO NOT WAIT! IT IS YOUR RESPONSIBILITY TO ENSURE THAT ALL OF THE YEAR-END PROCESSES FUNCTIONED CORRECTLY.</p> | |
| 4. | <p>Ensure that you have the History backup, the prior-to-batch backup media, and the after batch backup media properly labeled and safeguarded.</p> | |

Credit Unions that DO use CAMS-ii AutoBatch

Use these instructions if your credit union is setup for using CAMS-ii AutoBatch.

IMPORTANT: Do NOT place any backup media in the CD-RW or DVD-ROM drive. You will retrieve the backup data from the hard drive on the CAMS-ii server.

| Number | Task |
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| 1. | Ensure that you have completed all of the items listed in the <i>Before You Begin the Year-End Batch Processing</i> section. |
| 2. | <ul style="list-style-type: none">Go to Batch Calendar (Back Office > Standard > Batch Calendar) and ensure that the processing type for December 31st is set to Year End. |
| 3. | Ensure that all of the IRS forms (1098, 1099, 5498, etc.) are set to process as they apply to your credit union. |
| 4. | Ensure that the year-end batch processing completed from start to finish. View and/or print the various reports from the Document Retrieval Manager -- dividend calculations and postings, account recap totals, general ledger summary totals, and so forth. IMPORTANT: THIS IS THE TIME TO DISCOVER IF THERE ARE ANY PROBLEMS. DO NOT WAIT! IT IS YOUR RESPONSIBILITY TO ENSURE THAT ALL OF THE YEAR-END PROCESSES FUNCTIONED CORRECTLY. |
| 5. | Ensure that you have the History backup media properly labeled and safeguarded. |
| 6. | Retrieve the End-of-Year backup file from the hard drive on the CAMS-ii Server. Go to the Standalone and Batch Backups menu in CAMS to move the backup files. |

Closing the General Ledger

You are *not required* to complete the year-end processing in the CAMS-ii General Ledger System before starting any member activity for the new calendar year. We strongly recommend, however, that you close the General Ledger during January or February of the new calendar year.

| Number | Task | Finished ? |
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| 1. | Process and print a set of pre-closing financial statements for the preceding year. Ensure that the financial statements are in balance. (G/L > Reports > Profit/Loss and Balance) | |
| 2. | If the pre-closing financial statements are not in balance, take corrective action before you continue with the following items. | |
| 3. | <p>General Ledger Closing Entries: all closing entries should be dated December 31st of the year that is being closed.</p> <ul style="list-style-type: none"> • Income: Using the Total Income from the in balance pre-closing financial statements for the period (quarterly, semi-annual, or annual) that you are about to close, make manual General Journal transaction entries to: <u>Debit</u> – Income Closing Account (typically account # 1000-000) <u>Credit</u> – Undivided Earnings (typically account # 9400-000) • Expenses: Using the Total Expenses from the in-balance pre-closing financial statements for the period (quarterly, semi-annual, or annual) that you are about to close, make manual General Journal transaction entries to: <u>Debit</u> – Undivided Earnings (typically account # 9400-000) <u>Credit</u> – Expense Closing Account (typically account # 2000-000) • (Optional) Transfer to Reserves: If the Credit Union shows a net profit/gain for the period that you have closed, at the discretion of, and according to, the credit union's policies, you can transfer a percentage of this net profit/gain to your RESERVES account, using the percentage applicable for the credit union. Make manual General Journal transaction entries to: <u>Debit</u> – Undivided Earnings (typically account # 9400-000) <u>Credit</u> – Reserves Account (typically account # 9310-000) • Post YTD Transactions: Once you have completed the closing General Journal transaction entries, post these transactions to the Year-to-Date Transactions file. (G/L > Posting > Post General Journals) | |
| 4. | Ensure that the Accounting Period is set to December of the year that is being closed. (G/L > System Tasks > Accounting Period) | |
| 5. | Process and view (printing is optional) a General Ledger Trial Balance and ensure that the General Ledger is in balance: the total debits and credit must equal. (G/L > Reports > Trial Balance) | |
| 6. | Process and print a set of post-closing financial statements for the year that is being closed. Ensure that the financial statements are in balance. (G/L > Reports > Profit/Loss and Balance) | |

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| 7. | <p>Perform the Year-End Clear Balance Brought Forward. (G/L > System Tasks > Yearly Clear and BBF)</p> <p>This process:</p> <ul style="list-style-type: none"> • Creates a previous year transactions file. • Creates a new year-to-date transactions file. • Creates a <i>Balance Brought Forward</i> transaction in the year-to-date transaction file for each balance sheet account. • Zeroes/Clears each income/expense account. • Advances the calendar year for each of the accounting periods. | |
| 8. | <p>Verify that the Accounting Periods have been changed to the current year. (G/L > System Tasks > Accounting Period)</p> | |