Connect Accounts Payable
Switching from Cash to Accrual – 2021

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# Caselle Connect Accounts Payable Switching from Cash to Accrual – 2021

Welcome back!

Please download the latest Cash to Accrual Checklist from our website. Follow the steps below. The Cash to Accrual Checklist is a list of tasks that need to be completed at the end of the year. These tasks will help you switch from cash to accrual. The checklist can be downloaded and loaded using the instructions in the following section.

Download the Cash to Accrual Steps Checklist

To download the 2021 Cash to Accrual Steps Checklist, follow these steps:

1. Click here to visit out year-end website.
2. On the right side of the screen, there is a section title **Steps Checklist**. Right-click on **Cash to Accrual**.
3. Select **Save target as…**
4. Save the file to a location on your computer or network.
5. If the **Download compete** screen appears, click **Close**.
6. Open the **Connect** program.
7. Move your mouse's arrow to the **Checklist** on the right side of the screen so that it slides out.
8. Click the **Manage Checklists** button (clipboard with a checkmark).
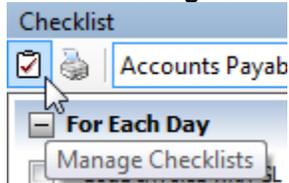
9. Click the **Import a Checklist** button (yellow folder with an arrow going into the folder).
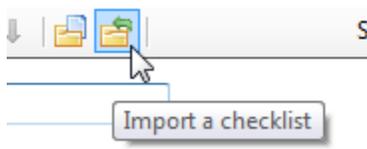
10. Navigate to the "AP Fiscal YE Checklist.xml**"** file saved in step 4 above. Click **Open**.
11. Click on the new checklist that was imported on the left of the screen. You may have to scroll to the bottom.
    *Note: If there was a cash to accrual checklist that was imported in years past, the new checklist may be named with a number after it (e.g. **Accounts Payable Fiscal YE 1**)
12. Click on the **Add the selected checklist to my view** list button (lines on a white paper with a green plus sign).
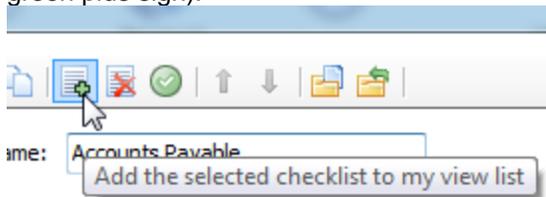
13. Click **OK**.

The Checklist should now be listed in the drop-down.
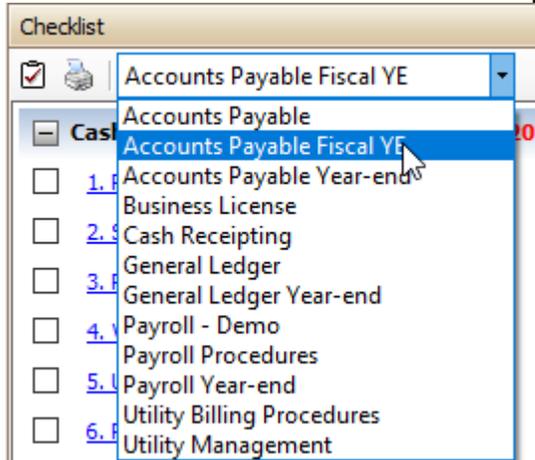
Printing the Checklist.

To print the Accounts Payable Year-End Checklist, follow these steps:

1. Login to Connect.
2. Move your arrow over **Checklist** on the right.
3. Click the **Printer** button.
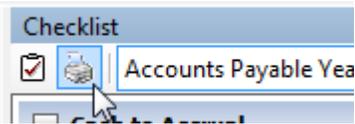
4. Select the **Accounts Payable Year-end** checklist from the list.
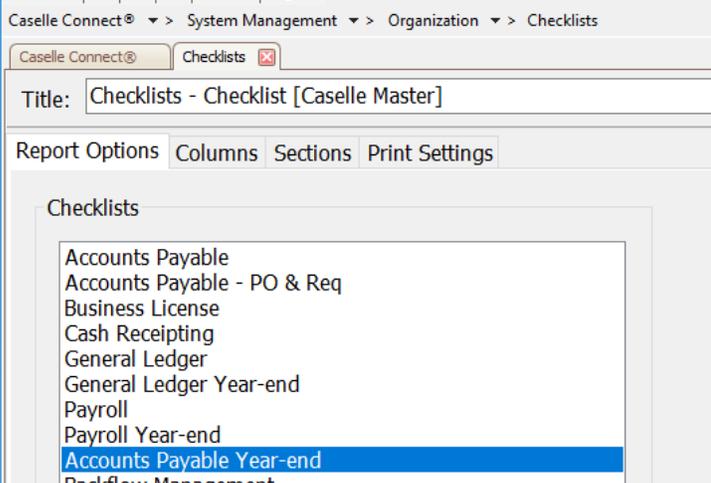
5. Click the **Printer** button on the toolbar.

Need more help?

If you need more help, please contact **Civic Customer Service** at **(888) 241-1517**. Our hours are 7:00 A.M. to 5:00 P.M., M-F, CST.

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Let's get started...

Perform Program Maintenance

Install Program Updates

Make sure that the latest Connect release has been downloaded and installed before you complete the year end procedures.

You should be running release **2021.11.84** or later. If you're not sure what release you are running, login to Connect and look in the upper left corner. If the release number is lower than **2021.11.84**, you should download this version before proceeding.

Cash to Accrual

This step is done as a part of you fiscal year end.

As a part of you fiscal year end, many of you will want to record accounts payable transactions on an accrual basis rather than a cash basis after the fiscal year-end. This will eliminate the need to make adjusting journal entries to record prior year payables.

If you are currently on a cash basis, all accounts payable transactions post to the General Ledger based upon the check date. After year-end, you may not want this to occur. You will want invoices being paid in the current fiscal year for services rendered or goods received in the prior fiscal year recorded as expenditures in the prior fiscal year. This is called the accrual basis of accounting.

Please note that if Payroll sends transmittal invoices to Accounts Payable, both modules must be set to the same basis. If you change Accounts Payable to Accrual you must also change Payroll to accrual.

Step 1: Print Unpaid Invoice Report

Print Unpaid Invoice Report...

1. Open **Connect Accounts Payable > Reports > Unpaid Invoice Report**.

2. Print or print preview the report.

3. Review the report for any unpaid invoices.

4. If invoices appear on the report, continue to the next step. If no invoices appear on the report, skip to step 6.

Step 2: Select Invoices for Payment – if required

If unpaid invoices appear on the report in the preceding step, it is required that you pay all invoices before changing to the accrual basis.

1. Open **Connect Accounts Payable > Invoices & Payments > Select Invoices for Payment**.

2. Change settings as needed.

3. Select invoices for payment and press the **GO** button.

4. Click **Yes**.

Step 3: Print Checks – if required

If unpaid invoices appear on the report in the preceding step, it is required that you pay all invoices before changing to the accrual basis.

1. Open **Connect Accounts Payable > Invoices & Payments > Checks**.

2. Specify the appropriate beginning check number and print the checks.

Step 4: Reprint Unpaid Invoice Report

Reprint the unpaid invoice report to verify that no unpaid invoices exist in the system.

1. Open **Connect Accounts Payable > Reports > Unpaid Invoice Report**.

2. Print or print preview the report.

3. Review the report for any unpaid invoices. If unpaid invoices exist, repeat steps 2 – 4 from the Checklist.

Step 5: Update General Ledger

Update the General Ledger for the checks printed in Step 4.

1. Open **Connect Accounts Payable > Organization > Update General Ledger**.

2. Verify the **GL posting period**.

3. Click **GO**.

Step 6: Run Checkout

Run Checkout to help you discover any errors that need to be corrected before you continue.

1. Open **Connect Accounts Payable > Organization > Checkout**.

2. Check the **Verify that all transactions have been updated to the General Ledger through** check box. Make sure 12/YY is selected in the drop-down field.

3. Click **GO** (CTRL+G).

If errors exist and you need help figuring out how to correct them, please call support

Step 7: Change Accounting Basis from Cash to Accrual

This step will change the Accounts Payable to post invoices and checks on an accrual basis.

1. Open **Connect Accounts Payable > Organization > Organization**.

2. Click on the *Interfaces* tab.

3. Change the **Update Method** from **Cash** to **Accrual**. This change should be done after the last check run in the prior fiscal year and before the first group of invoices are entered in the new fiscal year.

The field **Use invoice date to set GL Period** will become active. Check this field if you want the system to determine the invoice's posting accounting period based upon the invoice date (**See Step 8 of Entering Invoices**). **Important Note:** Marking this check box will assign each invoice a GL posting period based on the invoice date. For example, if you receive an invoice in January 2022 with an invoice date of November 11, 2021, the system will assign a November 2021 posting period (period 11/21).

WE RECOMMEND that the **Use invoice date to set GL Period** field be left **unchecked**. The user will then have control over the period to which the invoice is charged when entering invoices.

Step 8: Enter Invoices to the appropriate periods

When entering invoices, you will want to make sure you specify the correct accounting period to charge the invoices being entered.

If the **Use invoice date to set GL Period** is checked in the previous step (**not recommended**), the **GL Posting Period** in **Invoice Entry** will automatically populate based on the entered invoice date. You may edit this field once it is populated.

If the **Use invoice date to set GL Period** is not checked in the previous step (**recommended**), you have control over the period to which the invoice is charged. As you enter invoices

1. Open **Connect Accounts Payable > Invoices & Payments > Enter Invoices**.

2. Select the appropriate **GL period** from the drop-down box for the invoices being entered.

    GL period: 12/21 (12/31/2021) ∨

We suggest that you separate invoices between prior fiscal year invoices and current fiscal year invoices. Specify the **GL Posting Period** the invoices should be recorded upon starting a new invoice batch. This will be the default GL period for invoices entered for that batch. When you have completed entry of the prior year invoices change the **GL Posting Period** at the applicable invoice.

Step 9: Update the General Ledger

When updating the General Ledger, do not forget to update applicable periods. You may find yourself updating several accounting periods in the prior fiscal year and in the current fiscal year. For example, if you entered an invoice to be posted to the prior fiscal year (assume 12/31 fiscal year-end), updating January will only update the check to the General Ledger and not the invoice. December will also need to be updated to post the invoice to the appropriate expense account in the prior fiscal year.

You can continue to leave the system on an accrual basis as long as you find the need to post invoices to the prior fiscal year.

1. Open **Connect Accounts Payable > Organization > Update General Ledger**.

2. Verify the **GL posting period**.

    GL posting period: 12/21 (12/31/2021)   ∨
    ☑ Post invoices: AP   ∨

3. Click **GO**.

4. Repeat steps 1 – 3 above for all GL periods needing to be updated.

Other Fiscal Year-end Steps

There are some additional steps that can be performed at your fiscal year-end. Please follow these steps, if you choose.

Step 1: Print Vendor History Report

Print a Vendor History for ALL vendors desired (Optional).

1. Open **Connect Accounts Payable > Reports > Vendor History.**

2. Change the dates to correspond with the proper calendar year.

3. Change the **Selection Criteria** to include those vendors you wish to include in the report if other than ALL. To select certain vendors, follow these steps:
    a. Double-click on the Value section for "[**Report].Vendor Number**".

Step 2: Delete History (optional)

To delete history, follow these steps. This step is optional. This routine will delete invoices, checks, PO's, and requisitions that are paid/closed prior to the number of years of history shown and set in **Organization**.

1. Open **Connect Accounts Payable > Organization > Delete History**.

2. Click the **GO** button on the tool bar.

Close | GO | 💾 🔄 | ❓ ❓

Caselle Connect® ▾ > Accounts Payable ▾ > Organization ▾ > Delete History

| Caselle Connect® | Delete History ❌ |

⚠️ Follow these steps when deleting history:
1. Make a current backup
2. Print the Aging Report
3. Print the Purchase Order Report for open purchase orders
4. Print the Unpaid Invoice Report
5. Run Delete History
6. Reprint the Aging Report
7. Reprint the Purchase Order Report for open purchase orders
8. Reprint the Unpaid Invoice Report

Delete records dated on or before: 12/31/2014 📅

Vendor numbers: All

Values...

Accrual Back to Cash

Once you are done charging invoices back to the prior fiscal year, you may want to change the system back to the cash basis until next year. To do that, follow these steps:

Step 1: Change Accounting Basis back to Cash

When all invoices have been recorded for the prior fiscal year and you wish to return to a cash basis, follow these steps.

1. Open **Connect Accounts Payable > Organization > Organization**.

2. Click on the *Interfaces* tab.

3. Change the **Update Method** from **Accrual** to **Cash**.

Congratulations!

You have completed the Accounts Payable Year-end Closing!