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# Sage Intacct: Best Practices-Month End Close and Reconciling

December 19, 2023



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# Learning Objectives

- *At the end of the session, you will be able to:*
  - *Recall how to utilize the Checklists feature in Sage Intacct to assign tasks to be completed and organize an efficient close*
  - *Identify how to wrap-up subledger and GL reconciliations*
  - *Review bank reconciliation best practices*





# Checklists to efficiently complete a month-end close



# The Close Process

- The close process consists of processing transactions, journal entries and financial statements at the end of each fiscal month/period
- Common tasks associated with the close process include:
  - Close the AP/AR subledgers
  - Reconcile subledgers to the General Ledger
  - Bank and Credit Card Reconciliations
  - Create adjusting and/or period end journal entries
  - Close the General Ledger
  - Verify results by running:
    - Trial Balance
    - Balance Sheet
    - Profit & Loss



# Checklists to assist with Closes

- Checklists are used to track business activity
- For example: month-end/year-end close checklist
  - Create the Checklist
  - Assign tasks to users and set restraints so certain tasks must be completed before others
- Import csv checklists
  - Checklist and assignments
  - Dependencies within assignments
  - Collaborate on assignments and checklists
- Build custom view on dashboard to see what is done
- Access through the Company application



# Reconciliation Pitfall Checklist

- Quantify the difference between the two reports
- Pinpoint the period in which the differences first surfaced
- Check for transactions posted directly to AP/AR account
- Pre-reversal: may be corrected by matching the reversal date with the transaction date
- Post Reversals: depends, but may require engineering assistance (costly)

<b>GENERAL LEDGER</b>					
<b>Accounts Payable</b>					
Feb. 15	General journal	1,400	Feb. 1	Balance	26,025
28	?	?	5	General journal	265
			11	General journal	550
			28	Purchases	13,400
			Feb. 28	Balance	10,500
<b>ACCOUNTS PAYABLE LEDGER</b>					
<b>Benton</b>			<b>Parks</b>		
	Feb. 28	Bal. 4,600		Feb. 28	Bal. ?
<b>Dooley</b>					
	Feb. 28	Bal. 2,300			





# Subledger Reconciliations





# Sub-ledger Reconciliation Steps

- Account Payable and Accounts Receivable
  - Run General Ledger/Trial Balance through a specific date
    - Create Memorized General Ledger report with the AP/AR account already set
  - Run AP/AR ledger reports month to date
  - Close Intacct AP/AR module

***AP/AR GL account balance = AP/AR sub ledger balance***

***Vendor/Customer aging = AP/AR sub ledger balance***



# Reconciliation Steps

## AP/AR GL account balance $\neq$ AP/AR sub ledger balance

- Goal is to find point where reports last balanced

**Worst Case:** the two balances never agreed

- Confirm which balance is correct
- Adjust beginning balance entry or review open AP/AR activity

**Alternatively:** balances agreed at one point

- Run the general ledger report in detail to uncover transaction(s) causing difference
- Quantify the difference





# Bank Reconciliation



# Bank and Credit Card Feeds

- Eliminate manual matching of bank transactions with Intacct transactions and speed up your month-end/year-end process by enabling Bank Feeds (*note: you will need to confirm if your bank is accepted*)
  - Your bank not available? Let Intacct know so they can add your bank to their list
  - In the meantime, utilize the CSV import template to streamline your bank reconciliations
- Access bank transactions from checking/savings/credit card setup screens
- Users must have permissions to bank transactions (Ignore and Manual Match)
- Continuous improvements being made every release to streamline the use of Bank and Credit Card Feeds



# Bank Transaction Rules

If using CSV or Bank feeds you will need to setup either Matching Rules and/or Create Rules in order to utilize Auto-match  
Streamlines the transaction matching within Intacct, eliminating the need for manual reconciliation or manual transaction entry

Rules and Rule Sets:

- Rule is what logically makes the match or creates the transaction

- Rule set is the container of those rules

- Rule sets allow you to specify the order and associate bank accounts or credit card accounts

- May want all checking accounts to have the same rule set, or rule sets can vary per bank account

- Each account can have 1 rule set



# Bank Transaction Rules

- Rule sets should progress from specific to general in order to prevent unintended matches
- Rule sets are not shared between bank and credit card accounts
- Rerunning a Rule set will not cause manually matched transactions to be auto-matched
- Rules or Rule Sets once used can be put to inactive but cannot be deleted

**Rule Set**

Rule set Accounts

Details

ID \*

Name \*

Status   
 Active

Account type \*   
 Bank

Rules

Items selected: 0

	<input type="checkbox"/>	Rule ID	Rule name	Status
		<input type="text"/>	<input type="text"/>	<input type="text"/>



# Creation Rules

- Missing transactions in Intacct? Create them during the Bank Reconciliation using a Create Rule
  - Journal Entries
  - Credit Card Transactions
- Or manually during reconciliation
  - Deposits: create other receipts from deposits
  - Journal entries: create journal entries to record deposits/withdrawals
  - Checks: manual payments from withdrawals

**Rule Set**

Rule set Accounts

Details

ID \*

Name \*

Status

Account type \*

Bank

Credit card

Rules

Items selected: 0

	Rule ID	Rule name	Status
<input type="checkbox"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>



# DEMO







# Common causes and situations to avoid



# Reconciliation Trouble

## **Common Causes (Problem): Not Comparing apples to apples**

- If using AP/AR alternatives, all accounts will be included in aging reports by default
- Be sure all AP/AR accounts are included in the GL report when comparing to the aging reports

## **Common Causes (Solution):**

- Create memorized GL report to ensure consistency
- Memorize the settings in the report to include:
  - General ledger alternative accounts
  - Report Periods



# Reconciliation Trouble

## **Common Causes (Problem): Not Comparing apples to apples**

- General ledger reports based on GL posting date
- AP/AR aging reports can be run based on:
  - Bill/Invoice Date
  - Due Date
  - GL Posting Date

## **Common Causes (Solution):**

- Run aging reports/AP/AR ledger reports based on GL posting date



# Reconciliation Trouble

## Common Causes (Problem): Direct posting to AP/AR GL accounts

- No link on the date linking source doc to transaction
- All the other activity posted from APJ/ARJ and CDJ/CRJ
- Memo/description is uniform like other lines

## Common Causes (Solution):

- Disable posting to subledger accounts

Account number ⓘ
1110
Title
Accounts Receivable - Other
<a href="#">Setup account titles</a>
QuickStart Category ⓘ
Accounts Receivable
Account type
Balance Sheet Account
Normal balance
Debit
Period end closing type
Non-Closing Account
Close into account
--
GL account alternative
Receivables Account
Status
Active
<input checked="" type="checkbox"/> Disallow Direct Posting



# Reconciliation Trouble

## **Common Causes (Problem):** Situations that cause the GL to be out of balance

- AP: bill payment date prior to bill date
- AR: payment received prior to invoice date

## **Common Causes (Solution):**

- Set void date = date of the transaction (payment or receipt)
- Record new transaction using the correct date



# Reconciliation Trouble

## **Common Causes (Problem):** Payment reversed before the transaction date

- Example:
  - AP Bill entered in the future 04/01/2106
  - Payment date = 04/05/2015
  - Payment and invoice reversed on = 04/20/2016

## **Common Causes (Solution):**

- Transaction not yet reversed:
  - Set void date = date of the transaction (payment or receipt)
  - Record new transaction using the correct date
- Transaction reversed with a current date:
  - Will require Intacct engineering assistance



# Resources

- Sage University Training & Release Notes
- Intacct Customer Office Hours
- View and Subscribe to the CLA Intacct Blog

<https://blogs.claconnect.com/intacct/>

- Continue to join our monthly Sage Intacct Webinars

[2023 Sage Intacct Webinar Series : 2023 : Events : CLA \(CliftonLarsonAllen\) \(claconnect.com\)](https://blogs.claconnect.com/intacct/)



## Month-End Checklists in Sage Intacct

April 30, 2021 | by Kathy Jastrzebski

Is your month-end close process chaotic? While this may be part of your month-end ritual now, we've compiled a month-end checklist and paired it with Intacct's newly released (R1 2021) checklist functionality to help you and your accounting team transform month-end into a well-orchestrated operation. We'll walk through how to create a month-end close checklist in Sage Intacct. And, because new feature user adoption is always half the battle, we'll show you how to add it to a month-end dashboard for easy accessibility.

[Read More](#)



# *Thank you!*



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