



# *Avitar Associates of New England, Inc.*

*Municipal Services Company*

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## **Preparing for Year End Close**

The Avitar Tax Collect system has a hard fiscal year end close, which means that you cannot process work in the current fiscal year until the last fiscal year has been closed. When you close the fiscal year, the system captures the ending balances (outstanding invoices amounts by warrant) for that fiscal year and creates the beginning balances for the next fiscal year. The beginning and ending balances are extremely important as the ending balance of one year must match the beginning balances of the next year. If they do not, you must explain to the Department of Revenue (DRA) why they have changed. With this in mind, the system was designed not to allow changes in a closed fiscal year, hence the hard close.

You have two options for when you actually close your Fiscal Period (Utilities | Close Period):

1. Close on January 1st: You can choose to run all of your reports, balance for the year, and close the fiscal year on January 1st (or immediately thereafter such as, for example, the morning of January 2nd). This option allows you to then post payments for January and is recommended for those towns with a 2013P02 due date in January. However, be aware that once you close you will not be able to post payments with a payment date of December.
2. Leave your books open and close by January 10th: By law, you can leave your books open for ten days into the next fiscal year, in order to post any payments you receive for December. Keep in mind that you should only be processing payments during this time, not assigning credits or posting abatements. All other transactions should have been completed prior to year end. Note, this option will not allow you to post January payments until after you have closed your fiscal year.

It is up to you on which option you prefer, but remember that if you balance and run your reports on December 31st and subsequently post a payment or process any transaction (assign a credit, process an abatement, delete a transaction) you will need to rerun your reports. Note that if you do any work after December 31st and want it to be reflected on your Monthly Balance Report you will need to call Avitar in order to recapture the report before you close your Fiscal Period.

**The following reports are necessary for most audits:**

For the purposes of this document, we will use a calendar fiscal year (January to December). Therefore, all reports will be run from the beginning of January to the end of December. However, if your fiscal year is from July to June, you will need to run your reports accordingly.

MS-61

Collections Year to Date

Abatements

Deposit Summary

Supplements

Deleted Receipts

Inventory Penalties

Uncollected Interest

Deeded Property

NSF Check

Monthly Balance for each month (if you did not run them monthly)

Credits:

- All Credits | Filter Credits By Fiscal Year of Receipt and select your current years (ex: 2013)
- Unassigned Credits
- Credits Assigned to Payables by Assigned Date
- Credits Assigned to Receivables For Prior FY Receipts
- Credits Assigned to Interest and Penalties For Prior FY Receipts

Go to the Prior Year database and run the following report:

- Credits | Unassigned | By Fiscal Year of Receipt and from the drop down menu select the last fiscal year. For example, if you are balancing for 2013, you would select 2012.

Receivables | Group of Invoices:

- Listed by Warrant then Owner for Only Unpaid Receivables
- Listed by Owner then Warrant | Include Address for Only Unpaid Receivables

Lien Redemption Report from the date of last redemption thru December 31st

After running all of the above reports, you should balance the MS-61 (see The MS-61 Report for instructions). If the MS-61 is NOT in balance, you will not be allowed to close. You will need to find the error and correct it before proceeding.

**IMPORTANT:** After you have balanced for the year and right before you Close Period, do a backup of your current fiscal year. If the close process is interrupted and you need to restore the information, we will need a backup (see Backing Up Collect at the End of the Fiscal Year for instructions).

Once you have all reports printed and the MS-61 balanced, go to: Utilities | Close Period. You will be asked if you want to purge your paid items, we do not recommend purging at this time. If you purge your paid items, we will not be able to assist you in correcting prior year posting errors. Once the close is complete, run a clean Collections Year to Date and an MS-61 to verify your beginning balances for the new fiscal year match the ending balances from the prior fiscal year.