



NetSuite Implementation, Consulting, and Support



MONTH END CLOSE, BANK RECS & ALLOCATIONS

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AGENDA

- **Month End Close**
 - Why do it?
 - Checklist
 - Best Practices
- **Bank Reconciliations**
 - Why do it?
 - Import vs. manual
 - Best Practices
- **Allocations**
 - Statistical Ledger
 - Allocation Setup
 - Best Practices

MONTH END CLOSE

Month end close is a procedure to validate all of the accounting entries and close the period so that no more changes can be made to the books.

All balance sheet accounts are verified and income statement accounts reviewed.

It can take from two days to thirty. Try for 3 or 4!

Owners use the financial reports to make decisions and often to share with the bank or investors. Public companies post results so they can't be changed.

There are vendors with products that help (FloQast, Blackline and others)



MONTH END CLOSE

NetSuite provides a checklist to help you complete your month end. This will vary based on what modules and features you use:

Go to Setup>Accounting>Manage G/L>Manage Accounting Periods

Click on the Checklist icon 

Review the tasks in the order listed.

Status icons indicate whether each task is

completed



in progress



not started



To complete the task, go to the  icon for the task

MONTH END CLOSE TASKS

To start you lock all of the transactions (by Subsidiary in OneWorld accounts)

- Lock A/R
- Lock A/P
- Lock Payroll

Locking a period prevents anyone from making changes other than those with the Override Period Restrictions permission.

Then there are tasks dependent on your environment

- Inventory
- Custom G/L Lines Plug In
- One World automated adjustments for intercompany expenses
- Multiple Currencies
- One World intercompany eliminations
- Create Period End Journals
- G/L Audit Numbering

Once all of these are complete you can close!

RE-OPENING A CLOSED PERIOD

You must have the Override Period Restrictions permission to reopen a period

If your user role has the Period Closing Management permission and the Allow Quick Close of Accounting Periods preference is enabled, you can close one or more accounting periods with a single click. **WARNING:** this doesn't actually do any of the closing tasks.

You may have to redo checklist tasks for all later periods when re-opening a period.

You will need to enter a justification for re-opening a closed period.

If the **Allow Non-G/L Changes** box is checked on a period record, you can make changes to posting transactions that do not affect the general ledger. You must have the Setup permission **Allow Non G/L Changes** to make these changes.

Demo of Month End Close

QUESTIONS?

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BANK RECONCILIATIONS

The purpose of Bank and Credit Card reconciliations is to confirm that your general ledger has all of the activity that the bank or credit card has. If you reconcile with a difference, your books will be off by that amount forever (or at least until you fix it). These recs have to happen before the star of month end close.

Bottom line – reconcile every bank account and credit card every month with **NO DIFFERENCE**.

Reconciliation History

STATEMENT DATE	ACCOUNT	STATEMENT BALANCE	RECONCILED THIS STATEMENT	PREVIOUS RECONCILED BALANCE	DIFFERENCE
12/8/2016	Barclaycard Apple Rewards (9157)	2,835.60	2,874.68	0.00	(39.08)
12/8/2017	Barclaycard Apple Rewards (9157)	851.93	(1,983.67)	2,835.60	0.00
9/8/2018	Barclaycard Apple Rewards (9157)	606.47	(284.54)	851.93	39.08
12/31/2018	Barclaycard Apple Rewards (9157)	0.00	(606.47)	606.47	0.00
Total			0.00		



This example shows that we were off in 2016 but fixed it in 2018. Not ideal, but because the year was closed we couldn't go back and fix it.

BANK REC OPTIONS

There are two methods of reconciling accounts in NetSuite:

Manually

Transactions>Bank>Reconcile Bank Statement

Transactions>Bank> Reconcile Credit Card Statement

- Review the G/L transactions and manually clear those on statement
- Add any that are missing
- Reconcile account

Automated

Transactions>Bank> Reconcile Account Statement

- Import transactions
- Matching Rules run

Default Rules

ACT...	MATCHING RULE NAME
<input checked="" type="checkbox"/>	Match on Transaction Number and Amount
<input checked="" type="checkbox"/>	Match on Amount and Transaction Number without Prefixes and Leading Zeros
<input checked="" type="checkbox"/>	Match on Amount when Date is within 90 Previous Days

- Confirm Matches
- Reconcile account

MANUAL

Manually

Transactions>Bank>Reconcile Bank Statement

Transactions>Bank> Reconcile Credit Card Statement

- Review the G/L transactions and manually clear those on statement
- Add any that are missing
- Reconcile account

Tips

- Always have start date blank so that you catch any transactions that may have the wrong date on them.
- You can click on the Complete Later to hold the bank rec and finish it later. You can only hold one per account at a time.
- Sorting the columns helps it go faster.
- If you check some transactions as reconciled and then resort the pages, you will lose your work. Instead, click the Complete Later button, open it again and then re-sort.
- If you change the width of your screen window, you can get the amounts closer to the check boxes which makes it easier to read.

Reconcile Bank Statement More

[Save](#) [Cancel](#) [Reset](#) [Complete Later](#) [Refresh](#) [History](#) [Actions](#)

This is the original reconciliation page. To access the redesigned reconciliation feature, go to [Reconcile Account Statement](#).

ACCOUNT *
1000 Operating Account - US 1

CURRENCY
USD

SUBSIDIARY
US - West

STATEMENT DATE *
7/31/2019

START DATE

ENDING STATEMENT BALANCE *
10,000.00

LAST RECONCILED BALANCE
0.00

RECONCILED THIS STATEMENT
0.00

DIFFERENCE
10,000.00

Deposits and Credits 0.00 • Checks and Payments 0.00 • New Charges 0.00 • New Deposits 0.00

[Mark All](#) [Unmark All](#) [Mark All Cleared to Reconcile](#)

RECONCILE	CLEARED	DATE *	TYPE	TRAN NO.	PAYOR	MEMO	P/N REF.	AMOUNT
<input type="checkbox"/>		9/30/2014	Payment	16	Bay Media Research			15,975.00
<input type="checkbox"/>		11/24/2014	Payment	17	Bay Media Research			8,480.00
<input type="checkbox"/>		11/30/2014	Payment	13	Jupiter Technology			4,332.00
<input type="checkbox"/>		1/20/2015	Payment	14	Jupiter Technology			5,800.00
<input type="checkbox"/>		5/12/2015	Payment	15	Jupiter Technology			5,800.00
<input type="checkbox"/>		6/14/2015	Payment	7	Jupiter Technology			5,800.00

AUTOMATED

To save time, you can import transactions and have them auto match. It makes the bank rec much easier.

Import your online banking data in one of these formats:

- .OFX

- .QFX

- BAI2-formatted .TXT

- CAMT.053.001.06-formatted .XML

- CSV (with provided template)

Confirm the matches that the system does.

Manually match or create all unmatched imported transactions.

Complete reconciliation.

ARE YOU RECONCILED WITH NO DIFFERENCES?

Compare Balance Sheet

- Change your reporting preference to see all reports by DATE
- Run a balance sheet as of the day of your reconciliation
- Compare to the total on the bottom of the rec. Should be the same.

If not, there is a Check box on the account that controls which method will be used. Uncheck this box to indicate you will reconcile the manual way.

Account
1000 Checking-103683071619

NUMBER *

NAME *

SUBACCOUNT OF

TYPE
☒ Bank
☐ INVENTORY

DESCRIPTION

NEXT CHECK NUMBER

☐ SUMMARY
☐ INACTIVE
☒ USE TO CONFIRM TRANSACTION MATCHES AND RECONCILE ACCOUNT STATEMENT PAGES

RESTRICT TO DEPARTMENT

RESTRICT TO CLASS

Review history (manual only)
Shows all recs and any differences

Reconcile Bank Statement

Reconciliation History

STATEMENT DATE	ACCOUNT	STATEMENT BALANCE	RECONCILED THIS STATEMENT	PREVIOUS RECONCILED BALANCE	DIFFERENCE
12/31/2015	PayPal	6,145.24	6,145.24	0.00	0.00
1/31/2016	PayPal	4,702.03	(1,443.21)	6,145.24	0.00
2/29/2016	PayPal	5,755.05	1,053.02	4,702.03	0.00
3/31/2016	PayPal	899.91	(4,855.14)	5,755.05	0.00
4/30/2016	PayPal	3,011.32	2,111.41	899.91	0.00
5/31/2016	PayPal	3,779.39	768.07	3,011.32	0.00
6/30/2016	PayPal	5,832.54	2,053.15	3,779.39	0.00
7/31/2016	PayPal	2,602.94	(3,229.60)	5,832.54	0.00
8/31/2016	PayPal	3,593.27	990.33	2,602.94	0.00
9/30/2016	PayPal	6,280.10	2,686.83	3,593.27	0.00
10/31/2016	PayPal	7,981.00	1,700.90	6,280.10	0.00
11/30/2016	PayPal	5,185.12	(2,795.88)	7,981.00	0.00

FEATURES AND BEST PRACTICES

The register on an account tells you when it was reconciled or if it's been cleared but not reconciled (on a HELD reconciliation). To get to the register, click on the NAME of the account in the account list.

3/23/2016	318	Cellhire	Yes	3/31/2016
Edit	Journal	6565 - Trips : Communications equipment/rental	DEBIT PURCHASE -VISA CELLHIRE USDdownload from usbank.com. CELLHIRE USA	

BEST PRACTICE: Save both the summary and detailed reconciliation reports as PDFs when you complete the reconciliation. This will help in case there are changes later.

Known issue: The 2018.2 release caused the imported transaction list to show up as “unreconciled”. In most cases, they ARE reconciled. The work-around is to use the filter for those transactions (on the left side of the screen) to show only those that are in the date range of the reconciliation you are doing.

Demo of both reconciliation methods.

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ALLOCATIONS

Allocations are used to properly allocate expenses to the proper Subsidiary/Department/Class/Project

The Advanced Financials module (extra licensing cost) includes a statistical ledger and advanced allocations.

Use Case:

I want to pay my rent from one account/subsidiary. At the end of the month, I would like to allocate this rent cost to the various subsidiaries and departments based on the head count in each.



ALLOCATIONS

High Level Steps to create the allocation:

- **Enable Features**
 - Setup>Company>Enable Features>Accounting>
 - Expense Allocation
 - Dynamic Allocation
 - Statistical Accounts
- **Setup Statistical Account**
- **Setup Statistical Schedule**
- **Setup Allocation**

CREATE THE STATISTICAL ACCOUNT

You can see your statistical accounts by changing the view on your COA

Chart of Accounts

View Statistica New

☐ SHOW INACTIVES

EDIT	INTERNAL ID	NUMBER	ACCOUNT
Edit	249	1233	Loans in \$
Edit	250	45678	Count of Loans
Edit	563	99999	Headcount

Add a new account – be sure to select all subs if you are doing intercompany allocations

Account

HC9999 Headcount

Save Cancel Reset | Actions

NUMBER *

NAME *

TYPE
Statistical

UNIT TYPE
Headcount

DEFAULT UNIT *

DESCRIPTION

☐ INACTIVE

RESTRICT TO DEPARTMENT

RESTRICT TO CLASS

RESTRICT TO LOCATION

SUBSIDIARIES *

HEADQUARTERS

HEADQUARTERS : AMERICAS

HEADQUARTERS : AMERICAS : Canada

HEADQUARTERS : AMERICAS : Canada : Elir

☒ INCLUDE CHILDREN

SHOW IN FIXED ASSETS MANAGEMENT

TIP: I couldn't seem to see the account in my list on the statistical schedule so I created a new account from there.

CREATE THE STATISTICAL SCHEDULE

A Statistical Schedule will populate the statistical account using a saved search. This is essential for proper allocations.

First set up an Employee Saved Search with the Department and Subsidiary Grouped:

Columns • Drill Down Fields •

Remove all Add Multiple

FIELD *	SUMMARY TYPE	FUNCTION
Name	Count	
Department	Group	
Subsidiary	Group	

Then set up a new Statistical Schedule by going to Transactions>Financial>Create Statistical Schedule

Statistical Schedule

Save Cancel Actions ▾

NAME *

Headcount

STATISTICAL ACCOUNT

HC9999 Headcount

ACCOUNT SUBSIDIARIES

US - West

EMEA

United Kingdom

Germany

UNIT TYPE

Headcount

UNIT OF MEASURE

Headcount

SAVED SEARCH *

Headcount Query

Validate

FREQUENCY

End of Period

TIME ZONE *

(GMT+01:00) Brussels,...hagen, Madrid, Paris

NEXT RUN *

1/31/2014

SUBSEQUENT RUN

CREATE THE ALLOCATION SCHEDULE

Transactions>Financial>Create Intercompany Allocation Schedule

Intercompany Allocation Schedule

Edit

Back

Create Journal Entries

Actions

Primary Information

NAME

Rent Allocation

SUBSEQUENT DATE

☐ INACTIVE

ALLOCATION MODE

Dynamic Allocation

FREQUENCY

End of Period

X REMIND FOREVER

NUMBER REMAINING

NEXT DATE

8/31/2019

Dynamic Allocation

WEIGHT SOURCE

HC9999 Headcount

UNIT TYPE

Headcount

UNIT OF MEASURE

Headcount

DATE BASIS

Year to Date

Source

Destination

History

SUBSIDIARY

US - West

CREDIT DEPARTMENT

- None -

INTERCOMPANY ACCOUNT

1800 Intercompany Clearing Account

CREDIT LOCATION

- None -

CREDIT ACCOUNT

- None -

CREDIT CLASS

- None -

CREDIT NAME

ACCOUNT	NAME	DEPARTMENT	LOCATION	CLASS
6142 Rent Expense	- Any -	- Unassigned -	- Unassigned -	- Unassigned -

Intercompany Allocation Schedule

Edit

Back

Create Journal Entries

Actions

Primary Information

NAME

Rent Allocation

SUBSEQUENT DATE

☐ INACTIVE

ALLOCATION MODE

Dynamic Allocation

FREQUENCY

End of Period

X REMIND FOREVER

NUMBER REMAINING

NEXT DATE

8/31/2019

Dynamic Allocation

WEIGHT SOURCE

HC9999 Headcount

UNIT TYPE

Headcount

UNIT OF MEASURE

Headcount

DATE BASIS

Year to Date

Source

Destination

History

SUBSIDIARY	ACCOUNT	INTERCOMPANY ACCOUNT	NAME	DEPARTMENT	LOCATION	CLASS	WEIGHT	BALANCE
AMERICAS	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			3	3.00 HC
US - East	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			1	1.00 HC
US - West	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			52	52.00 HC
Australia	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			0	0.00 HC
Singapore	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			1	1.00 HC
Germany	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			5	5.00 HC
Japan	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			0	0.00 HC
United Kingdom	6142 Rent Expense	1800 Intercompany Clearing Account	- Auto Populate -	- Auto Populate -			38	38.00 HC

For the Destination, enter all of the subs. Auto populate will populate the dept based on the headcount. Click on the Sample Weights to see if your allocation is working.

Select the Sub from which you pay the expense. Make sure the classifications match the payment. Better to do no classification so that you know what has been allocated

RUN ALLOCATION

Run the allocation and review the JEs that are created – TIP: Delete from here if needed

Allocation Detail

[Back](#) | [Actions](#) ▾

Primary Information

NAME	DATE
Rent Allocation	7/31/2019
CREATED FROM SCHEDULE	ALLOCATION MODE
Rent Allocation	Dynamic Allocation
POSTING PERIOD	
Jul 2019	

Dynamic Allocation

WEIGHT SOURCE	UNIT TYPE
HC9999 Headcount	Headcount
DATE BASIS	UNIT OF MEASURE
Year to Date	Headcount

Source	Destination									
SUBSIDIARY	ACCOUNT	INTERCOMPANY ACCOUNT	NAME	DEPARTMENT	LOCATION	CLASS	WEIGHT	BALANCE	JOURNAL	
AMERICAS	6142 Rent Expense	1800 Intercompany Clearing Account		Prof. Services			2	2.00 HC	676	
AMERICAS	6142 Rent Expense	1800 Intercompany Clearing Account		Administration			1	1.00 HC	676	
US - East	6142 Rent Expense	1800 Intercompany Clearing Account		Prof. Services			1	1.00 HC	677	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Engineering : Product Management			1	1.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Engineering : Quality Assurance			3	3.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Engineering			6	6.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Engineering : Development			4	4.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Customer Support			4	4.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Sales			12	12.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Prof. Services			14	14.00 HC	678	
US - West	6142 Rent Expense	1800 Intercompany Clearing Account		Administration			6	6.00 HC	678	

CPE KEYWORD 2

Tickets

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THANK YOU!

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