

**Monthly Closing**

**Standard Operating Procedure**

Last Updated 01/15/2017

This SOP refers to Administration Departments process for closing out the period each month. This procedure should be reviewed every month and the check list completed indicating that each step has been completed.

**Company Wide Month End**

1. Complete all receiving of merchandize………………………………………………..Warehouse
2. Invoice all supply orders that have been delivered ………………………..Customer Care
3. Complete all equipment billing for Sales……………………………………………..Admin Dept
4. Close all completed service calls and invoice………………………..…….……Service Admin
5. Invoice all base contract amounts……………………………………………….….Contract Billing
6. Invoice all usage that has not billed but can be estimated………….…..Contract Billing
7. Enter all accounts Payable invoices received……………………………….Accounts Payable
8. Made sure all physical inventories have been posted………………….Inventory Control
9. Complete all Bank Deposits/ACH postings…………………………….…Accounts Receivable
10. Enter all Misc AP transactions that would go to expense ………….…Accounts Payable

**Accounting Department: (make sure the last day of month is used as posting date)**

1. Run all reoccurring GL entries
   1. Reserve for bad Debt
   2. Usage billed for closing month but billed in current month is posted to correct revenue period. (Contract Billing Revenue)
2. Run AR aging report and reconcile with balance sheet. Ensure that amounts in the un-deposited GL match those transactions that have not yet it the bank account in “New Deposit” window.
3. Run AP aging report and reconcile with balance sheet.
4. Run Inventory valuation report and reconcile with balance sheet.
5. Run Purchase Order Receipt Trial Balance Report and reconcile with GL#2002
6. Reconcile all Cashbook accounts with statements from financial institutions.
7. Ensure Contract Accruals have run (e-agent task) – Check queue that all accruals have posted.
   1. Check that accrual amounts have posted to appropriate month.
   2. Run “Contract Deferred Revenue Reconciliation” report.
8. Run Fixed Asset Depreciation Task – Run “Fixed Asset” report and reconcile with balance sheet.

***\*save all reports and trial balances to “End of Month” file on I:Drive.***

* Once everything matches, close period.
* Period MUST be closed before Sales tax reports are run and amounts paid.