

Budgetary: Create Opening Adjustments

This process should only be performed when entries are created in the archive year (after end of year) and need to be brought forward into the new, current year. Do not process this step as part of the End of Year Process.

1.	Data Entry
2.	6. Encumbrances
3.	7. Update O/S Encumbrances
4.	8. Credit Memos
5.	9. Credit Memo Corrections
6.	A. Build Automatic Journals
7.	B. Build Incomplete Journals
8.	C. Create Opening Adjustments
	X. Return to Main

One of the benefits of using the TRIO Budgetary System is the system's ability to easily update the current fiscal year with activity done in the past fiscal year (e.g. Accounts Payable for invoices that come in after the End of Year, auditor's adjustments, etc.). This means that it is not necessary to wait for all activity to be done and posted in the past year before closing off balances. The totals for the fiscal year can be closed out and still accessed, while continuing to process new activity in the current year.

To Create Opening Adjustments:

1. Process activity in the past fiscal year as needed. The Create Opening Adjustments step can be run as many times as needed, so it is not necessary to complete all activity before running this step.
 - If doing Accounts Payable in the past fiscal year, the system requires an *EOY Accounts Payable* account to be set up under **M. File Maintenance > C. G/L Cntl/Stand Accounts**. To maintain an accurate end of year cash balance, the system will credit the *EOY Accounts Payable* account when doing an Accounts Payable Run, instead of the A/P Cash Account.
2. In the current fiscal year, select **1. Data Entry > C. Create Opening Adjustments**.
3. Click *Yes* on the warning that explains what this process does.
4. An Open File window will display, showing the contents of the drive that contains the TRIO Data Directory. From here, double-click on the folder that contains the information for the past fiscal year and then click *Open*. Note that the system already has the correct file name listed in the appropriate box.
 - The past fiscal year directory is typically named *TRIOBWXX*, where *XX* is the last two digits of the fiscal year that is archived. For example, the archive directory for the 2006 fiscal year would typically be called *TRIOBW06*.
5. The system will then prepare the necessary adjustments, depending on the entries done in the past year. A journal will be created for any adjustments that are needed.
 - If Accounts Payable was done in the past year, the system will actually create two journals – the first will contain the regular adjustment entries affecting the accounts, the second will debit the *EOY Accounts Payable* account and credit the Cash Account, which adjusts the Cash Account balance so that it correctly reflects the money paid out for the Accounts Payable Run.
 - This process will also bring forward any entries in Check Reconciliation that have been done after the Fiscal End of Year process was completed in the past fiscal year.
6. Before posting the journal, it is recommended that the adjustments are reviewed through **4. Printing > 8. Unposted Journal**.

Create Opening Adjustments *CONTINUED*

7. Assuming the adjustments in the journal are correct, the journal can be posted through **3. Posting**. Until the journal is posted, the system does not consider the adjustments done – running the process again before posting will create a journal with the same adjustments in it. If this happens, one of the journals can be deleted through **A. Delete an Unposted Journal**.

Notes on the Create Opening Adjustment Process:

- Entries in the Create Opening Adjustments journal will have an RCBF code of B – meaning that they will show as Beginning Balance Adjustments on reports. Make sure to show at least Beginning Balance Adjustments or Net Beginning Balance on Summary Reports to get an accurate Beginning Balance on accounts.
- Because Expense and Revenue accounts typically close out to Undesignated Fund Balance account during the End of Year process, entries in the past year against Expense or Revenue accounts will show as adjustments against Undesignated Fund Balance in the current year. Only General Ledger accounts will be updated by this process.
- The system will keep track of automatic adjustments that have been posted already in the current year. This allows for the running of this process as many times as needed. However, the system does not look at manual Beginning Balance Adjustments that may have been done in the current year. If Create Opening Adjustments is run, it will try to do the adjustments again, even if the current account balance is accurate.
- A similar routine is also available in the Budget Process. Select **7. Budget Process > E. Update Previous Year Info** to adjust the totals in the Budget Process so that they accurately reflect the totals in the past year directories. This process is very similar to the Create Opening Adjustments routine, except that it can actually be run for the past three years' worth of history and not just the last year.