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Year-End Planning for Sage 500

To Join the Audio: 1-408-638-0968
Passcode: 931 2017 0272

LeeAnn Segan, Jim Gilbertson,
Becky Keene, & Jennifer Pit
Solution Architects

Agenda

1. 1099 Filing – Process and Deadlines

2. Preparing for 2022 and Closing 2021

3. General Health Checks and Updates

4. RKL Web Tools and On-line Blogs

1099 Filing

1099 Changes for 2021

- Changes for 2021 MISC Only if you purchase fish for resale

- There are also a couple of new boxes on 1099-DIV
  - Sage updates - optional

- If you are on a supported version, then you are probably up to date
  - Supported versions: v2017 or later – Sage updates
  - Earlier versions – RKL developed updates for some customers
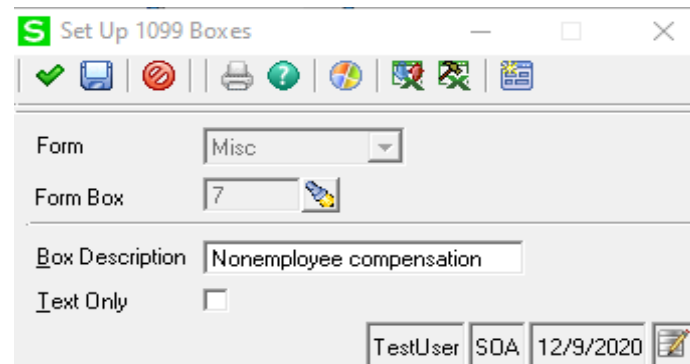 - If you are seeing 1099-NEC Box 1 in selections, you are good to go

1099 Changes – future?

- Just an aside – the IRS seems to be getting optimistic about minimal changes in the future.

Sage 2016 or Earlier - Unsupported

- Sage updates for 1099-NEC are for v2017 or later
  - MiscBox 7 is all you'll see for NEC

- But can we then print and e-file directly from Sage?
  - No – expect to use an on-line service
    - Plan to pull the information out of Sage into Excel and upload to one of the on-line services
    - Once in Excel, you can update Form/Box information there

Deadlines

- The IRS filing deadline for 1099-NEC Nonemployee Compensation – Vendor & IRS
  - January 31st, 2022 – but expect 3 days prior for the processing service you use
- IRS Deadline for Other 1099 forms, generally:
  - Paper: February 28th, 2022
  - Electronic: March 31st, 2022
- Penalties per form - $50 within 30 days, up to $550 for neglecting to file
- Extension forms – IRS Form 8809 Application for Extension…Information Returns
- Electronic filing via IRS FIRE (Filing Information Returns Electronically)
  - Required if 250+ returns of any one form (NEC, Misc, Int, or Div)
  - Use Aatrix, Intuit/QuickBooks, or another service
    - Sage 500 no longer creates the electronic file locally

Reviewing Vendor Payments

Processing 1099s in Sage 500

- Editing 1099 Payment Amounts
  - Edit voucher 1099 data (changed the vendor's 1099 status mid-year)
  - 1099 Beginning Balances (1099 payments were made outside of Sage 500)

- Standard Reports and Explorers are a good start, but:
  - Explore Vendors is missing Last Payment Date and useful 1099 type
  - Explore Vendor Payments does not have any 1099 data

- Email Support@RKLeSolutions.com for custom 1099 Explorers offered
  - Three-year Vendor Payment History
  - Vendors w/Missing 1099 Payments
  - Vendor List w/1099 Type & Last Payment Date

Vendor Credit Card Payments

- If 1099 processing has all become too cumbersome for you, Pay 1099 vendors by credit card
  - CC Payments are not reported by the Payer (you)
  - CC issuer reports on Form 1099-K *Payment Card and Third Party Network Transactions*

- Sage 500 v2019 – new pay vendor by credit card
  - Or talk to RKL Support about documentation of ways to have a credit card "payment type" attached to a "Bank Account"

On-line Services

- Track 1099 (by Avalara)
  - https://www.track1099.com/

- E-file My Forms
  - https://www.efilemyforms.com/

- 1099 On-Line. com
  - https://www.1099online.com/

- eFile for Biz
  - https://www.efile4biz.com/

- H & R Block
  - https://www.hrblock.com/tax-center/irs/forms/form-1099/

- Aatrix
  - https://www.aatrix.com/efile/1099/

Resources List

- RKL LLP – Form 1099 Changes for Tax Year 2020; Is Your Business Prepared?
  - https://www.rklcpa.com/form-1099-changes-for-tax-year-2020-is-your-business-prepared/
- Sage 500 – Aatrix 1099 Joint Page
  - https://partner.aatrix.com/sage500
- IRS –General 1099 NEC information
  - https://www.irs.gov/forms-pubs/about-form-1099-nec
- IRS – Order forms on-line
  - https://www.irs.gov/businesses/online-ordering-for-information-returns-and-employer-returns
- IRS – Electronic Filing – 162 page PDF
  - https://www.irs.gov/pub/irs-pdf/p1220.pdf

Preparing for 2022 and Closing 2021

GL Fiscal Calendars

- General Ledger > Maintenance > GL Setup > Set Up Fiscal Calendar
  - Check module options "closing or creating periods"
  - Check if 2022 is already there
  - How soon do you need this?

Module Periods, Locked?

- Do you want future periods to be locked until you choose to open them?
  - Defaulting either direction can be irritating if that's not the way you want it
  - Control is in each "Set Up Options" screen
  - Locks on PO: Receipt of Goods – from Inventory and Receipt of Invoice – from AP

Inventory Calendars

- Inventory Management > Maintenance

    > IM Setup > Setup IM Options > Miscellaneous   Inventory Calendar...

- It's not going to change existing numbers, but it still goes through unnecessary steps
  - Run if after hours
    - It it's slow, kill it. Call RKL – we'll do it in the table

sage 500 ERP

General Health Checks and Updates

Sage Fixed Assets (FAS)

- Plan on upgrading when new versions come out
  - If you are using tax books – any changes to IRS Depreciation rules are included
  - Even if you aren't using the tax books, upgrades are usually straight-forward, and any updates are one level at a time

- FAS v2022.0 has been released
  - The asset list now has optional totals on screen
  - The asset list export to Excel has been made more readable
  - The interface to the customization of the asset list has been improved
  - Disposals can be done any time in a period, before or after depreciation
  - The asset import tool performance has been enhanced by switching the exceptions report to HTML

Physical Inventory

- Do you have a plan?
  - Who, when? Do you need weekend coverage?

- Count documents
  - Count Cards (One per item/Bin) or Count Sheets
  - Excel – DataPorter

- Entering Counts
  - Show Counted, Uncounted, or Both and the Apply button
  - Set Uncounted to Zero
  - Timing Freeze – Count – Other Posting
  - Excel – DataPorter

Physical Inventory (cont'd)

- Reports
  - Missing Count Cards
  - Reconciliation Report
  - Discrepancy Report

- Explorers
  - Pending Physical Counts
    - At the bin/lot/serial level
  - *Let RKL know if you need a summarized of $ version*

Disaster Recovery Plan

- Basics of a Disaster Recovery Plan (DRP)
  - Update Emergency Contacts
  - Update Recovery Tasks Checklist including who
  - RKL's Infrastructure Team can work with you to design a DRP that's right for you
- SQL Considerations
  - Test (!) your backup/recovery procedures
  - Offsite Backup Media
  - SQL Install media and product keys
  - Passwords and encryption keys

! It's real – Ransomware is rampant !

Pruning (Hiding)

How can I safely reduce what data users have to dig through?

- Inactivate GL accounts

- Inactivate Customers

- Inactivate Vendors (check the Vendor Performance Report)

- Inactivate Items

- Explorers or assistance for last used

- DataPorter for updates

- Training users on filters

Pruning (Purging)

How can I safely reduce the 'footprint' of my database?

- Some things are safe to purge within 500 (Older Than **##** Months)
  - Purchase Order – POs, Receivers/Returns, Requisitions
  - Sales Order – SOs, Quotes, Shipments/Returns/RMAs, especially Pick Lists!
  - Manufacturing – Completed Work Orders
  - System Manager – Activity Log (Period End, Module Purge, Security Changes, Suspense Postings, etc.)

- Contact us for suggestions on:
  - Deleting Inactive Users in both **Maintain Users** and SQL
  - Deleting Demo or Inactive companies, changing color or removing from drop-downs
  - Pruning specific SQL tables (*tciDBActivityLog*, *tsoPickList*, *WRK* tables)

Menus and Security Groups

Menu Upgrade Utility

- Add new tasks to your 500 menus

- Fairly well hidden under the 500 Client folder's **Managed Applications** sub-directory

C:\Program Files (x86)\Sage Software\Sage MAS 500 Client\Managed Applications**Accounting.Framework.MenuUpgradeUtility.Exe**

Review current 500 users' roles and responsibilities

- Display versus normal access

- Multiple groups vs single default groups

- Available views for security reviews (talk to RKL Support)

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RKL Web Tools &
Online Blogs

Resources

- www.RKLeSolutions.com
  - Blogs
    - Functional and Technical
    - https://www.rklesolutions.com/blog/the-road-ahead-for-sage-500
  - Past Webinars and Recordings
  - Contact numbers

- Reach out directly to our support team for (non-project related) fast support
  - Better than direct emails in most instances
  - Support@RKLeSolutions.com

- Sage Support / Sage KB / Sage City
  - For supported versions (current, minus 3)
  - Must be on plan for Sage Support and Sage KB

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Do You Have Questions?

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Thank you and Happy Holidays!

Contact us for any pricing, compatibility and consulting needs of your business management solutions.

Sales@rklesolutions.com

717-735-9109