

How to Boost Customer Loyalty Using Sage MAS 90 Or 200

Customer loyalty is vital to the success of any business, and it's even more crucial in tough economic times.

Existing customers represent your company's most reliable sales opportunities. Here are a few ways you can use Sage MAS 90 and MAS 200 ERP to build customer loyalty.

Be Proactive

Never before has providing your customers the right products and services, at the right time, been more important. Take the time to analyze your existing customers' needs. Is there a new service or product available that they could benefit from? Are there accessories or related items that may be of interest to your customers? Make certain that you are promoting these items to your customer base. Contact your customers and make an appointment to demonstrate the new items, introduce a service, or at least mail or e-mail the brochure or feature sheet and follow up a week or two later. Sage MAS 90 and 200 store detailed product sales history by customer. Using this data, it is simple to identify and contact customers who have purchased a specific product or service from your company.

Do you sell consumable items? Analyze your customer buying patterns so you have an idea when they may need to reorder. Then set up reminders to contact these customers in advance to secure the order.



Reward Loyalty

Create incentives for your customers to buy from you—and only you. Offer quantity discounts, or a percentage off an order above a certain dollar amount, for example. Hold a special sale only for current customers to reward their loyalty. Sage MAS 90 and 200 support a wide variety of product and order discount structures to support your customer loyalty programs.

Focus On The Best

Do you know who your top customers are? It is important that you and your customer-facing employees have this information to ensure they remain your top customers. Set up a Business Insights Reporter view that shows you who your best customers are and another that shows monthly or quarterly sales to those customers. Consider using Business Alerts to notify you when a top customer

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hasn't placed an order in the last x-number of days. Make a point of contacting these customers and asking for the order, or determine why they are not reordering. By staying on top of this information and taking appropriate action, your customers will know you that you value their business—and are likely to remain loyal.

Strive For Excellence

Make it easy for your customers to tell you how your products or services could be improved. Soliciting this information can help you improve before you lose

your customer—and their future positive reference.

Send periodic surveys to your customers to find out how you could be serving them better. Several online survey tools are available, add a link to the survey to your invoices and statements you send by e-mail to your customers. Another option is to include a short satisfaction survey printed on a postage paid and self-addressed postcard with each shipment.

Be sure to follow up on the suggestions you receive and let your customers know you appreciate their feedback.

Invest In Your Employees

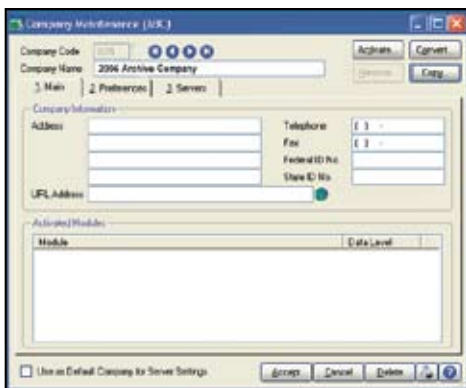
Remember that companies don't deliver great customer service, people do. Promote a company-wide culture of respect and courtesy from the top down. Treat your employees or co-workers with the same respect you expect them to show your customers. Ensure that your customer-facing employees are trained to deliver the kind of customer experience you want to be known for and empower them to make customer-satisfaction related decisions on the spot. ✧

Creating A New Company In Sage MAS 90 Is Easy As 1-2-3

It's a simple task to create a new Sage MAS 90 and 200 company and copy the data from an existing company into the new company. It is particularly useful at year end to establish an archive company for the year's data. This way you have a copy of the current year's data intact even after you perform year-end processing in your live company. This

is accomplished by selecting the Company Maintenance task from the Library Master module's Main Menu. First, create a new company code for the archive company. A suggestion is to include the last two digits of the year to be archived in the code, for example: A08 for the year 2008. Next, from this new company's Company Maintenance

screen, click on the Copy button and type in the Company Code of your current year's live company. You'll be presented with a list of the modules installed in that company and you can select which module or modules you wish to copy to your archive company. The steps below provide an overview of the process.



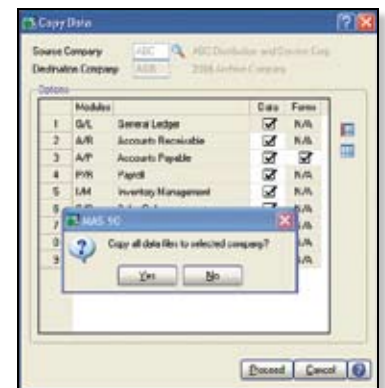
1. Set Up A New Company:

Create a new (archive) Company Code into which your 2008 data will be copied. Next, enter in the source company code (your current live company) to copy the data from.



2. Select Modules To Copy:

You may elect to include every module's data or selectively choose just the data you wish to copy. If your intention is to create a duplicate of the current year's company data, select all of your modules and copy to your new company code.



3. Confirm:

After you've confirmed your selection, answer *Yes* to the prompt to copy all selected data files to the archive company. It's that easy. ✧

What's New And What's Coming

Interim Release Disk And TTU

Each year, Sage Software releases an Interim Release Disk (IRD) for Sage MAS 90 and 200 containing the changes required for accurate tax filing. The Tax Table Update (TTU) for the first quarter of 2009, typically referred to as the year-end TTU, also will be available for download from Sage Software Online by mid-December.

Without an active ClientCare Plan, you will not receive the IRD or TTU. This could result in your company being non-compliant in its tax filing. Is your subscription current? To determine the status of your plan, give us a call.

Note—after 12/1/2008, year-end updates, including tax table updates, are not available for versions earlier than 4.0, unless you are on a special plan. Contact us immediately if you are running a 3.xx version of Sage MAS 90 ERP.

Updated Limits

The annual limit for Health Savings Plans for individuals for 2009 is \$3,000 and \$5,950 for families. The Social Security wage base is expected to be \$106,500 for 2009, up \$4,500 from 2008.

eFiling And Reporting Module

A new module in Sage MAS 90 and 200, Federal and State eFiling and Reporting, streamlines your tax reporting processes. Over 250 federal and state forms for Unemployment, Withholding, New Hire reports, W-2s, and W-3s are included to assist you with filing payroll tax information. You'll be able to automatically eFile W-2s and 1099s to the appropriate state and federal agencies, print and mail the forms to your employees, or choose to use the fee-based eFiling service.

When you use the electronic forms within Sage MAS 90 or 200, they will look very familiar, as they replicate the printed government

form that you receive in the mail, but on your screen they won't be blank—much of the information will already be populated in the appropriate fields for you by your system. Simply select the form, view and edit the information easily on your screen, and once you've verified it is the way you want it, the form is ready to print or eFile.

If you choose to print the forms and mail them yourself, you'll be able to utilize blank, perforated W-2 and 1099 forms, available for purchase from the Sage Software Forms Division, without having to align pre-printed forms. You also can go completely green by utilizing the eFiling Service, offered on a transaction-fee basis, to further streamline and simplify your tax reporting process.

Federal and State eFiling and Reporting functionality is included with Version 4.3, and works with your Payroll and Accounts Payable modules. There are no added costs to your maintenance or support plan. You only incur fees for the forms you choose to eFile.

Extended Enterprise Suite

The Sage MAS 90 and 200 Extended Enterprise Suite became available in 2008. It includes an embedded version of the SageCRM customer relationship management solution and many modules you may not currently have. Customers running Sage MAS 90 or 200 can pay a modest per-user fee to migrate to the Extended Enterprise Suite.

Paperless Office

Version 4.3 of Sage MAS 90 and 200 was released in June and includes Paperless Office. Paperless Office features provide users with document imaging and storage, e-mail, and e-fax capabilities. ✧

Module Closing Sequence

The order in which modules are closed is very important. Some modules maintain buckets of data by year (year-to-date, prior-year, etc.). These data receptacles are re-initialized during year-end processing. The period-end and year-end processes performed in one module often write data to another module, so to close the modules out of order may cause damage to your data.

Note: Before you begin any year-end closing procedures, ensure that you have a complete and verified back up of your data.

Modules should be processed or closed in the following order—after you back up your data:

- **Bill of Materials**
- **Work Order**
- **Bar Code**
- **Purchase Order**
- **Sales Order**
- **Inventory Management**
- **MRP**
- **TimeCard**
- **Electronic Reporting**
- **Payroll**
- **Accounts Receivable**
- **Accounts Payable**
- **Job Cost**
- **General Ledger**

If you are running modules not on this list, for example e-Business Manager, one or more Sage MAS 90 ERP Extended Solutions, or a third-party product, there may be special considerations involved in year-end closing. Give us a call and we will advise you on the best procedure for closing your year in Sage MAS 90 or Sage MAS 200 software. ✧

General Module Closing For Sage MAS 90 And 200

In this newsletter we provide general module closing procedures for the most common modules.

Note: Please be aware that procedures and processing may vary depending on the version of Sage MAS 90 or 200 that you are running. Use this document as a guide. If you are running older versions, some of the screens and processing procedures are different. Also note that significant improvements have been made to the modules released in the new framework, including GL, AP, AR, and SO. These improvements simplify year-end processing to a great degree. If you are not yet at Version 4.x, please give us a call to discuss the benefits of upgrading.

Purchase Order

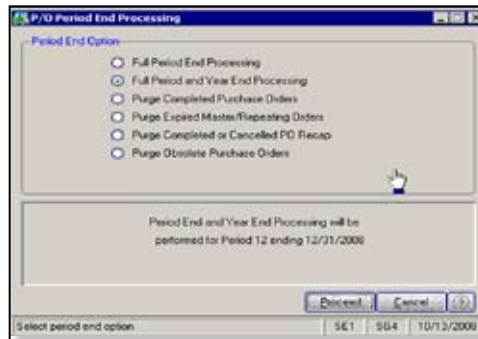
Ideally, Sage MAS 90 and 200 Purchase Order Year-End Processing should be performed before any transactions are updated for the new year. If that is not possible, remember that the future posting capability for Purchase Order is limited to one accounting period beyond the current period. Failure to close Purchase Order before the end of that one future period will cause the summarized totals for the current or future period to not match the transaction detail reports.

1. Before closing the Purchase Order module for the year, be certain that:

- All purchase orders for the prior year have been entered.
- All receipts, invoices, returns, and issues have been entered and updated.
- The current Purchase Order date agrees with the period-end date.
- A backup of Purchase Order files has been made.

2. From the Reports Menu the following reports should be printed and retained:

- Open Purchase Order
- Open Purchase Order by Item (optional)
- Cash Requirements (optional)



- Receipt History
 - Purchase History
 - Purchase Order Recap (optional)
3. The Purchase Order Full Period and Year-End Processing performs the following housekeeping tasks:

- Sets the PTD and YTD quantity and dollars purchased fields to zero.
- Removes completed purchase orders according to the number of days designated in the Purchase Order Setup options.
- Removes master and repeating orders that have expiration dates on or prior to the period-end date from the open purchase order file.
- Advances current period in Purchase Order Setup Options to the next period and year.

Sales Order

Sales Order Year-End Processing should be performed before any invoices are updated for the new year. If that is not possible, remember that for versions 4.0 and earlier the future posting capability for Sales Order is limited to one accounting period beyond the current period. Failure to close Sales Order before the end of that one future period will cause the summarized totals for the current or future period to not match the transaction detail reports. Sales orders may be entered with a date of the new year without adverse consequence.

1. Before closing the Sales Order module for the year, be certain that:

- All Sales Order invoices for the current year have been entered and updated.
- The current Sales Order date agrees with the period-end date.
- A backup of Sales Order data files has been made.

2. From the Reports Menu the following reports should be printed and retained:

- Open Sales Orders
- Open Orders By Item (optional)
- Back Order (if applicable)
- Customer Sales History (optional)
- Monthly Recap (optional)

3. The Sales Order Full Period and Year End Processing performs the following housekeeping tasks:

- Resets the PTD and YTD Sales, Cost of Goods Sold, and Quantity Sold fields in the daily and monthly Sales Recap files to zero.
- Resets the periods for current year, quantity shipped, dollars sold, and cost of goods sold; and moves current year Quantity Sold to Prior Year Quantity Sold in the Sales Order Customer Sales History file.
- Removes master and repeating orders from the open sales order file that have expiration dates on or prior to the period-end date.
- Advances current period in Sales Order Setup Options to the next period.

Inventory Management

Ideally, Inventory Year-End Processing should be performed before any transactions are updated for the new year. If that is not possible, remember that the future posting capability for Inventory Management is limited to one accounting period beyond the current period. Failure to close Inventory Management before the end of that one future period will cause the summarized totals for the current or future period to not match the transaction detail reports.

The Inventory year-end process should occur immediately after Purchase Order and

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Sales Order year-end processing and before Accounts Receivable year-end processing.

1. Before closing Inventory for the year, be certain that:

- All adjustments have been entered and registers updated.
- Current Inventory date agrees with period-end date.
- A backup of Inventory files has been made.

2. From the Reports Menu the following reports should be printed and retained:

- Inventory Trial Balance (should tie to the inventory accounts on the G/L Trial Balance for the same period)
- Stock Status (quantities reflect day printed)
- Inventory Valuation (should tie to G/L inventory account as of the day it's printed)
- Inventory Negative Tier Adjustment



(from Period-End Menu). Be certain to update this report

Note: Any negative tiers should be resolved before closing and making any new year entries.

3. The Inventory Full Period End and Year End Processing performs the following housekeeping tasks:

- Calculates beginning average cost (by item by warehouse) and average on-hand quantity.
- Resets PTD and YTD quantity sold and issued, quantity returned, dollars sold, and cost of goods sold.

- Moves current year information to prior year fields in the Inventory Item Warehouse Detail file.

- Removes any zero quantity costing tiers for LIFO, FIFO, Lot, or Serial items (if applicable).

- Advances current period in Inventory Setup Options to next period and year.

To perform year-end processing, select the option Full Period End Processing. This ensures that the ending period is the last period of your year.

Payroll

The Payroll module is based on a calendar year. There is no future period in Payroll. You cannot post a payroll in process with a check date in a future quarter until the current quarter is closed by selecting Quarter and Year End Processing from the Period End menu.

Before proceeding with year-end processing, make sure the Quarterly Governmental Report, Quarterly 941 Form, and employee W-2 Forms have been printed. Consider creating a company to archive your 2008 information (see page 2) and review year-end update information (see page 3).

1. Before closing the Payroll module for the year, be certain that:

- All payroll cycles have been entered and updated for the quarter.
- All checks written during the quarter (including manual) have been entered and updated.
- Payroll System Date is set to the last day of the calendar year.
- Proper year tax tables are installed (2008 for 2008 Year-End Processing).
- W-2s are printed and verified.
- Electronic Reporting files, if applicable, are processed and created.
- A backup of the payroll files has been made. Check and double-check the backup.

2. The following reports should be printed

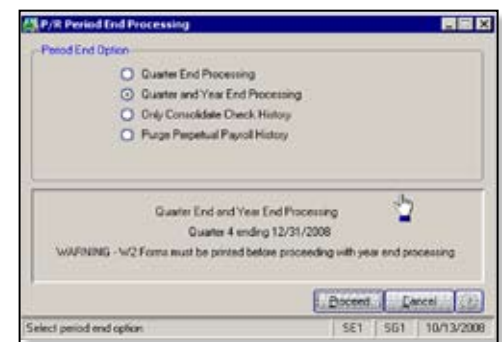
and retained:

- Quarterly Tax
- Payroll Check History
- Quarterly Pay Period Recap
- Earnings
- Deductions
- Quarterly Governmental
- Quarterly 941 Form
- Benefit Accrual
- Workers' Compensation

3. Be certain to reconcile QTD and YTD totals on all reports.

4. Payroll Period-End Processing performs the following housekeeping tasks:

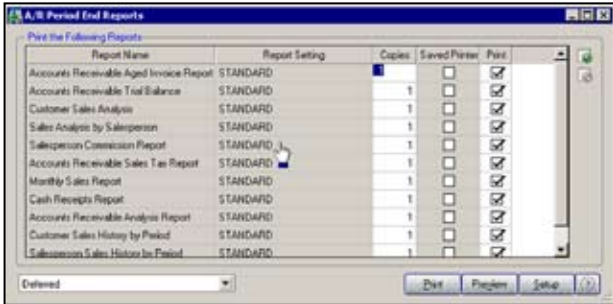
- Resets the QTD and YTD employee fields to zero.
- Increments the current year to the next year.
- Changes the current quarter from 4 to 1.
- Resets employee benefit limits according to Payroll Options Setup.
- Resets Pension Plan, Cafeteria Plan Deduction, Allocated Tips, Fringe Benefits, Non-Qualified Plan, and Dependent Care Benefits fields to zero.



- Sets all quarterly/yearly reports to zero.
- Removes check history and perpetual history depending upon your system settings.
- Purges terminated employees.
- Purges standard deductions that have met goals.

Note: Once you have completed year-end

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processing for Payroll, be certain to install the Q1 2009 TTU (tax table update) for 2009.

Accounts Receivable

Ideally, Accounts Receivable Year-End Processing should be performed before any transactions are updated for the new year. If that is not possible, remember that for versions 4.0 and earlier the future posting capability for Accounts Receivable is limited to one accounting period beyond the current period. Failure to close Accounts Receivable before the end of that one future period will cause the summarized totals for the current or future period to not match the transaction detail reports.

1. Before closing the Accounts Receivable module for the year, be certain that:

- All invoices and cash receipts have been entered and updated.
- Finance charges have been run and updated (if applicable).
- Customer statements have been printed (if applicable).
- The Accounts Receivable System Date is set to the last day of your fiscal year.
- A backup of the Accounts Receivable files has been made.
- Any AP from AR Clearing has been processed.

2. From the Reports Menu the following reports should be printed and retained:

- Aged Invoice
- Trial Balance (this amount should agree and be reconciled to the General Ledger

account before completing year-end processing)

- Customer Sales Analysis
- Cash Receipt Report
- Sales Analysis by Salesperson
- Salesperson Commission
- Sales Tax (if applicable, this report should be printed and cleared each month)

- Monthly Sales Analysis (optional)
 - Monthly Cash Receipts
 - Accounts Receivable Analysis
3. The Accounts Receivable Full Period and Year End Processing performs the following housekeeping tasks:

- Purges AR Monthly Cash Receipts file.
- All PTD and YTD fields in the Customer Masterfile are reset.
- Purges PTD and YTD COG in AR Analysis by Salesperson. Moves current year information to prior year. PTD and YTD sales, gross profit, and commission amounts are reset in AR Salesperson masterfile. YTD information is moved to the prior year field.
- Purges all temporary customers with zero balances.
- Purges paid invoices from the Open Invoice file and the Transaction/Payment history file according to the number of days to retain history in Accounts Receivable Setup Options. You may retain a maximum of 999 days of paid invoices.
- Sets current fiscal year to next sequential year and the current period changes to 1.

Accounts Payable

Ideally, Accounts Payable Year-End Processing should be performed before any transactions are updated for the new year. You don't need to

print 1099 forms before proceeding with the Accounts Payable year-end processing because Sage MAS 90 and 200 has a separate 1099 calendar year in Accounts Payable options.

Note: Please check with us for instructions if your 1099 information is not correct before proceeding with year-end closing.

1. Before closing the Accounts Payable module for the year, be certain that:

- All invoices have been recorded in both the Accounts Payable and Purchase Order modules.
- All checks are printed and updated.
- All manual checks written during the month have been entered.
- The current Accounts Payable date agrees with the period-end date.
- Accounts Payable files are backed up.
- AP from AR clearing has been processed.
- 1099 data for the calendar year is verified.

2. From the Reports Menu the following reports should be printed and retained:

- Aged Invoice
- Trial Balance (this amount should agree and be reconciled to the General Ledger account before completing period-end processing)
- Vendor Purchase Analysis
- Monthly Purchase
- Check History
- Accounts Payable Analysis
- 1099 printing to paper (verification only)

3. The Accounts Payable Full Period End and



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Year End Processing performs the following housekeeping tasks:

- Resets the PTD and YTD purchases, payments, and discounts fields in the vendor master file to zero. Moves current year information to prior year fields.
- Removes all temporary vendors, and any associated memos, with zero balances from the vendor master file.
- Purges paid invoices and check history according to the number of days to retain history in Accounts Payable Setup Options. You can maintain a maximum of 999 days of paid invoices and 99 months of check history.
- Sets current fiscal year to next sequential year and the current period changes to 1.

General Ledger

Sage MAS 90 or 200 allows you to post to unlimited future periods/years; however, you can only print accurate financial statements for one future year.

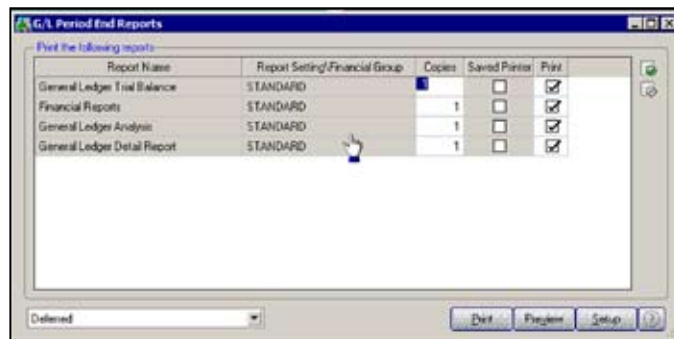
1. Before closing General Ledger for the year, be certain that:

- The current General Ledger date agrees with year-end date.
- Balance Sheet is in balance.
- Budget revisions are entered through Budget Revision Entry and Update the Budget Revision Register is run.
- All activity and adjustments in modules integrated with General Ledger are complete in the year to be closed.
- Recurring Journals have been printed and updated.
- Allocations have been posted if necessary and the Allocation Journal has been updated.
- General Journal adjustments have been entered.

Note: The General Ledger Worksheet is a useful tool in determining which adjustments to make.

- Daily Transaction Register is printed and updated.
- A backup of the General Ledger files has been made. This is even more important for General Ledger than the other modules. Do not neglect this step. Label and store the backup for safekeeping.
- A second backup has been performed. Label and store the backup for safekeeping, once year-end processing is completed.

2. From the Period End Report Selection



menu confirm the list of reports you wish to print during year-end processing. The reports you select here will print automatically during year-end processing if you check the Print Period End Reports box on the Period End Processing window. At a minimum, the following reports should be printed and retained:

- General Ledger Detail (the reports for periods 01–12 should be printed and retained)
- Trial Balance
- Standard Financial Statements
- General Ledger Analysis
- General Ledger Worksheet
- Balance Sheet

3. Full Period-End and Year-End Processing performs the following housekeeping tasks:

- Sets current fiscal year to next sequential year and the current period changes to 1.
- Clears all income and expense account balances and posts net profit to the Retained

Earnings account.

- Creates next year's budget based on your setup options in the Auto Budget feature in General Ledger Options. Note: Options determine how you create next year's Current Budget. The options are: create a Zero Budget, copy this year's Actual, copy this year's Current Budget, copy this year's Revised Budget, copy this year's Budget 3, or finally an option to do nothing to next year's Current Budget.

Transaction history may be purged depending on how you have set the Number of Years to Retain General Ledger History setting in the General Ledger Options. It is advisable to retain at least seven years of history.

To perform period-end processing, select the option Period-End Processing from the General Ledger period-end menu, ensuring that the period number displayed is your final period of the year.

Please call us if you have any questions or concerns regarding year-end processing—we would be happy to assist you. ✨

IN THE SPOTLIGHT: Fraud Prevention Tips

Research has shown that smaller businesses are often more vulnerable to fraud than their larger counterparts because they have fewer employees. With fewer employees, there is often less segregation of duties and fewer internal accounting and auditing controls. You can protect your company by making employee fraud prevention a priority. The following guidelines, assembled by Sage Software, are fundamental steps in creating a fraud prevention environment in your small business.

- **Implement An Automated Accounting Solution.** By using an accounting and operations software solution like Sage MAS 90, with its strong user security controls and clear audit trails, you can help mitigate fraud risk. User security ensures that employees only have access to the areas of the business within their specified responsibility, leaving them with less ability to cover up fraud schemes.
- **Understand Your Company's Specific Fraud Risks.** Conduct a thorough audit of your company's specific vulnerabilities in order to design and implement internal controls and fraud prevention programs to minimize your risk.
- **Conduct Employee Background Checks.** Verify educational and employment history, as well as references, to ensure there is no previous history with fraud or other illegal activity. When filling positions that will handle company assets, it is especially important to require a background check.
- **Control Your Bank Statements.** When reconciling bank statements, look out for missing checks, out of sequence check numbers, unknown payees, checks that appear to have been altered, checks not signed by authorized signatories, or any other unusual items. Consider using a Positive Pay service if your bank offers one. Perform timely bank account reconciliation.
- **Review Approved Vendor Listings.** Management should routinely check the list of approved vendors and look out for unknown vendors, vendors' names that are similar to other known vendors, vendors without a physical address or phone number, and a vendors' address that matches an employee's address. This can help fight schemes involving phony invoices.
- **Provide For Separation Of Functions.** It is always a good idea to separate financial tasks within an organization. When no single person has control of, for example, deposits, accounts payable, check printing, and bank reconciliation, you create a system of checks and balances that will discourage fraud.
- **Create A Fraud Policy.** Design, publish, and implement a fraud policy that sets forth expected employee conduct, what actions are prohibited, how fraud can be reported, and the consequences for noncompliance.
- **Train Your Employees In Fraud Prevention.** Employees serve as the eyes and ears of a company and by ensuring that your staff knows at least some basic fraud prevention techniques, you'll establish a first line of anti-fraud defense.

- **Conduct Routine And Unannounced Audits.** For high-risk areas of your business, including the finance and inventory-related tasks, perform both routine and surprise audits to look for vulnerabilities and possible fraudulent activities.

- **Make Vacations Mandatory.** Employees involved in fraud may avoid taking time off because they are afraid someone will discover their fraudulent activity.

There is no 100 percent solution for preventing fraud, but by taking action you can reduce your risk.

Give us a call to discuss your concerns. ✨

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