

Preface

Computer Accounting with Microsoft Dynamics GP 10.0, Second Edition, teaches you how to use Dynamics GP software (formerly called Great Plains). For more than 20 years, large and mid-sized businesses including sports teams, chain stores, franchise operations, law firms, medical clinics, manufacturers, and accounting firms have used Dynamics GP (**DGP**).

Dynamics GP 10.0 has the look and feel of Microsoft's popular Office Suite software. You will notice that DGP looks like Microsoft Outlook 2007 and that helps you navigate the software. This also means that DGP and Microsoft Office work together.

The software, Dynamics GP 10.0-Education, and a Student Data DVD are included with the textbook. See pages iii-x for software and student data installation.



Read Me

Install Dynamics GP 10.0-Education in the school's computer lab. This ensures software compatibility between the school and student's off-site installation

Dynamics GP 10.0-Education and Windows Vista was used to write the textbook. DGP can also be used with Windows XP. See pages iii-iv for system requirements.

Computer Accounting with Microsoft Dynamics GP 10.0, 2e, shows you how to use Dynamics GP software with service and merchandising businesses. When you complete this textbook, you have a working familiarity with Microsoft Dynamics GP 10.0.

TEXTBOOK WEB SITE: www.mhhe.com/dynamicsgp10

Additional resources that will enhance your study of Dynamics GP 10.0 are included on the textbook web site.

NEW TEXTBOOK ACTIVITIES

The goal of the second edition is to combine accounting information system content with hands-on use of Dynamics GP software. Every chapter includes SmartList searches, Internal Control Activities, and Sarbanes-Oxley reviews.

SmartList searches reinforce chapter work and contain data that easily exports to Excel or Word. Internal Control Activities include DGP's security features, audit trails, and role-based accounting. The textbook emphasizes internal controls through the use of two types of exercises—Part A, transaction controls; Part B, system controls. The Sarbanes-Oxley compliance section, called SOX Boxes, reviews how DGP meets some of the SOX standards and regulations.

Within each chapter, you experience:

- **SmartLists:** Each chapter includes assignments using SmartLists for search activities that require you to compare, contrast, and problem solve. You can export SmartList data to Excel and Word.
- **Internal Control Activity:** Each chapter includes an internal control activity that shows you how DGP ensures security and control. The Part A exercise emphasizes transaction controls; the Part B exercise shows system controls.
- **SOX Box:** Each chapter includes Sarbanes-Oxley information and how DGP features help companies comply with SOX standards.
- **Text files:** You can save DGP reports as text files that can be attached in an email to your instructor.
- **End-of-Chapter Exercises:** Each chapter has four EOC exercises which include problem solving and analysis, Internal Control, and SmartList searches.

The Student Data DVD's My Companies folder includes five company data sets: Fabrikam, Inc.; Accounting Company; Valley Medical Center, Inc.; Computer Sales and Service; and Montana Sports. You use these companies in Chapters 1-12 and Projects 1 and 3. The Empty Company

Data folder allows you to create company data sets from scratch (Projects 2 and 4).

NEW SOFTWARE FEATURES

- Familiar user interface looks and works like Microsoft Office 2007 and Windows Vista.
- Save data to USB drive or hard drive location.
- Open data from USB drive or hard drive location.
- Modular-based navigation pane with quick links.
- Industry and role selection for added security.
- Built-in internal controls.
- Automatic notifications and approvals.
- Enhanced workflow.
- Advanced search capabilities.
- Aging reports.
- Easy to use interface. Minimal menu bar selections.
- Improved default selections.

PART 1: CHAPTERS 1-6— EXPLORING DYNAMICS GP 10.0

On the Student Data DVD, the My Companies folder includes the company data for Fabrikam, Inc. and starting data for the four other companies used in the textbook. In Chapters 1-6, you work with Fabrikam, Inc. which is a computer parts company. Fabrikam is used to demonstrate DGP features.

The following list summarizes the major changes in Part 1.

NEW *Chapters 1-6 include SmartList searches, Internal Control Activities, and SOX Boxes (Sarbanes-Oxley compliance reviews). Each chapter has four end-of-chapter exercises: two review transaction analysis and reports; an internal control exercise; and a SmartList exercise using search criteria for Excel or Word export.*

NEW *Chapter 1:*

- *SmartList search for cash accounts.*
- *Internal Control Activity shows DGP's audit trail codes.*
- *SOX Box reviews rationale for Sarbanes-Oxley legislation.*

NEW Chapter 2:

- *Use SmartList to see vendor balances for amounts greater than \$25,000. Export to Excel and Word.*
- *Internal Control Activity reviews audit trail setup codes.*
- *SOX Box reviews corporate responsibility and oversight.*

NEW Chapter 3:

- *Use the SmartList to see the Account Summary.*
- *Internal Control Activity shows system defaults and automatic field completion.*
- *SOX Box reviews the 11 sections associated with the legislation.*

NEW Chapter 4:

- *SmartList search for payroll transactions.*
- *Internal Control Activity shows how payroll batches are processed.*
- *SOX Box reviews internal control and disclosure requirements.*

NEW Chapter 5:

- *SmartList search for negative quantities.*
- *Internal Control Activity shows how sales transaction master data populates input windows.*
- *SOX Box reviews Section 404 and COSO¹ framework.*

NEW Chapter 6:

- *SmartList search for adjusting entries and fixed asset purchases.*
- *Internal Control Activity reviews system controls and required fields.*
- *SOX Box reviews COSO model and SOX components and descriptions.*

In Part 1 of the textbook, you complete six chapters that demonstrate how DGP is used. This introduces you to the procedures used with all the chapters of the textbook.

¹COSO is an acronym for the Committee of Sponsoring Organizations of the Treadway Commission.

PART 2: CHAPTERS 7 AND 8, PROJECTS 1 AND 2—DYNAMICS GP 10.0 FOR SERVICE BUSINESSES

Chapters 7, 8, Project 1, and Project 2 are included in this section of the textbook. In Chapter 7, you work with a service business called the Accounting Company. The service business started in Chapter 7 continues in Chapter 8. You complete the accounting cycle for the fourth quarter of the year.

In Chapter 7, Maintaining Accounting Records for Service Businesses, you enter beginning balances, edit the chart of accounts, record and post bank transactions for the fourth quarter, complete bank reconciliation, and print reports. Detailed steps and numerous screen illustrations help you learn how to use DGP.

The following list summarizes the major changes in Part 2.

NEW Chapter 7:

- *SmartList search for cash receipts and cash payments as of a specific date.*
- *Internal Control Activity shows how DGP ensures separation of duties.*
- *SOX Box reviews risk/control matrixes.*

Chapter 8, Completing Quarterly Activities and Closing the Fiscal Year, shows you how to complete end-of-quarter adjusting entries, print financial statements, and close the fiscal year.

NEW Chapter 8:

- *SmartList search for the chart of accounts and identification of balance sheet and income statement criteria.*
- *Internal Control Activity shows how DGP's Fiscal Periods feature exemplifies system security and control.*
- *SOX Box reviews accounting system characteristics that ensure internal controls.*

At the end of Part 2, there are two comprehensive projects. Project 1, Valley Medical Center, Inc., reviews what you have learned in Chapters 7 and 8; and Project 2, Student-Designed Service Business, asks you to

create a service business. You create an additional company of your design, enter a chart of accounts, record beginning balances, create and record transactions, prepare a bank reconciliation, record adjusting entries, and complete the accounting cycle.

PART 3: CHAPTERS 9-12, PROJECTS 3, 4, AND 5—DYNAMICS GP 10.0 FOR MERCHANDISING BUSINESSES

Chapters 9 through 12 and Projects 3, 4 and 5 are included in this section of the textbook. In Chapter 9, you work with a merchandising business called Computer Sales and Service. The merchandising business started in Chapter 9 continues in Chapters 10, 11 and 12.

Chapter 9, Vendors and Inventory Items, shows you how to set up vendor preferences, defaults and inventory items. Chapter 10, Acquisition and Payments, shows you how to record vendor transactions, record and post vendor payments, and print reports. Chapter 11, Customers and Sales Taxes, shows you how to set up preferences and defaults for customers and sales taxes. Chapter 12, Sales and Collections, shows you how to record and post sales transactions, collect accounts receivable, and print reports.

The following list summarizes the major changes in Part 3.

NEW Chapter 9:

- *SmartList search for beginning balances.*
- *Internal Control Activity shows DGP's user security for role-based accounting.*
- *SOX Box reviews how companies ensure accurate inventory records through segregation of duties (Section 409).*

NEW Chapter 10:

- *Use SmartList to print journal reports.*
- *Internal Control Activity reviews input accuracy, validity, and completeness.*
- *SOX Box reviews risk reduction.*

NEW Chapter 11:

- *SmartList search for posted sales transactions.*
- *Internal Control Activity shows which sale modules are installed.*
- *SOX Box reviews importance of financial report accuracy.*

NEW Chapter 12:

- *SmartList search for inventory item quantities.*
- *Internal Control Activity shows how DGP calculates values automatically.*
- *SOX Box review of Section 302.*

Project 3, Montana Sports, is a comprehensive project that incorporates what you have learned in Chapters 9 through 12.

In Project 4, Student-Designed Merchandising Business, you create a merchandising business from scratch.

In Project 5, Student-Designed Project, you write another month's transactions for one of the businesses used in Chapters 7-12, Projects 1, 2, 3 or Project 4.

The textbook ends with three appendixes: Appendix A, Troubleshooting Installation; Appendix B, Review of Accounting Principles; and Appendix C, Glossary. The glossary is also included on the textbook web site at www.mhhe.com/dynamicsgp10.

Index: Each chapter in the textbook ends with an index. The index at the end of the textbook is an alphabetic listing of the chapter indexes.

CONVENTIONS USED IN THE TEXTBOOK




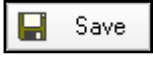
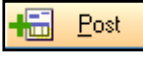
As you work through the chapters in this textbook, read and follow the step-by-step instructions. Numerous screen illustrations help you check work.

The following conventions are used.

1. Information that you type appears in **boldface**; for example, Type **Y352** in the Document Number field.

2. Keys on the keyboard that are pressed appear like this: <Tab>; <Enter>.
3. Words that are shown in boldface and italics are defined in Appendix C, Glossary; for example, ***shortcut keys***.

4. Buttons and icons are shown as they appear on the window; for

example,  [Microsoft Vista start button]; ;
; ; , etc.

5. Most chapters include Read Me boxes. The information in the Read Me box goes into more detail about the task you are completing. Whenever you see a Read Me box, review this information.



6. Read the **Troubleshooting** boxes.
7. Footnotes are used. Read each one for more information about the task you are completing.

Good luck in your study and use of Dynamics GP 10.0 software.

Carol Yacht, Susan Crosson, Joann Segovia, Authors
Computer Accounting with Microsoft Dynamics GP 10.0, 2e
www.mhhe.com/dynamicsgp10