DYNAMICSCON PRESENTATION

DynamicsCon LIVE

POWERED BY DUG

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- **Ruby Award Recipient**
- **Summit Programming Committee Member**
- **Current NAVUG/BC Board of Advisors**
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- **20+ years NAV/BC/GP experience**

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- Advanced Credentialed Professional

- Microsoft MCP

- NAVUG/BC All-Star

- 4-Time Granite Award Recipient

- DUG and Summit Programming Committee Member

- Past NAVUG/BC Board of Advisors

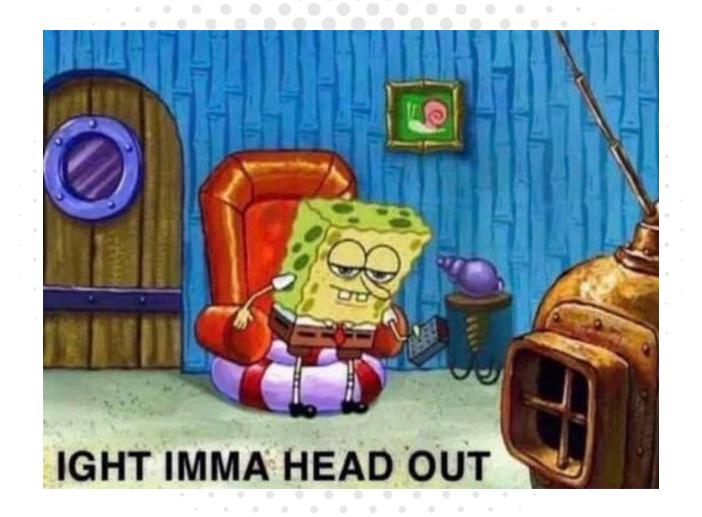- New York and Boston LUG Leader

- 23 years NAV/BC experience

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DYNAMICSCON
LIVE

Session Agenda

- **What is a Posting Group**

- **Make this simple – PLEASE! (Debits and Credits)**

- **Sales Orders**

- **Purchase Orders**

- **Production Orders**

When you realize your in the wrong session....

Posting Groups

• Customer

A **Customer Posting Group** is assigned to each Customer and identifies how transactions involving that Customer are posted to the General Ledger. Customer Posting Groups define the following G/L Accounts:

- **Receivables Account**
- **Payment Discount Account**
- **Interest Account**

Posting Groups

• Vendor

A **Vendor Posting Group** is assigned to each Vendor and identifies how transactions involving that Vendor are posted to the General Ledger. Vendor Posting Groups define the following G/L Accounts:

- **Payables Account**
- **Payment Discount Account**

Posting Groups

• Item

An **Inventory Posting Group** is assigned to each Item and identifies how transactions involving that Item are posted to the General Ledger. Inventory Posting Groups define the following G/L Accounts:

- **Inventory Account**
- **Inventory Account (Interim) – used with Expected Cost Posting "ON"**
- **WIP Account – used with Manufacturing only**
- **Material Variance Account – used with Manufacturing only**
- **Capacity Variance Account – used with Manufacturing only**
- **Material Overhead Account – used with Manufacturing only**
- **Capacity Overhead Account – used with Manufacturing only**

Posting Groups

- ## Business/Product

- **General Business Posting Groups** are assigned to each Customer and Vendor in the database.

- **General Product Posting Groups** are assigned to each Item and Resource in the database.

General Business Posting Groups and General Product Posting Groups work together to define the Income Statement Accounts to be used when posting Sales and Purchase transactions.

- Sales Account
- Sales Line Discount Account
- Sales Invoice Discount Account
- Sales Payment Discount Account
- COGS Account
- Sales Credit Memo Account
- Purchase Credit Memo Account
- COGS Account (Interim) – used with Expected Cost Posting "ON"
- Direct Cost Applied Account – used with Manufacturing only
- Overhead Applied Account – used with Manufacturing only

- Purchase Account
- Purchase Line Discount Account
- Purchase Invoice Discount Account
- Purchase Payment Discount Account
- COGS Account
- Inventory Adjustment Account
- Purchase Credit Memo Account
- Inventory Adjustment Account (Interim) – used with Expected Cost Posting "ON"
- Purchase Variance Account

The General Ledger Account setup for all of the possible combinations of General Business Posting Groups and General Product Posting Groups is in the **General Posting Setup** table.
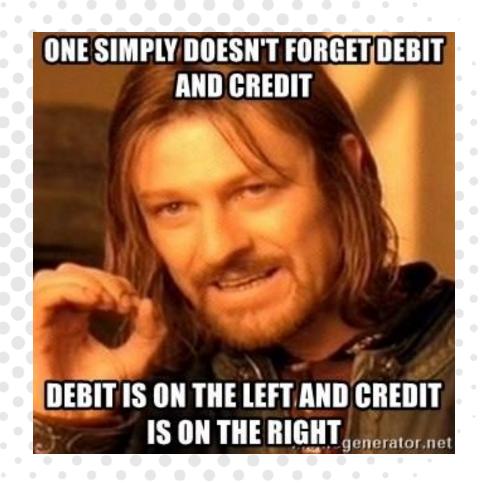
Other…

Bank Account Posting Group is assigned to each Bank Account and identifies how transactions involving that Bank Account are posted to the General Ledger. Bank Account Posting Groups define the following G/L Account:

- **G/L Bank Account No. – usually a Cash account**

DEBITS AND CREDITS – LETS MAKE THIS SIMPLE

Show Excel Debits and Credits

PURCHASES WITH "EXPECTED COST" OPTION TURNED ON:

Step	Transaction Description	Entry	Amount	Setup in	Setup Column	Details/Comments
1	Post Receipt against PO	Dr. Inventory (Interim)	Standard Cost	Inventory Posting Group	Inventory (Interim) Account	This entry will be reversed when the vendor
		Cr. Invt. Accrual Acct (Interim)	Standard Cost	General Posting Setup	Invt. Accrual Account (Interim)	invoice is posted.
2	Post Invoice against PO	Dr. Inventory	Actual Cost	Inventory Posting Group	Inventory Account	Per purchased item's Inventory Posting Group
	Note: The Purchases and Direct	Cr. Direct Cost Applied	Actual Cost	General Posting Setup	Direct Cost Applied Account	Combination of Bus. and Prod. Posting Groups
	Cost Applied Accounts should	Dr. Purchases	Actual Cost	General Posting Setup	Purch. Account	Combination of Bus. and Prod. Posting Groups
	either be the same account or	Cr. Accounts Payable	Actual Cost	Vendor Posting Group	Payables Account	
	be in the same G/L grouping on	Dr. Invt. Accrual Acct (Interim)	Standard Cost	General Posting Setup	Invt. Accrual Account (Interim)	Reversal of the entry posted when the receipt
	the Chart of Accounts.	Cr. Inventory (Interim)	Standard Cost	Inventory Posting Group	Inventory (Interim) Account	was posted - uses receipt posting date.
3	Automatic Cost Posting "ON" **or**	Dr. or Cr. Inventory	Actual - Std. Cost	Inventory Posting Group	Inventory Account	Per purchased item's Inventory Posting Group
	Run Inventory Periodic Activities	Dr. or Cr. Purchase Variance	Actual - Std. Cost	General Posting Setup	Purchase Variance Account	Combination of Bus. and Prod. Posting Groups

*Note: The point at which Step 3 G/L entries are posted depends on whether Automatic Cost Posting is turned on. If it is "ON", this transaction will be made at the time the invoice is posted.

If it is turned "OFF", these entries will be made during Periodic Activities.

Show Excel Debits and Credits

SALES WITH "EXPECTED COST" OPTION TURNED <u>ON</u>:

Step	Transaction Description	Entry	Amount	Setup in	Setup Column	Details/Comments
1	Post Shipment against SO	Dr. Invt. Accrual Acct (Interim)	Standard Cost	General Posting Setup	Invt. Accrual Account (Interim)	This entry will be reversed when the customer
		Cr. Inventory (Interim)	Standard Cost	Inventory Posting Group	Inventory (Interim) Account	invoice is posted.
2	Post Invoice against SO	Dr. Accounts Receivable	Actual Sales Price	Customer Posting Group	Receivables Account	
		Cr. Sales	Actual Sales Price	General Posting Setup	Sales Account	Combination of Bus. and Prod. Posting Groups
		Dr. Cost of Goods Sold	Average Item Cost	General Posting Setup	COGS Account	Combination of Bus. and Prod. Posting Groups
		Cr. Inventory	Average Item Cost	Inventory Posting Group	Inventory Account	*Note: Value Entry is at Average Cost*
		Dr. Inventory (Interim)	Standard Cost	Inventory Posting Group	Inventory (Interim) Account	
		Cr. Invt. Accrual Acct (Interim)	Standard Cost	General Posting Setup	Invt. Accrual Account (Interim)	
3	Run Inventory Periodic Activities					

Show Excel Debits and Credits

PRODUCTION

Step	Transaction Description	Entry	Amount	Setup in	Setup Column	Details/Comments
1	Issue components to a Prod.	Dr. WIP	Standard Cost * Qty.	Inventory Posting Group	WIP Account	Per component item's Inventory Posting Group
	Order (Consumption Journal)	Cr. Inventory	Standard Cost * Qty.	Inventory Posting Group	Inventory Account	Per component item's Inventory Posting Group
2	Complete Finished Good	Dr. Inventory Account Interim	Standard Cost * Qty.	Inventory Posting Group	Inventory Account (Interim)	Per manufactured item's Inventory Posting Group
	(put FG item into Inventory using	Cr. WIP	Standard Cost * Qty.	Inventory Posting Group	WIP Account	Per manufactured item's Inventory Posting Group
	Output Journal)					
3	Change Status of Production	Dr. WIP	Unit Cost * Qty.	Inventory Posting Group	WIP Account	Per manufactured item's Inventory Posting Group
	Order from Released to Finished	Cr. Direct Cost Applied	Direct Unit Cost * Qty.	General Posting Setup	Direct Cost Applied Account	Per Work or Machine Center's Product Posting Group
		Cr. Overhead Applied	Indirect Cost % and/or	General Posting Setup	Overhead Applied Account	Per Work or Machine Center's Product Posting Group
			Overhead Rate * Qty.			
4	Run Adjust Cost - Post Cost	Dr. WIP	Actual Cost * Qty.	Inventory Posting Group	WIP Account	Per manufactured item's Inventory Posting Group
	Periodic Activities	Cr. Inventory Account Interim	Actual Cost * Qty.	Inventory Posting Group	Inventory Account (Interim)	Per manufactured item's Inventory Posting Group
		Dr. Finished Goods	Actual Cost * Qty.	Inventory Posting Group	Inventory Account	Per manufactured item's Inventory Posting Group
		Cr. WIP	Actual Cost * Qty.	Inventory Posting Group	WIP Account	Per manufactured item's Inventory Posting Group
		Dr. Finished Goods	Actual Cost * Qty.	Inventory Posting Group	Inventory Account	Per manufactured item's Inventory Posting Group
		Cr. Material Usage Variance	Actual Cost * Qty.	Inventory Posting Group	Material Variance Account	Per manufactured item's Inventory Posting Group
		Dr. or Cr. Raw Mat. Inventory	Actual Cost * Qty.	Inventory Posting Group	Inventory Account	Per component item's Inventory Posting Group
		Dr. or Cr. WIP	Actual Cost * Qty.	Inventory Posting Group	WIP Account	Per component item's Inventory Posting Group
		Dr. or Cr. Capacity Variance	Actual Cost - Std. Cost	Inventory Posting Group	Capacity Var. Account	Per manufactured item's Inventory Posting Group
		Dr. or Cr. Inventory	Actual Cost - Std. Cost	Inventory Posting Group	Inventory Account	Per manufactured item's Inventory Posting Group
		Dr. or Cr. Capacity Overhead Var.	Actual Cost - Std. Cost	Inventory Posting Group	Capacity Overhead Account	Per manufactured item's Inventory Posting Group
		Dr. or Cr. Inventory	Actual Cost - Std. Cost	Inventory Posting Group	Inventory Account	Per manufactured item's Inventory Posting Group
		Dr. or Cr. Material Overhead Var.	Actual Cost - Std. Cost	Inventory Posting Group	Material Overhead Account	Per manufactured item's Inventory Posting Group
		Dr. or Cr. Inventory	Actual Cost - Std. Cost	Inventory Posting Group	Inventory Account	Per manufactured item's Inventory Posting Group

DEMO TIME!

THANK YOU!

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