Microsoft Dynamics® GP

Inventory Inflation Adjustment

Copyright

Copyright © 2010 Microsoft. All rights reserved.

Limitation of liability

This document is provided "as-is". Information and views expressed in this document, including URL and other Internet Web site references, may change without notice. You bear the risk of using it.

Some examples depicted herein are provided for illustration only and are fictitious. No real association or connection is intended or should be inferred.

Intellectual property

This document does not provide you with any legal rights to any intellectual property in any Microsoft product.

You may copy and use this document for your internal, reference purposes.

Trademarks

Microsoft and Microsoft Dynamics are trademarks of the Microsoft group of companies. FairCom and c-tree Plus are trademarks of FairCom Corporation and are registered in the United States and other countries.

All other trademarks are property of their respective owners.

Warranty disclaimer

Microsoft Corporation disclaims any warranty regarding the sample code contained in this documentation, including the warranties of merchantability and fitness for a particular purpose.

License agreement

Use of this product is covered by a license agreement provided with the software product. If you have any questions, please call the Microsoft Dynamics GP Customer Assistance Department at 800-456-0025 (in the U.S. or Canada) or +1-701-281-6500.

Publication date

May 2010

Contents

Introduction **1**
What's in this manual 1
Symbols and conventions 2
Resources available from the Help menu 2
Send us your documentation comments 4

Chapter 1: Inventory Inflation Adjustment setup **5**
Assigning adjustment accounts to items 5
Assigning adjustment accounts to an item class 6
Setting up groups 6
Entering the inflation adjustment index 7

Chapter 2: Routines and reports **9**
Adjusting inflation for a group 9
Posting adjustment entries from General Ledger 10
Printing the inflation adjustment report 10

Glossary **13**

Index **15**

Introduction

Inventory Inflation Adjustment is a tool that allows you to adjust your inventory accounts for inflation for the fiscal periods that you have set up. Journal entries for the adjustment are created in General Ledger, from where you can post them.

Inventory Inflation Adjustment uses the item balances from Inventory Kardex. Therefore, it is essential that Inventory Kardex is installed and fully operational in order for Inventory Inflation Adjustment to calculate the inflation adjustment correctly.

Check for current instructions

This information was current as of May 2010. The documentation may be updated as new information becomes available. Check the Microsoft Dynamics® GP online Web site (http://go.microsoft.com/fwlink/?LinkID=161199) for the most current documentation.

The introduction is divided into the following sections:

- *What's in this manual*
- *Symbols and conventions*
- *Resources available from the Help menu*
- *Send us your documentation comments*

What's in this manual

This manual is designed to give you an in-depth understanding of how to use the features of Inventory Inflation Adjustment, and how it integrates with the Microsoft Dynamics GP system.

To make best use of Inventory Inflation Adjustment, you should be familiar with systemwide features described in the System User's Guide, the System Setup Guide, and the System Administrator's Guide.

Some features described in the documentation are optional and can be purchased through your Microsoft Dynamics GP partner.

To view information about the release of Microsoft Dynamics GP that you're using and which modules or features you are registered to use, choose Help >> About Microsoft Dynamics GP.

This manual is divided into the following chapters:

- Chapter 1, "Inventory Inflation Adjustment setup," explains how to install and set up Inventory Inflation Adjustment for your company. You can select the items and specify the accounts that will be updated with the inflation adjustment. You can assign these items to groups as per your requirement. You can also set up the inflation percentages as specified by the authorities.

- Chapter 2, "Routines and reports," describes how you can perform the inflation adjustment for a group for a selected period according to the inflation index specified by the authorities. You can post the adjustment entries from General Ledger. You can view the report for adjustments you have posted for a selected period.

Symbols and conventions

For definitions of unfamiliar terms, see the glossary in the manual or refer to the glossary in Help.

Symbol	Description
	The light bulb symbol indicates helpful tips, shortcuts and suggestions.
	The warning symbol indicates situations you should be especially aware of when completing tasks.

This manual uses the following conventions to refer to sections, navigation and other information.

Convention	Description
Creating a batch	Italicized type indicates the name of a section or procedure.
File >> Print or **File > Print**	The (>>) or (**>**) symbol indicates a sequence of actions, such as selecting items from a menu or toolbar, or pressing buttons in a window. This example directs you to go to the File menu and choose Print.
TAB or ENTER	All capital letters indicate a key or a key sequence.

Resources available from the Help menu

The Microsoft Dynamics GP Help menu gives you access to user assistance resources on your computer, as well as on the Web.

Contents

Opens the Help file for the active Microsoft Dynamics GP component, and displays the main "contents" topic. To browse a more detailed table of contents, click the Contents tab above the Help navigation pane. Items in the contents topic and tab are arranged by module. If the contents for the active component includes an "Additional Help files" topic, click the links to view separate Help files that describe additional components.

To find information in Help by using the index or full-text search, click the appropriate tab above the navigation pane, and type the keyword to find.

To save the link to a topic in the Help, select a topic and then select the Favorites tab. Click Add.

Index

Opens the Help file for the active Microsoft Dynamics GP component, with the Index tab active. To find information about a window that's not currently displayed, type the name of the window, and click Display.

About this window

Displays overview information about the current window. To view related topics and descriptions of the fields, buttons, and menus for the window, choose the appropriate link in the topic. You also can press F1 to display Help about the current window.

Lookup

Opens a lookup window, if a window that you are viewing has a lookup window. For example, if the Checkbook Maintenance window is open, you can choose this item to open the Checkbooks lookup window.

Show Required Fields

Highlights fields that are required to have entries. Required fields must contain information before you can save the record and close the window. You can change the font color and style used to highlight required fields. On the Microsoft Dynamics GP menu, choose User Preferences, and then choose Display.

Printable Manuals

Displays a list of manuals in Adobe Acrobat .pdf format, which you can print or view.

What's New

Provides information about enhancements that were added to Microsoft Dynamics GP since the last major release.

Microsoft Dynamics GP Online

Opens a Web page that provides links to a variety of Web-based user assistance resources. Access to some items requires registration for a paid support plan.

Current implementation and upgrade information The most recent revisions of upgrade and implementation documentation, plus documentation for service packs and payroll tax updates.

User documentation and resources The most recent user guides, how-to articles, and white papers for users.

Developer documentation and resources The most recent documentation and updated information for developers.

Product support information Information about the Microsoft Dynamics GP product support plans and options that are available, along with information about peer support and self-support resources.

Services information Information about Microsoft Dynamics GP support, training, and consulting services.

Microsoft Dynamics GP Community Access to newsgroups, where you can ask questions or share your expertise with other Microsoft Dynamics GP users.

CustomerSource home page A wide range of resources available to customers who are registered for a paid support plan. Includes access to Knowledge Base articles, software downloads, self-support, and much more.

Customer Feedback Options

Provides information about how you can join the Customer Experience Improvement Program to improve the quality, reliability, and performance of Microsoft® software and services.

Send us your documentation comments

We welcome comments regarding the usefulness of the Microsoft Dynamics GP documentation. If you have specific suggestions or find any errors in this manual, send your comments by e-mail to the following address: bizdoc@microsoft.com.

To send comments about specific topics from within Help, click the Documentation Feedback link, which is located at the bottom of each Help topic.

Note: By offering any suggestions to Microsoft, you give Microsoft full permission to use them freely.

Chapter 1: Inventory Inflation Adjustment setup

Use this information to set up Inventory Inflation Adjustment. You can assign the accounts to be updated with the inflation adjustment and the monetary correction for an item, or for an item class. You can also create item groups. You can enter the adjustment percentage for each fiscal period of each year that you have set up.

When you set up Inventory Inflation Adjustment, you can open each setup window and enter information, or you can use the Setup Checklist window (Microsoft Dynamics GP menu >> Tools >> Setup >> Setup Checklist) to guide you through the setup process. See your System Setup Guide (Help >> Contents >> select Setting up the System) for more information about the Setup Checklist window.

This information is divided into the following sections:

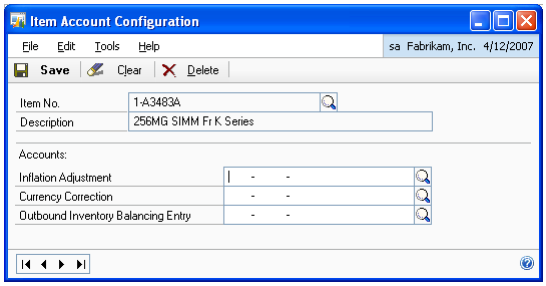
- *Assigning adjustment accounts to items*
- *Assigning adjustment accounts to an item class*
- *Setting up groups*
- *Entering the inflation adjustment index*

Assigning adjustment accounts to items

You can select the accounts that will be updated with the inflation adjustment for each inventory item that you have set up.

To assign adjustment accounts to items:

1. Open the Item Account Configuration window.
(Cards >> Inventory >> AI Articles)



2. Enter or select an item. The description for the item is displayed in the Description field.

3. Enter or select an account to be debited with the inflation adjustment amount, if any.

4. Enter or select an account to be credited with the currency correction amount, if any.

5. Enter or select an account to be updated with the change in the cost of inventory due to inflation adjustment. Typically this will be the Cost of Goods Sold (COGS) account.

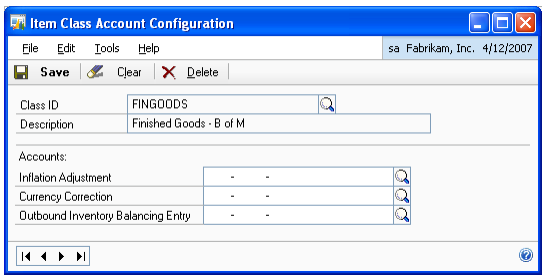
6. Choose Save to assign the accounts to the selected item. You can then select another item to assign accounts.

Assigning adjustment accounts to an item class

You can select to assign the adjustment accounts to an item class. All the items belonging to a class will be automatically assigned the adjustment accounts that you assign to the class.

To assign adjustment accounts to an item class:

1. Open the Item Class Account Configuration window.
(Cards >> Inventory >> AI Class)



2. Enter or select an item Class ID. The description for the class is displayed in the Description field.

3. Enter or select an account to be debited with the inflation adjustment amount, if any.

4. Enter or select an account to be credited with the currency correction amount, if any.

5. Enter or select an account to be updated with the change in the cost of inventory due to inflation adjustment. Typically this will be the Cost of Goods Sold (COGS) account.

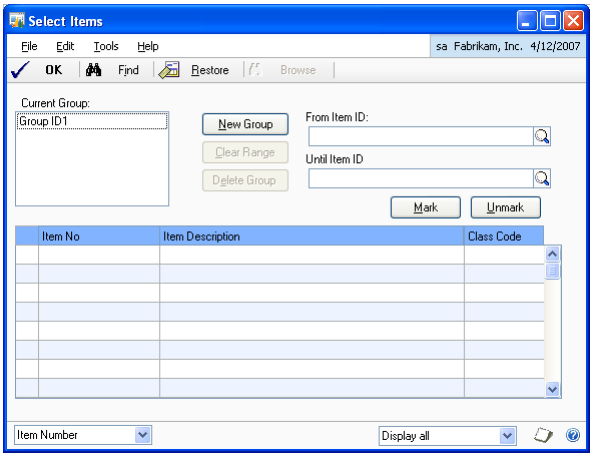
6. Choose Save to assign the accounts to the selected item class. You can then select another item class to assign accounts.

Setting up groups

You can create groups and select the items to assign to those groups in the Select Items window. The inflation adjustment is performed for a group that you set up here. You can assign all the items with the same inflation index to a single group, so that the inflation adjustment for all those items may be carried out at one time.

To set up groups:

1. Open the Select Items window.
(Cards >> Inventory >> AI Groups)



2. Click New Group and enter a name for the group in the New Group window that opens. Click OK to create the group and return to the Select Items window.

3. Highlight a group in the Current Group field. Enter the starting item ID to include in the group in the From Item ID field.

4. Enter the ending item ID to include in the group in the To Item ID field.

5. Choose the Browse button to display the items within the selected range in the scrolling window.

6. Choose the Mark button to mark all the items displayed in the scrolling window.

7. Choose the Unmark button to unmark all the marked items in the scrolling window.

8. Choose Restore to display the previous selection in the scrolling window.

9. Choose Find to open the Find window. You can enter the first few letters for an item here and choose Find. The first item matching your entry is displayed in the first line of the scrolling window.

10. Choose the Display All option at the bottom of the window to display all the items that you have set up. Choose the Show Selected Items option to display only the marked items.

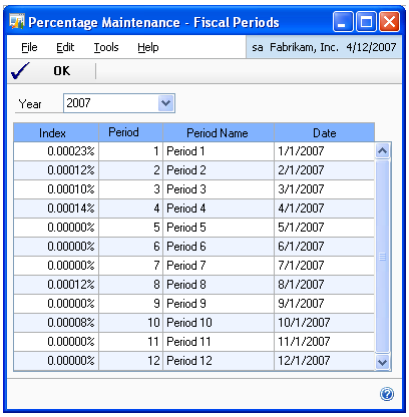
11. Choose OK to assign the marked items to the group and close the window.

Entering the inflation adjustment index

You can enter the adjustment index for each period of each fiscal year that you have set up in Microsoft Dynamics GP.

To enter the inflation adjustment index:

1. Open the Percentage Maintenance - Fiscal Periods window. (Cards >> Inventory >> AI PAAG)



2. Select the year for which to enter the inflation index. The scrolling window displays the details for all the periods set up for the selected year.

3. Enter the adjustment index for each period in the respective Index field.

4. Choose OK to close the window after entering the required indices.

Chapter 2: Routines and reports

Use this information to run the inflation adjustment for a group of inventory items. You can view the journal entry created for the adjustment and post this entry from General Ledger. You can view the inflation adjustment report for a group of items for a specific period.

Be sure that Inventory Kardex is installed and running before you perform the inflation adjustment.

Inventory Inflation Adjustment reports are available in the report list. You can select a report in the report list and add it to My Reports for easy access. Refer to the Microsoft Dynamics GP documentation for more information.

This information is divided into the following sections:

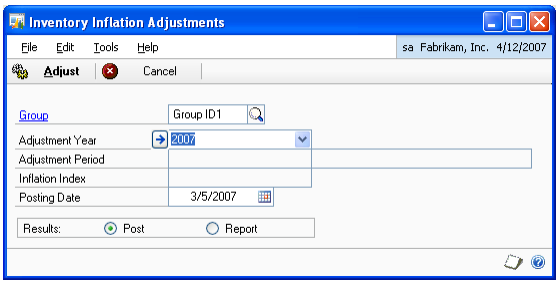
- *Adjusting inflation for a group*
- *Posting adjustment entries from General Ledger*
- *Printing the inflation adjustment report*

Adjusting inflation for a group

Use the Inventory Inflation Adjustments window to adjust the inflation for a group that you have set up in the Select Items window, for a specific period of a fiscal year.

To adjust inflation for a group:

1. Open the Inventory Inflation Adjustments window.
   (Microsoft Dynamics GP menu >> Tools >> Routines >> Inventory >> Inv. Inflation Adjustments)



2. Enter or select the group for which to perform the inflation adjustment.

3. Select the year for which to perform the adjustment. Select the Adjustment Year expansion button to open the Percentages - Fiscal Periods window, where you can select the period for which to perform the adjustment. You can also change the adjustment percentage for one or more periods of a year if required.

   The Adjustment Period and the Inflation Index fields display the values as per your selection in the Percentages - Fiscal Periods window.

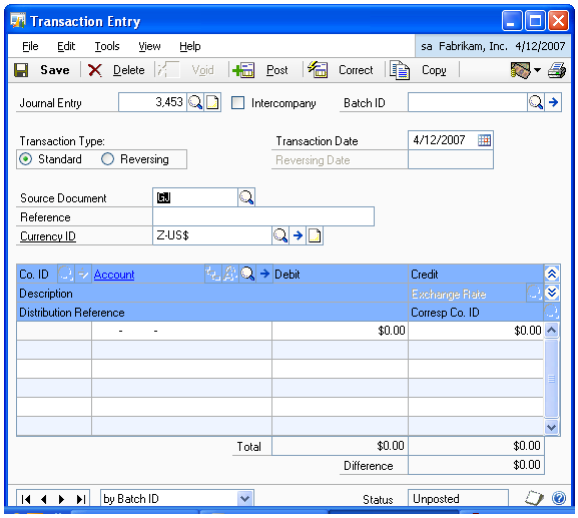
4. Enter the posting date to post the adjustment. The default date is the current user date.

5. In the Results field, select Report to view a report before posting the adjustment. Choose Post to post the adjustment after verifying that the values on the report are accurate.Choose Adjust to view the report or to post the adjustment, depending on your selection in the Results field.

6. Choose Cancel to close the window without adjusting for inflation.

Posting adjustment entries from General Ledger

When you post an inventory inflation adjustment, journal entries are created in General Ledger. The source document ID for these journal entries is IVADJ. You can view these journal entries in the Transaction Entry window (Transactions >> Financial >> General).



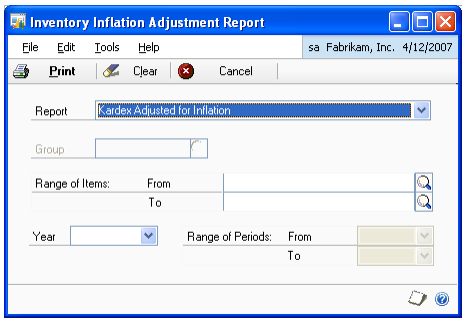
Use the Batch Entry window (Transactions >> Financial >> Batches), and select IVADJ as the batch ID to post these entries from General Ledger. Refer to the General Ledger documentation for more information on posting batches from General Ledger.

Printing the inflation adjustment report

You can print the inflation adjustment report for the entire group, or for specified items in the group. You can print this report for a year or for a range of periods in the year.

To print the inflation adjustment report:

1. Open the Inventory Inflation Adjustment Report window. (Reports >> Inventory >> Inv. Inflation Adjustments)



2. Select Inventory Inflation Adjustment in the Report field.

   To print the Kardex Adjusted for Inflation report, you must have installed Kardex on your system.

3. Select the Group for which to print the report.

4. Enter a range of items within the selected group for which to print the report.

5. Select the Year for which to print the report.

6. Select the Range of Periods for which to print the report.

7. Choose Print to print the Inventory Inflation Adjustment report for the selected criteria.

Glossary

COGS account
A posting account which is updated when an adjustment is entered.

Index

A

adjustment entries, viewing in General Ledger 10
adjustment index
  entering 7
  modifying 9
adjustments, posting in a batch 10
assign adjustment accounts
  to item classes 6
  to items 5

B

batch posting, adjustment entries 10

C

changes since last release, information about 3
current upgrade information, accessing on the Web 3

D

documentation, symbols and conventions 2

H

help, displaying 2
Help menu, described 2

I

icons, used in manual 2
inflation adjustment
  for a group 9
  introduction 1
Inventory Inflation Adjustment Report window, displaying 11
Inventory Inflation Adjustments window, displaying 9
Item Account Configuration window, displaying 5
Item Class Account Configuration window, displaying 6
item groups, creating 6

L

lookup window, displaying 3

N

new features, information about 3

P

Percentage Maintenance - Fiscal Periods window, displaying 8

R

required fields, described 3
resources, documentation 2

S

Select Items window, displaying 7
symbols, used in manual 2

T

Transaction Entry window, displaying 10

U

upgrade information, accessing on the Web 3

W

what's new, accessing 3