Microsoft Dynamics 365

Planning and Configuring the Chart of Accounts Part 3: Account Structures and Advanced Rules

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Objectives of this TechTalk

1. Discuss the components of account structures and review the required setup.
2. Review scenarios for advanced rules and the required setup.
3. Describe recommended practices for configuring your account structures and advanced rules.
4. Describe how to use the organization hierarchy for relationships in your account structure.

What it doesn’t cover

1. Main accounts
2. Financial dimensions
3. The ledger and calendars

Agenda:

1. Account Structures
2. Organization Hierarchy and Account Structures
3. Advanced Rules
4. DO's and DON'Ts
5. Checklist and Resources

About the Account Structure

Structure

- Can have multiple account structures for each legal entity
- Cannot overlap main accounts and dimension value combinations across account structures
- Can share account structures across legal entities

Columns

- Main account must be a column
- Defines which dimensions are included for a set of main accounts
- Defines the sequence for entering dimensions

Rows

- Main accounts typically define the context for the dimensions
- Which dimensions are required and not required on each transaction
- Which combination of dimensions are allowed on transactions

Configure account structures - Finance | Dynamics 365 | Microsoft Docs

Account Structure Segments and Allowed Values

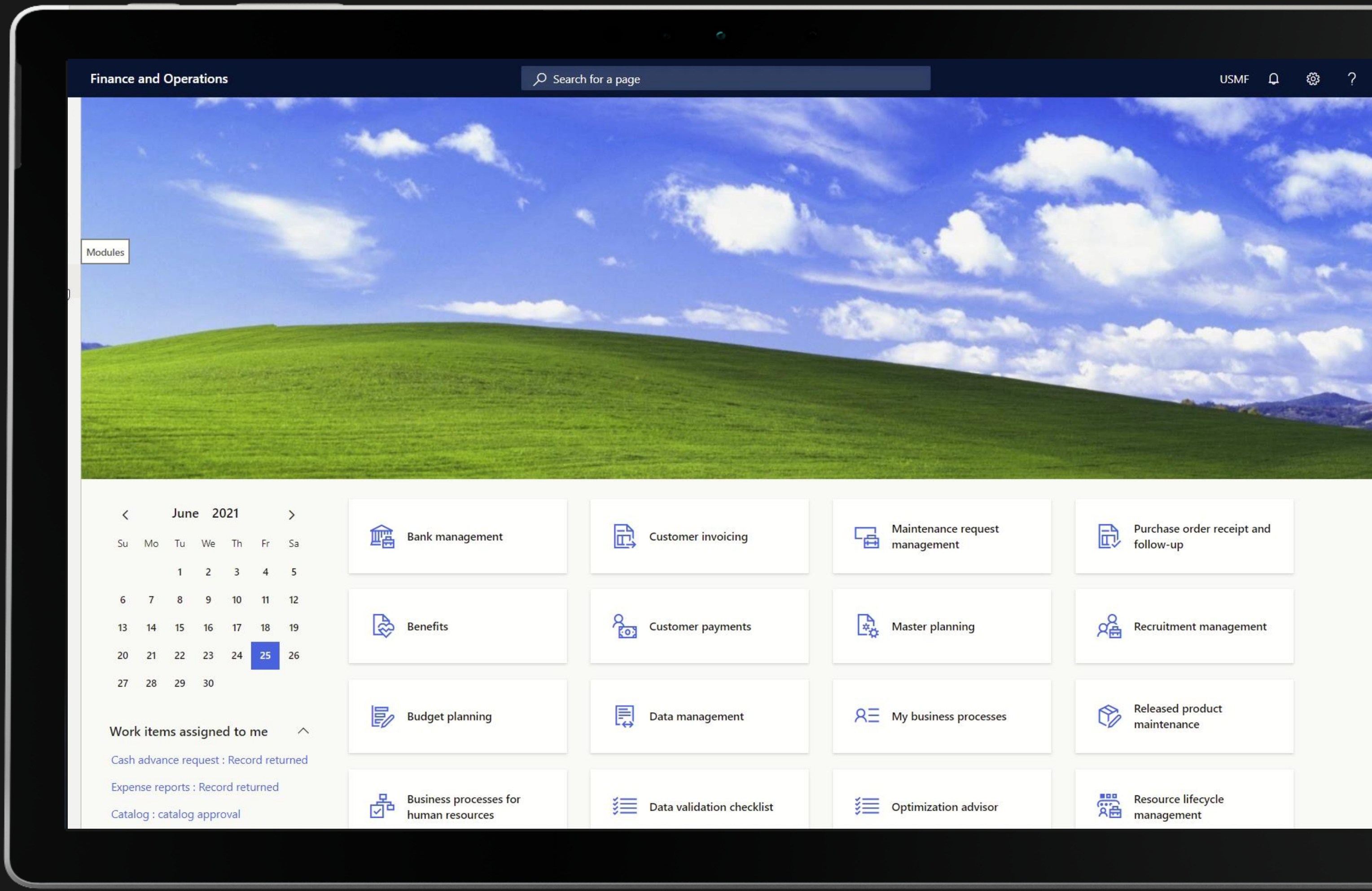
Allow blanks	• “”
Allow all	• *
Is	• ###
Begins with	• ###*
Ends with	• *###
Is between and includes	• ###..###
Is greater than and includes	• ###..*
Is greater than	• >###
Is less than and includes	• *..###
Is less than	• <###
Is like	• *###*
OR (multiple values)	• ###;###;###

Account Structure Validation

- Validate at the header of the account structure for all rows
- Validate a selected row of the account structure
- Values are not validated against the chart of accounts
- Values do not need to exist in the chart of accounts
- Use caution when entering the number of digits
- Use the Account structure allowed values data entity to upload or to perform additional validation

Limiting Combinations in the Account Structure

1. Open **General ledger > Chart of accounts > Structures > Configure account structures**.
2. Select the account structure to edit and click **Edit**.
3. Select a row to edit or create a new row in the **Segments and allowed values** FastTab.
4. Enter details in the **Allowed value details** FastTab for the combination.
5. Click **Activate**, and then click **Activate** again to confirm the activation.



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Using the Organization Hierarchy with the Account Structure

- Only organization units can be used
- Inherits Party A → to Party B
- Can go up or down a hierarchy
- Can inherit more than one hierarchy on each account structure
- Organizational hierarchies are date effective

Example of Organization Hierarchy for Account Structure Combinations

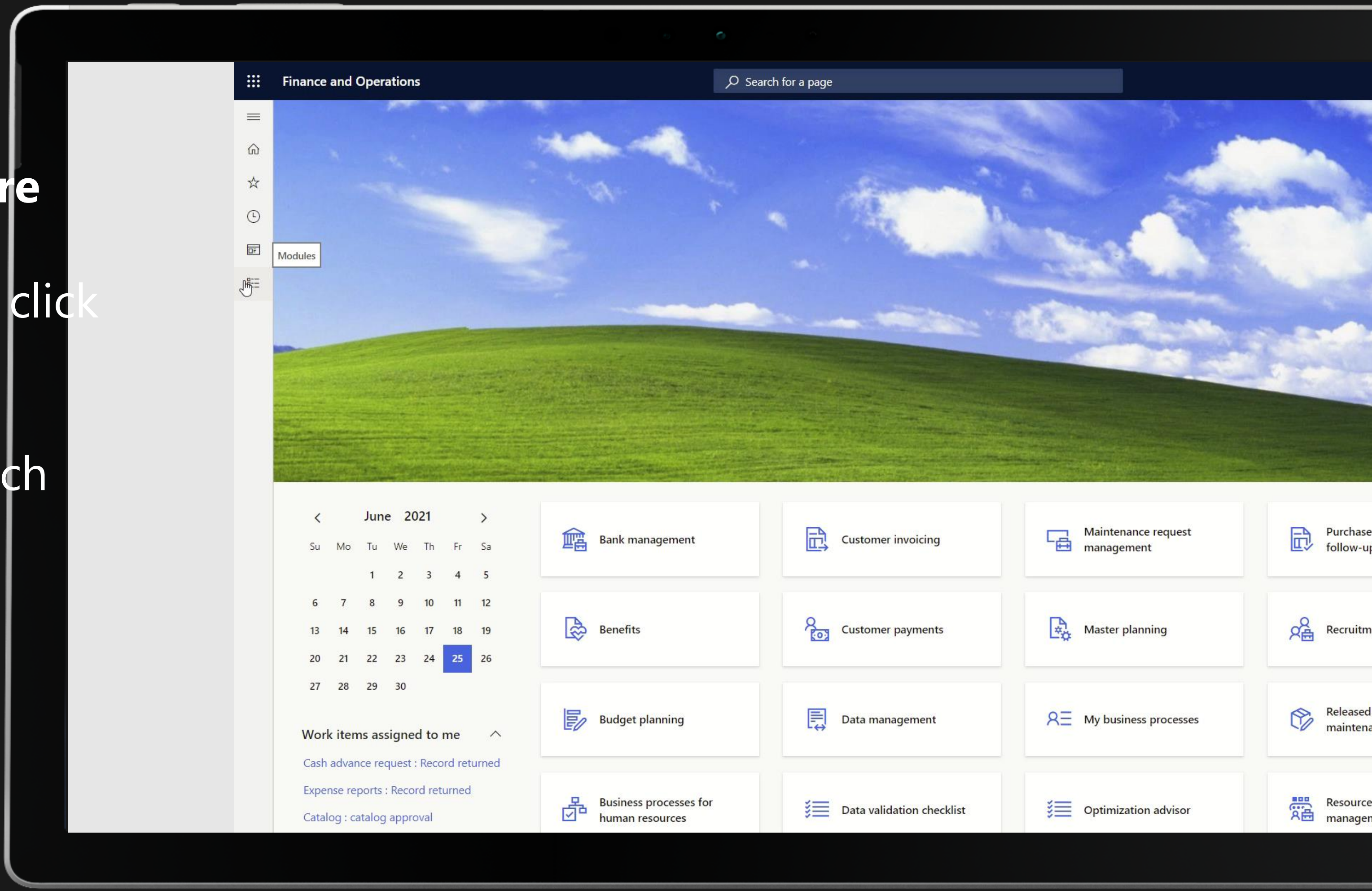
- Only certain cost centers can be used with each business unit
  - Build hierarchy with legal entity on level one.
  - Add business units to level two
  - Add cost centers to level three
- An operating unit (cost center or business unit for example) can only appear in an organizational hierarchy once
  - Build one hierarchy for each business unit or each cost center.
  - Add a single business unit (or cost center) at the top level
  - Add cost centers (or business units) below the business unit/cost center

Configure an Organization Hierarchy

1. Open **Organization administration > Organizations > Organization hierarchies**.
2. Select an existing hierarchy and click **View** or create a new hierarchy.
3. Use the **Insert** button to add nodes.
4. Click **Publish** to enable the changes.
5. Enter the **Effective date**, and then click **Publish**.

Configure Organization Hierarchy Relationships

1. Open **General ledger > Chart of accounts > Structures > Configure account structures.**
2. Select the hierarchy to modify and click Edit.
3. Click **Set up > Relationships**.
4. Mark the **Include** check box for each hierarchy relationship you want to inherit.
5. Activate the account structure to complete the changes.



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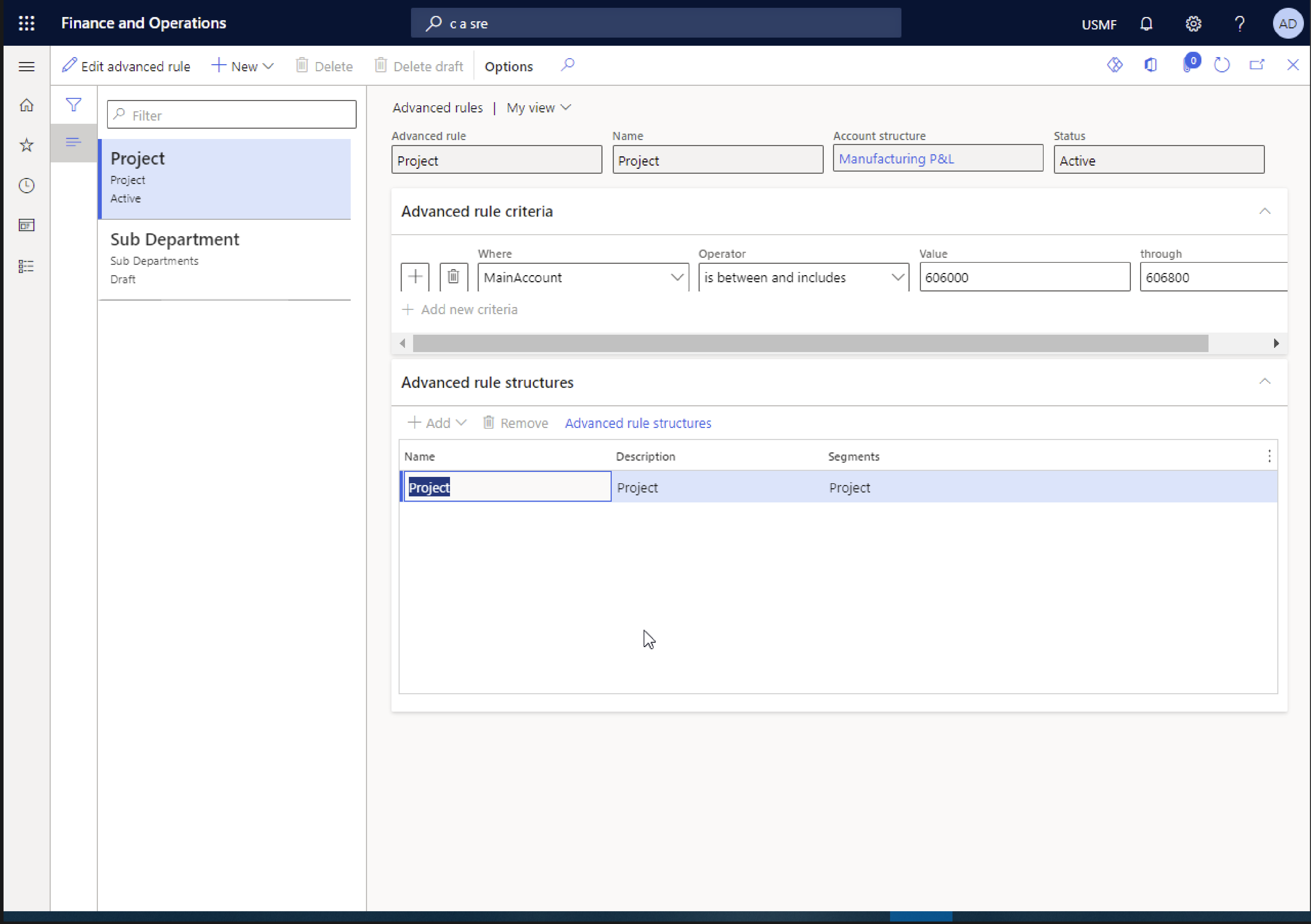
When should I use Advanced Rules?

- To manage exceptions
- To add a dimension to a small subset accounts
- To add a dimension based on a combo
- When a dimension value applies to a small set of combos

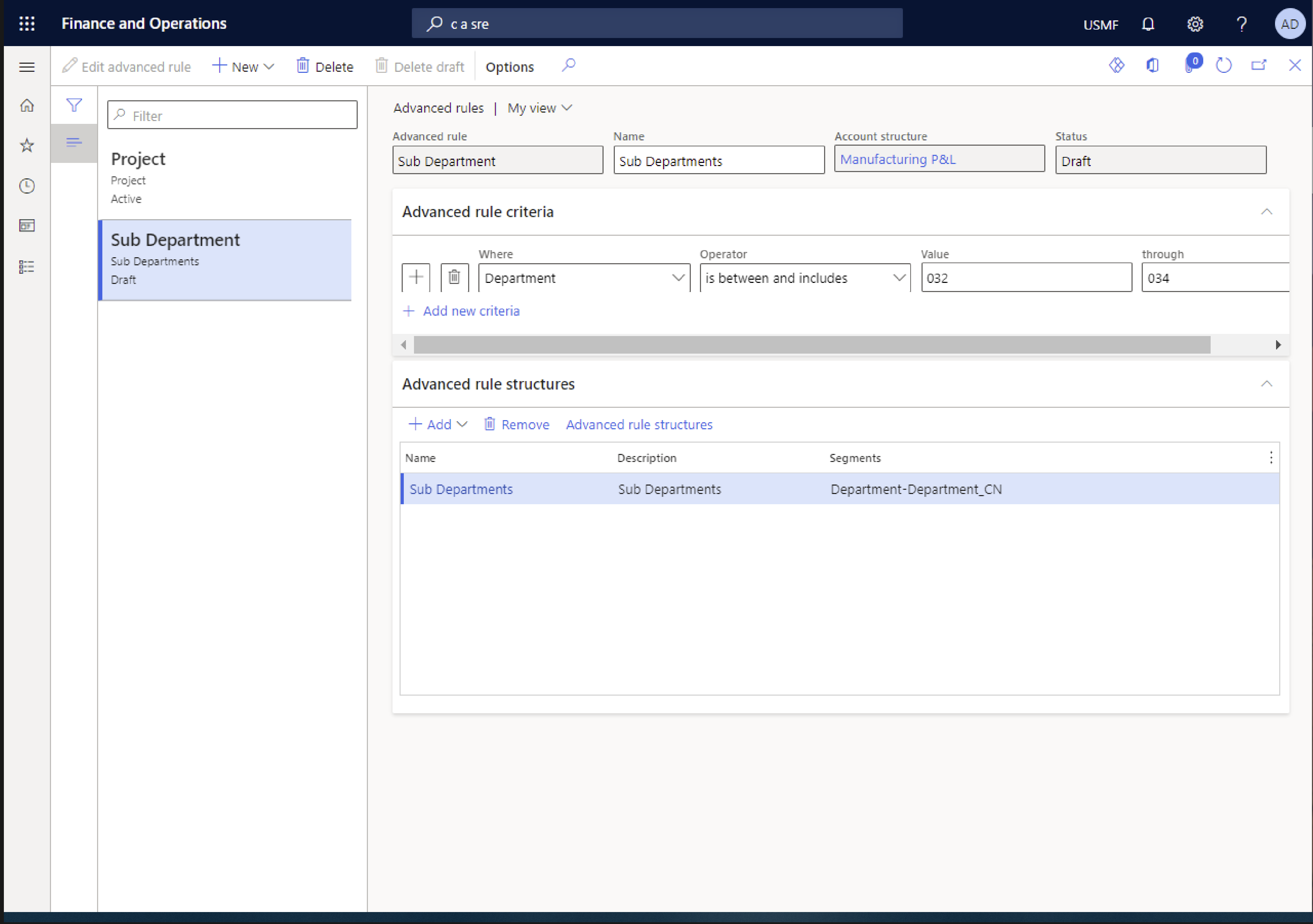
COMBOS

The official snack food of advanced rules

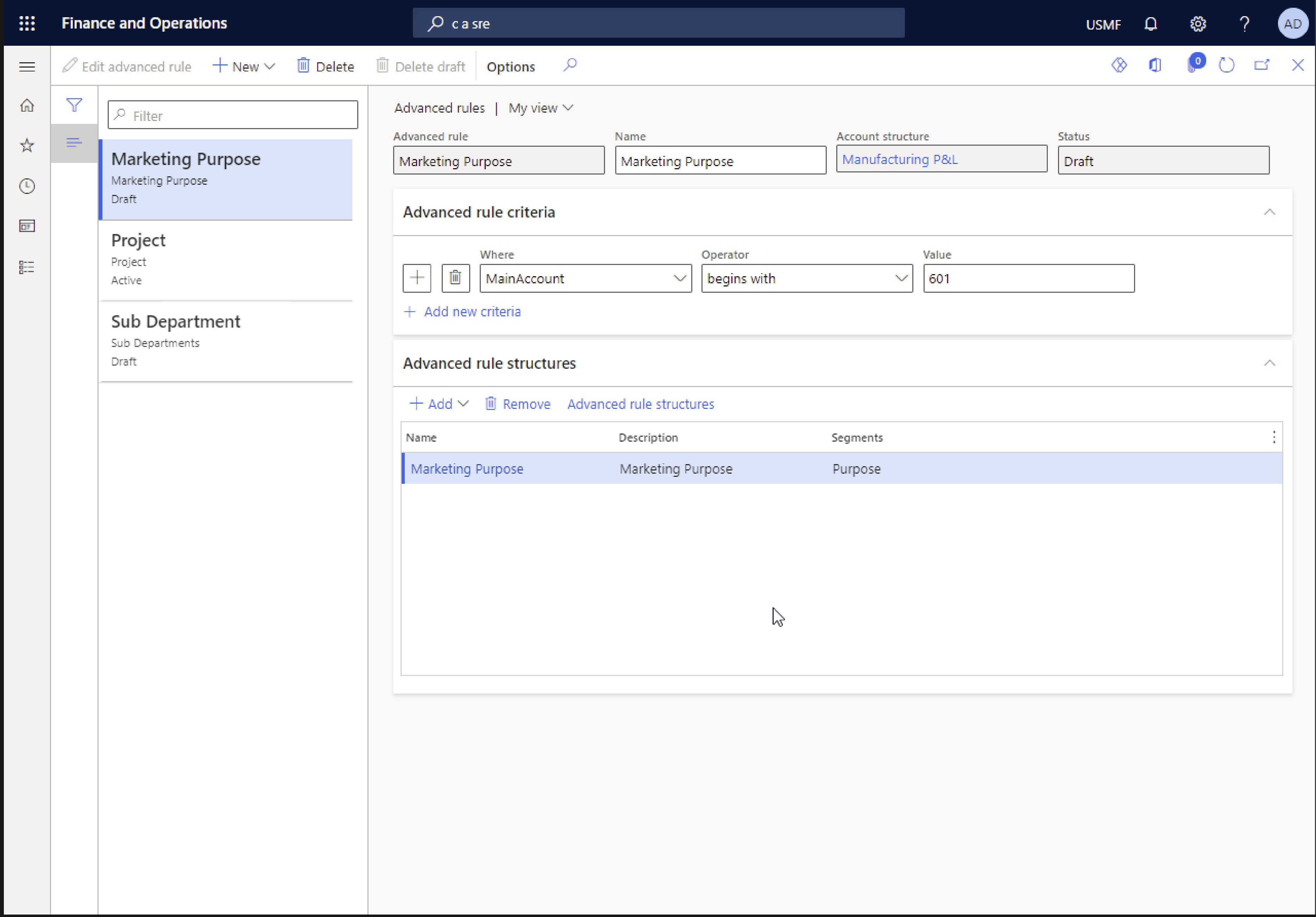
Examples: Project dimension for a range of expense accounts



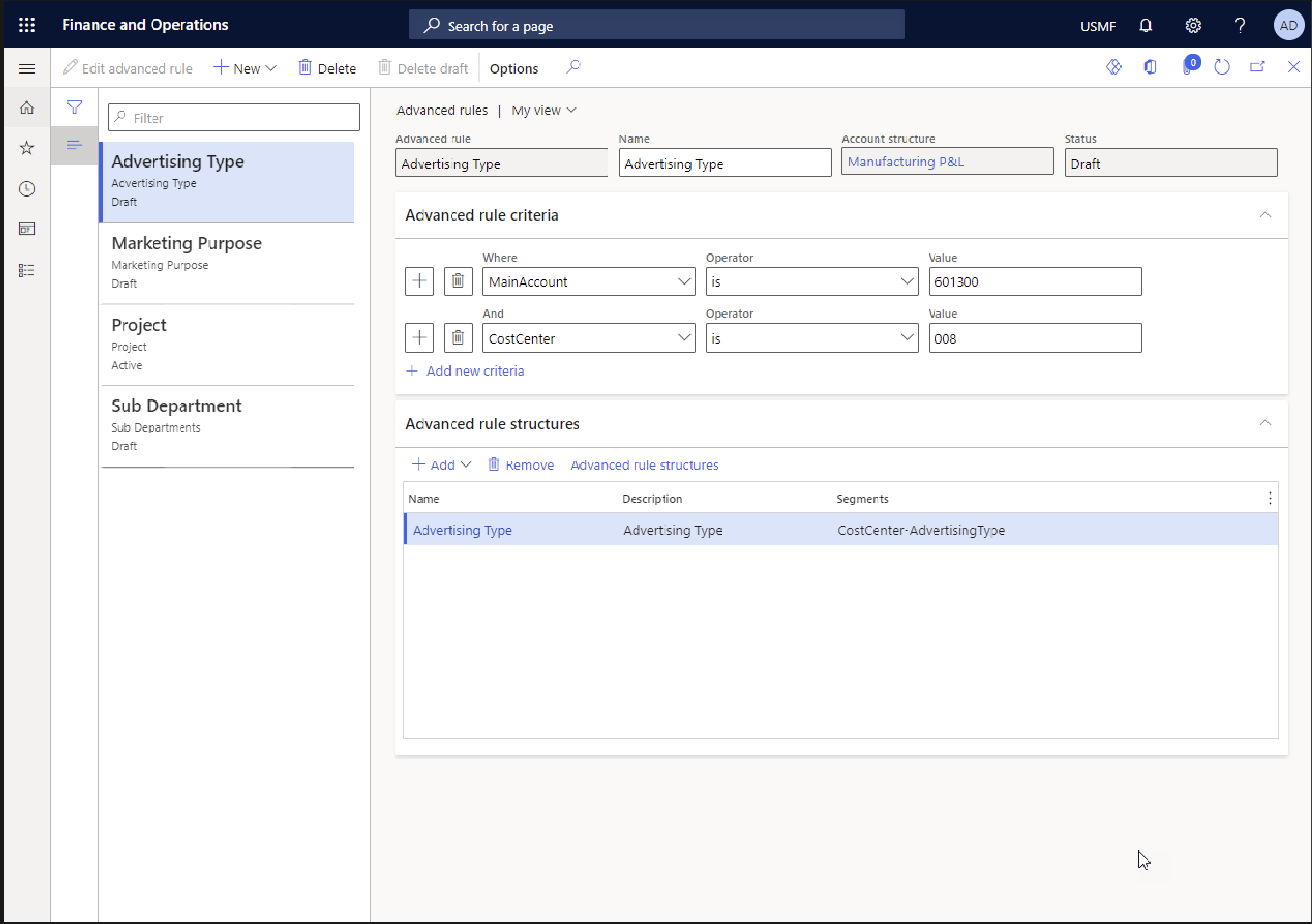
Examples: Sub-departments for certain departments



Examples: Marketing purpose on range of main accounts



Examples: Advertising type for marketing cost center



Configure an Advanced Rule

1. Open **General ledger > Structures > Configure account structures.**
2. Select the hierarchy to modify and click **Edit**.
3. Click **Advanced rules**.
4. Click **New** and then enter a unique **ID** and **Name** and click **Create.**
5. In the **Advanced rule criteria** FastTab, enter the criteria for when the rule applies.
6. In the **Advanced rule structures** FastTab click the **Advanced rule structures** button.
7. Click **New** enter a unique **ID** and a **Description** and click **OK**.
8. In the **Segments and allowed values** FastTab add segments and create combinations.
9. Click **Activate** and then click **Activate** again to confirm.
10. Close the page to return to the **Advanced rules** form.
11. Click **New**.
12. Select the **Advanced rule structure** you just created.
13. Close the page to return to the **Configure account structure** page.
14. Click **Activate** and then click **Activate** again to confirm.

Advanced Rules Versus Account Structures

Account Structures	Advanced Rules	Both
• Must include main account • Limited to 10 segments • Used for the majority	• Limited to 11 segments per rule • No limit to number of rules (impractical) • Used for managing exceptions • Can define conditions	• Can have multiple • Defines combinations that are allowed • Must be activated • Can have draft versions

Advanced Rules Versus Budget Planning Rules

- The configuration process is the same for both Advanced rules and Budget planning rules.
- Only one account structure can be selected for the Budget control configuration.
- The dimensions that appear for the budget control configuration include all the dimensions from the account structure and any budget planning rules related to the account structure.
- If you do not include main accounts on the budget control configuration, then you must configure the list of main accounts to perform a budget check on.

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DO’s and DON’Ts for the Account Structures and Advanced Rules

DO

- ✓ Use separate account structures for different sections of your chart.
- ✓ Create account structures for accounts that have similar rules and combinations.
- ✓ Minimize the number of dimensions in each account structure.
- ✓ Manage exceptions with advanced rules.
- ✓ Use ranges to define the applicability of advanced rules.

DON’T

- × Use a single account structure across all main accounts.
- × Create an advanced rule for each main account/dimension combination.

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RECAP

Your checklist for the chart of accounts and ledger

Use and adjust this baseline checklist

- Create Main account templates
- Create Main account categories
- Create Exchange rate types
- Define Sales tax groups and Item sales tax groups
- Define Sales tax codes
- Define the Chart of accounts
- Create Main accounts
- Define Legal entity overrides on Main accounts
- Create Financial dimension
- Define values for financial dimensions
- Define default and fixed dimensions on main accounts
- Create Financial dimension sets
- Configure Financial dimensions sets to update periodically
- Create Financial dimension default templates
- Create Ledger account aliases

RECAP

Your checklist for the chart of accounts and ledger continued

Use and adjust this baseline checklist

- Create a Fiscal calendar
- Create an Organization hierarchy
- Create an Account structure
- Create a relationship from the Organization hierarchy to the Account structure
- Create an Advanced rule
- Activate Advanced rules
- Activate Account structures
- Configure the Ledger

Resources

[GENERAL LEDGER DOCS]

[FINANCE LEARNING CATALOG]

QUESTIONS

Dankie Faleminderit **Shukran** Chnorakaloutioun Hvala Blagodaria

Děkuji **Tak** Dank u Tänan Kiitos **Merci** Danke Ευχαριστώ A dank

Mahalo תודה. **Dhanyavād** Köszönöm Takk Terima kasih **Grazie** Grazzi

Thank you!

감사합니다 Paldies Choukrane Ačiū **Благодарам** ありがとうございました

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