

CREATING FINANCIAL STATEMENTS USING MICROSOFT DYNAMICS GP: LEARNING vs. TEACHING

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This presentation proposal provides information about a course project designed around the learner-centered paradigm rather than a teacher-centered educational paradigm. Researchers have found great importance in the learner-centered approach in educating students, especially in information systems (Saulnier et al. 2008; Landry et al. 2008). Major differences exist between the two approaches; for example, the professor gives information and evaluates, and emphasizes the right answer in a teacher-centered approach. The professor coaches and facilitates, and emphasizes that students generate good questions and learn from mistakes in a learning-centered approach. The project is not software specific, i.e., the project is generalizable to any system used to create financial statements.

The course project requirements (see Appendix A) include (1) the construction of financial statements for Jewelry Importers using Microsoft Dynamics GP and (2) a written report on the:

- overall process of learning how to work with the software,
- problems encountered,
- resolution of problems,
- groups' evaluations of their financial statements and
- groups' evaluations of their ability to complete similar future projects.

This project, used as a group project for the last several years, builds on previous courses' material along with current course material. The professor provides the student with project planning guidance, but provides minimal instructional material on actually completing the project. The project planning guidance includes a review of trial balances and financial statements along with an individual exercise as to how each student anticipates what his/her financial statements will look like. The instructional project material consists mainly of videos that provide an introduction to the software.

In this environment the students have an understanding of the desired output, but face the challenge of using the system to obtain that output. Students overcome the challenge by using professor supplied videos, collaborating with group members and other classmates, and using the internet to search for solutions – all part of the learning-paradigm. The professor provides some guidance during lab time by addressing student questions and encouraging the students to find solutions to those questions, another aspect of the learning-paradigm.

In addition to using software to create financial statements, the groups write a report that conveys accounting knowledge, system knowledge, problem solving skills, and evaluation skills. The professor uses a rubric to assign a project grade; the rubric (see Appendix B) does not focus on just right answers, but also on the groups' ability to evaluate their output.

The presentation will include selected parts of the videos, the assignment, student output, and the grading rubric. While the presented project uses the Frx Software within Microsoft Dynamics GP to create financial statements, the project serves as a template for use with any accounting information system.

REFERENCES

Landry, J.P., Saulnier, B.M., Wagner, T.A. & Longenecker, H.E. 2008. Why is the Learner-Centered Paradigm so Profoundly Important for Information Systems education? *Journal of Information Systems Education*, Vol. 19 (2), pp. 175-179.

Saulnier, B.M., Landry, J.P., & Wagner, T.A. 2008. From Teaching to Learning: Learner-Centered Teaching and Assessment in Information Systems Education. *Journal of Information Systems Education*, Vol. 19 (2), pp. 169-174.

APPENDIX A – PROJECT

_____ (School Name)
_____ (Course name and instructor)
Microsoft Dynamics GP/FRx Project – Fall 2012 – 100 Points
Due October 11, 2012 (by end of day)

OB

The objective of this assignment is to work with a teammate(s) to build financial statements using an enterprise system, which requires a combination of accounting knowledge and technology skills. You will access the enterprise system, Dynamics GP 10, using remote desktop access (terminal services).

Overview

Jewelry Importers, Inc. is a company¹ that imports unique jewelry from various artists' studios in several countries and sells that jewelry wholesale to specialty stores, boutiques and high-end catalogs. Although they buy most of their inventory overseas, they record all transactions in US dollars.

Jewelry Importers uses Dynamics GP 10, and management wants financial statements created using FRx (financial statement tool) rather than the Dynamics GP 10 Advanced Financial feature. In relation to formatting, management wants an income statement with a current month column and a YTD column; the balance sheet should include a column for the current month and a column for the previous month.

Management does not want highly summarized statements, i.e., one line for selling expenses and one line for administrative expense, but they also do not want a line for every general ledger account.

Your charge is to create these financial statements for 12/31/2003. Working with your assigned team member(s), create professional and appropriate financial statements (income statement, balance sheet, and statement of cashflows) using Dynamics GP FRx as the reporting tool.² In addition, to document your experience, you need to write a formal and concise report that addresses the items below. Save your report in WORD using the semester – Fall 2012 – and your team name as the file name (e.g., Fall2012Team 01). Submit your report via the Blackboard assignment where this assignment was posted.

Requirements

A summary of the requirements is as follows:

- Construct financial statements (income statement, balance sheet, statement of cash flows)
- Complete a report
- Complete Blackboard team evaluation

Financial Statements

Construct professional financial statements in Dynamics GP 10 using the FRx tool. Note that the report that you create can be used for any time period, but you are preparing the reports using data/information for 12/31/2003.

The class lecture on FRx will be minimal, but Blackboard has two items to help you: (1) a video and (2) FRx manual. In addition, use the system help within the program, your team members, and internet searches to help you solve any obstacles you have when creating your reports.

Report

¹ Jewelry Importers, Inc. is an actual company whose data has been cleansed to remove its identity.

² Use a naming convention for your row, columns, and reports that includes your initials so that you can differentiate your design from your team member's design.

In addition, to constructing financial statements, submit a report that addresses the following items. Include a coversheet with your report.

1. Jewelry Importer's Inc.
 - a. How would you describe the company's value chain, business processes and accounting transaction cycles? Resources, events, and agents?
 - b. What are the five levels of risk? What are examples of each risk for Jewelry Importers and what impact does each risk have on Jewelry Importers? For information processing and business process risks, limit your examples to risks associated with the business process of acquiring customers, delivering goods, collecting cash.
2. Financial Statements
 - a. What main steps did you take to create your financial statements?
 - b. What issues/problems did you encounter as you constructed your financial statements? How did/would you address/solve those issues?
 - c. How do you know that your statements are correct? Without error?
 - d. How would you evaluate your financial statements on a scale of 1 to 10 (1 represents *statements need much more work before distributing to management* and 10 represents *statements are ready for distribution to management*)? Support your rating. If your score is not a "10", what is required to obtain that "10" rating?
 - e. What accounts/balances that you would question, i.e., further investigate to ensure proper reporting/classification on the financial statements? Why?
3. Cover page: Include pertinent information about the assignment along with the name of the reports you want graded.

Team Evaluations

Complete the team evaluation form that is on Blackboard as a test. This provides an opportunity for you to evaluate both your own and your team mate(s) performance. If you do not complete the evaluation form by the due date of the assignment, you will receive a reduction of five points; grades may also be reduced based on unfavorable evaluations.

Appendix B – Rubric (From Spreadsheet File)

Spreadsheet heading:

	Cover Page	Narrative based on TB			Financial statements							Questions about certain accounts? Why?	Accounts	Explanation	Overall writing/report	Total Points	Comments/Notes
	Cover Page and names of stmts	VC; BP; AT cycles; REA	Five levels of risk (2-3 examples)	IP and BP risk with revenue process -	Main steps for preparing?	Main issues? How addressed?	Reason stmts correct, i.e., without error?	Evaluation	Stmts evaluated (1-10 scale)	Support for evaluation	If not a 10, what needs to be done						
Pts Poss	5	10	10	5	10	10	10		5	5	5	15			10	100	

Example of group grade:

Grp02	5	10	10	5	9	10	8		5	5	5	15	Accounts that include individual names, e.g., Henderson Receivable and Inventory-Bobbie.	Is each account actually a current asset? Why are the balances so high?	10	97	Good report; well-written and well-organized. Answered the questions asked. Reports accurate and professionally prepared. Other: Why eliminate accounts with zero balance when setting up the FS template? Error in title of SCF - does not cover a year, but rather a month.
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