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# Microsoft

## **MB3-701 PRACTICE EXAM**

**Microsoft Dynamics GP 2013 Financials**

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**Question: 1**

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Which condition must be met in order to void a receivables cash receipt?

- A. The cash receipt must be in the open file.
- B. The cash receipt must be fully applied to one or more invoices.
- C. The cash receipt must not be posted.
- D. The cash receipt must be on hold-

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**Answer: A**

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**Question: 2**

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Which is true when you create a refund check?

- A. You must set up a customer/vendor relationship.
- B. You must place the Sales document to be refunded on hold.
- C. You can only create a refund check to the parent company if the customer is part of a National Account.
- D. You must set up customer Electronic Funds Transfer (EFT) information in the Customer Card.

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**Answer: A**

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**Question: 3**

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What is the effect of placing a customer record on hold?

- A. The customer record is inactivated automatically.
- B. You can enter only customer payments for that customer.
- C. A warning message appears when you enter a new sales transaction.
- D. You cannot post new transactions for that customer.

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**Answer: C**

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**Question: 4**

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Which two processes can you perform in Paid Sales Transaction Removal? (Each correct answer presents part of the solution, Choose two.)

- A. Delete inactive customers.
- B. Transfer sales commissions to employees.
- C. Consolidate balance forward accounts.
- D. Transfer fully applied transactions to history.

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**Answer: CD**

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**Question: 5**

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You need finance charges to appear on customer statements. What should you do? (Each correct answer presents part of the solution. Choose two.)

- A. Run the receivables aging process.
- B. Post the receivables finance charge batch.
- C. Reconcile the outstanding document amounts.
- D. Run the assess finance charge process.

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**Answer: BD**

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**Question: 6**

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You set up a National Account. Which two are true? (Each correct answer presents part of the solution. Choose two.)

- A. Individual sales summary and demographic information about both the parent customer and the associated child customers are retained in Dynamics tables.
- B. You can combine all sales transaction activity for both the parent customer and associated child customers into one statement.
- C. You can enter a cash receipt for the child customer and apply the receipt to the parent customer.
- D. If you delete the parent customer, the associated child customers are deleted also.

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**Answer: AB**

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**Question: 7**

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You enter a transaction in the Receivables module. You need to apply the entry to a Receivables document that was posted previously. Which two document types should you use? (Each correct answer presents a complete solution. Choose two.)

- A. Credit Memos
- B. Warranties
- C. Returns
- D. Debit Memos

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**Answer: AC**

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**Question: 8**

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Which setup is required to create salesperson records?

- A. Vendors
- B. National accounts
- C. Sales territories
- D. Employees

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**Answer: C**

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**Question: 9**

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You process depreciation for a single asset by using the Depreciate Asset window. What is the maximum number of books that you can select at one time?

- A. 3
- B. unlimited
- C. 2
- D. 1

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**Answer: D**

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**Question: 10**

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You process the depreciation routine for the corporate book. You review the General Ledger account balances. You do not find any record of the financial detailed transactions that are related to the depreciation run. What should you do next?

- A. Confirm that the posting settings for the Financial Series are set to Post Through.
- B. Process the Financial Reconcile utility to correct the error.
- C. Complete the Fixed Assets General Ledger posting routine.
- D. Review Financial Series Post for an unposted batch and then post the batch.

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**Answer: C**

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**Question: 11**

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What is the purpose of the Fixed Assets calendar?

- A. Creates periods for the mid-quarter averaging convention.
- B. Creates past and future years that are used to determine the life of an asset.
- C. Creates all periods that are required for depreciation calculations.
- D. Creates periods to determine when the depreciation process should be performed.

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**Answer: C**

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**Question: 12**

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In the Asset Book window, what is the purpose of the Place in Service Date?

- A. Determines when depreciation begins for an asset.
- B. Defaults whether the Depreciation Expense account or Prior Year Depreciation account is used when you assign an asset to a book.
- C. Calculates the Averaging Convention for an asset.
- D. Determines the depreciation rules for an asset.

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**Answer: A**

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**Question: 13**

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Your coworker creates an asset group. You want to use the asset group to process a mass retirement. You are unable access the asset group. Why is the asset group unavailable?

- A. You did not refresh the Select Assets window in which the asset group was created.
- B. Asset groups are user specific.
- C. You cannot use asset groups to process mass retirements.
- D. You do not have security privileges for that asset group.

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**Answer: B**

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**Question: 14**

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You need to default posting accounts for assets. Which Fixed Asset setup should you use?

- A. Account Group
- B. class
- C. Book
- D. Purchasing Posting Accounts

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**Answer: A**

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**Question: 15**

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You change the Depreciated to Date in the Asset Book window after you save an asset record. What is the result?

- A. The Original Life Year, Days field is recalculated.
- B. The asset is transferred to a new asset book record.
- C. The Cost Basis is adjusted.
- D. Yearly depreciation is recalculated.

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**Answer: A**

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**Question: 16**

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Which is true when you use the Master Asset ID field?

- A. Master Asset ID will default other fields of information in the Asset Maintenance window.
- B. Master Asset ID provides additional sorting options when you look up an Asset ID.
- C. Master Asset ID can be changed when a component is no longer part of the asset.
- D. Master Asset ID allows groups of assets to be retired at the same time.

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**Answer: C**

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**Question: 17**

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Which two payment methods can you enter in Payables Manual Payment Entry? (Each correct answer presents part of the solution. Choose three.)

- A. credit card

- B. prepayment
- C. refund check
- D. check

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**Answer: ABD**

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**Question: 18**

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You need to determine the distribution accounts in Payables Transaction Entry. What is the default order?

- A. Vendor Class and then Posting Account Setup
- B. Vendor Account Maintenance and then Posting Account Setup
- C. Vendor Account Maintenance and then Vendor Class
- D. General Ledger setup and then Vendor Account Maintenance

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**Answer: B**

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**Question: 19**

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You place a vendor on hold. What is the result?

- A. You cannot void invoices for that vendor.
- B. You cannot create a new payment to that vendor.
- C. You cannot edit Vendor Maintenance.
- D. You cannot post invoices to the vendor.

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**Answer: B**

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**Question: 20**

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In Payables Transaction Entry, you can apply credit memos to which payables invoices?

- A. only invoices that are open and are posted
- B. only invoices that are in history
- C. only invoices that have been saved
- D. only invoices that are past due

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**Answer: A**

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**Question: 21**

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You need to roll down information from the vendor-class level to vendor cards. Which two options can you enter at the class level? (Each correct answer presents part of the solution. Choose two.)

- A. user-defined fields
- B. shipping method
- C. send forms as email
- D. status

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**Answer: AB**

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**Question: 22**

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You need to match Payables Management transactions to the corresponding General Ledger distribution transactions for a specific period. Which process should you use?

- A. Archived Matched Transactions
- B. Reconcile to GL
- C. Payables Year End Close
- D. Reconcile Financial Information

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**Answer: B**

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**Question: 23**

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You post an intercompany payables invoice for the current year. Which audit trail code is assigned to the transaction in the destination company?

- A. ICTHS
- B. GLTRX
- C. PMTRX
- D. ICTRX

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**Answer: D**

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**Question: 24**

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You create a new batch in the General Ledger. The batch has a Frequency of Monthly. You need to set the number of times that the batch will post. Which option should you assign to the batch?

- A. Break Down Allocation
- B. Recurring Posting
- C. clear Recurring Amounts
- D. Days to Increment

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**Answer: B**

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**Question: 25**

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How is posting to historical years limited?

- A. You can post to all historical years.
- B. You cannot post to any historical year.
- C. You can post to the most recent historical year.
- D. You can post to the two most recent historical years.

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**Answer: C**

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**Question: 26**

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Which two operations can you perform by using Mass Modify Chart of Accounts? (Each correct answer presents a complete solution. Choose two.)

- A. Copy accounts to a new account range.
- B. Inactivate accounts.
- C. Modify accounts to have new account numbers.
- D. Combine multiple accounts into a single account.

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**Answer: AB**

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**Question: 27**

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In Account Maintenance, what is the purpose of Posting Type?

- A. Determines which account category can be assigned to the account.
- B. Determines when the account balance will print in brackets on a report.
- C. Determines whether or not the balance in the account is a debit or a credit.
- D. Determines which accounts are closed to retained earnings at the end of the fiscal year.

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**Answer: D**

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**Question: 28**

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You need to print several reports from multiple modules in a single step. Which should you set up?

- A. Report Groups for each module
- B. Combined Report Group
- C. Report Options that are saved under My Reports
- D. Custom Reports list for each module

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**Answer: B**

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**Question: 29**

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Under which condition is it possible to delete a General Ledger (GL) account?

- A. The account has a zero balance and has only open year transactions.
- B. The account has a balance and has only open year transactions.
- C. The account has a zero balance and has only historical year transactions.
- D. The account has a zero balance and has no transactions.

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**Answer: D**

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**Question: 30**

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Which two are valid types of Multidimensional Analysis (MDA)? (Each correct answer presents a complete solution. Choose two.)

- A. none
- B. variable
- C. fixed
- D. active

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**Answer: AC**

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**Question: 31**

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You click the Reconcile button to complete a bank reconciliation. Which two actions occur next? (Each correct answer presents a complete solution. Choose two.)

- A. If the adjusted bank balance and the adjusted book balance do not match, an automatic adjustment is created in the checkbook, then the reconcile completes.
- B. Adjustment transactions are recorded, but do not post.
- C. If the adjusted bank balance and the adjusted book balance match, the reconcile completes.
- D. Cleared transactions are marked as reconciled.

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**Answer: CD**

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**Question: 32**

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In the Checkbook Maintenance window, you enter a maximum check amount of \$1500.00 (US). You enter a password for the checkbook. You need to process a check that is greater than \$1500.00. For which is a password required?

- A. Checks that are processed in Select Payables Checks.
- B. Checks that are processed in Payables Transaction Entry.
- C. Checks that are processed in Bank Transaction Entry.
- D. Checks that are processed in Miscellaneous Check Entry.

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**Answer: B**

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**Question: 33**

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You start a bank reconciliation. You need to enter an adjustment to decrease the checkbook balance. What should you do?

- A. Enter a positive amount by using an Other Income type adjustment.
- B. Enter a positive amount by using an Other Expense type adjustment.
- C. Enter a negative amount by using an Other Income type adjustment.
- D. Enter a negative amount by using an Other Expense type adjustment.

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**Answer: B**

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**Question: 34**

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You void a Deposit with Receipt. The Deposit with Receipt is not reconciled. What happens to the receipts that are attached to the Deposit with Receipt?

- A. Receipts are voided also.
- B. Receipts are removed from bank history.
- C. Receipts are reconciled automatically.
- D. Receipts become available to be re-deposited.

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**Answer: D**

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**Question: 35**

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Which types of transactions can you enter in Bank Transaction Entry? (Each correct answer presents part of the solution. Choose two.)

- A. transfer
- B. service charge
- C. check
- D. increase adjustment

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**Answer: CD**

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**Question: 36**

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Which event prevents you from editing the Last Reconciled Balance for a checkbook?

- A. The checkbook is saved.
- B. The checkbook is inactivated.
- C. Transactions are posted for the checkbook.
- D. The first reconciliation is completed for the checkbook.

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**Answer: D**

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**Question: 37**

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Which two Bank Reconciliation transactions update the General Ledger cash account? (Each correct answer presents a complete solution. Choose two.)

- A. deposits
- B. void deposits
- C. void receipts
- D. receipts

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**Answer: CD**

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**Question: 38**

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Which section of your Home Page should you use to access your frequently used windows?

- A. Connect
- B. Checklists
- C. Quick Links
- D. Business Analyzer

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**Answer: C**

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**Question: 39**

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You configure a shipping method and use the Delivery shipping type. What is the impact on the transaction?

- A. There is a change in where the salesperson defaults from.
- B. There is a change in where the site defaults from.
- C. There is a change in where the tax schedule defaults from.
- D. There is a change in where the purchases account defaults from.

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**Answer: C**

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**Question: 40**

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Which of the following statements is true about the account format?

- A. You cannot lengthen the account format after transactions are entered.
- B. All companies must have the same account format.
- C. The number of segments in the account format must equal the number of segments that you define in the account framework.
- D. Individual maximum segment lengths are limited by the account framework.

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**Answer: D**

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**Question: 41**

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Which two item types can you add to Series Checklist? (Each correct answer presents a complete solution. Choose two.)

- A. Management Reporter report definition
- B. Microsoft Dynamics GP window
- C. External task
- D. Microsoft Dynamics GP report

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**Answer: BC**

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**Question: 42**

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You have a vendor list that contains 12,000 records. You generate the list by using SmartList. How many records are returned by default?

- A. 100
- B. 1000

- C. 10,000
- D. 12,000

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**Answer: B**

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**Question: 43**

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You need to add a new calculated report field to a Microsoft Word template. Which tool should you use to create the report field?

- A. Report Writer
- B. Microsoft Word
- C. Report Builder
- D. Business Intelligence Development Studio

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**Answer: A**

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**Question: 44**

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A company has a monthly subscription of Microsoft Dynamics GP 2013. The subscription includes 10 registered users. Which is true for the user setup?

- A. You can set up 10 active users and 5 inactive users because the maximum number of registered users only applies to the active users.
- B. You can set up users of any type as long as the user count does not exceed 10 because the maximum number of registered users is 10.
- C. You can set up 7 active users and 3 limited users because the maximum number of registered users applies to both active and limited users.
- D. You can set up 30 active users and 10 inactive users because Microsoft Dynamics GP allows concurrent users.

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**Answer: A**

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**Question: 45**

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You need to print an edit list prior to posting a General Ledger transaction. Which method of posting should you use?

- A. Series Posting
- B. Batch Posting
- C. Master Posting
- D. Transaction Posting

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**Answer: B**

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**Question: 46**

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What is the purpose of the General Ledger reconcile utility? (Each correct answer presents a complete solution. Choose two.)

- A. Validates batch header information.

- B. Updates the configuration of allocation accounts.
- C. updates transaction detail.
- D. Validates the configuration of allocation accounts.

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**Answer: AD**

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**Question: 47**

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Which two modules can you use to create intercompany transactions? (Each correct answer presents a complete solution. Choose two.)

- A. Receivables Management
- B. Payables Management
- C. General Ledger
- D. Bank Reconciliation

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**Answer: BC**

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**Question: 48**

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Which two transaction types are available in the Transaction Entry window in the General Ledger? (Each correct answer presents part of the solution. Choose two.)

- A. Reversing
- B. Quick
- C. Correcting
- D. Clearing
- E. standard

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**Answer: AE**

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**Question: 49**

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You create a new budget by using the Budget Wizard for Excel. The new budget must include a 5% increase over the historical 2010 budget. Which budget calculation method should you use?

- A. Other Budget Percent
- B. Open Year Percent
- C. Amount Change
- D- Historical Year Percent

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**Answer: A**

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**Question: 50**

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You need to create a new account to record the number of employees that are in a department. Which type of account records the number of employees?

- A. Variable Allocation account

- B. Fixed Allocation account
- C. Unit account
- D. Posting account

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**Answer: C**

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**Question: 51**

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You notice a variance between the Inventory sub-ledger and the corresponding General Ledger account. Which function should you use to identify the variance?

- A. CheckLinks
- B. Batch Recovery
- C. Reconcile
- D. Reconcile to GL

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**Answer: D**

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**Question: 52**

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Which two modules integrate with Fixed Assets? (Each correct answer presents a complete solution. Choose two.)

- A. General Ledger
- B. Bank Reconciliation
- C. payables Management
- D. inventory
- E. Sales Order Processing

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**Answer: AC**

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**Question: 53**

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You need to view an asset in Asset Maintenance. Which two statuses can the asset have? {Each correct answer presents a complete solution. Choose two.)

- A. Retired
- B. Active
- C. Partial Open
- D. Transferred
- E. Sold

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**Answer: ABC**

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**Question: 54**

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You need to define the default depreciation methods and conventions for assets. Which Fixed Asset setup should you use?

- A. Asset Class

- B. Account Group
- C. Book
- D. Book Class

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**Answer: D**

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**Question: 55**

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On what do you base a partial retirement for an asset? (Each correct answer presents part of the solution. Choose two.)

- A. cost
- B. quantity
- C. cash proceeds
- D. year to date depreciation
- E. remaining life

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**Answer: AB**

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**Question: 56**

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You process the year end close for the Fixed Assets corporate book. Which two statements are true? (Each correct answer presents a complete solution. Choose two.)

- A. You must manually update the fiscal year for your corporate book to the next year.
- B. The Cost Basis amount is copied to the Begin Cost field for each asset in the book.
- C. A year end General Ledger entry is created automatically for each asset in the book.
- D. The fiscal year for your corporate book is set automatically to the next year.

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**Answer: BD**

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**Question: 57**

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A customer makes a large purchase that they will repay monthly. You must set up the repayment to calculate 10% compounded interest automatically. What should you do?

- A. Set up a recurring receivables batch.
- B. Set up a Quick Journal entry.
- C. Set up a scheduled payment.
- D. Create a transaction each time that a payment is made.

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**Answer: C**

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**Question: 58**

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You receive a cash payment from a customer before a sales invoice is produced. What should you do with the payment?

- A. Keep the cash until you create an invoice, but do not create a cash receipt.



- B. Create a cash receipt and apply to open documents.
- C. Return the cash to the customer until you create an invoice, but do not create a cash receipt.
- D. Create a cash receipt, but leave the cash receipt as unapplied until you create the invoice.

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**Answer: D**

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**Question: 59**

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You need to perform period-end procedures for Receivable Management. Which routine should you complete first?

- A. Run the aging process.
- B. Assess finance charges.
- C. Run paid transaction removal.
- D. Print customer statements.

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**Answer: A**

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**Question: 60**

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Which field is required when you create a new customer record?

- A. class ID
- B. Customer ID
- C. Payment Terms
- D. Accounts Receivable account

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**Answer: B**

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**Question: 61**

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Which is a requirement when you delete a customer record?

- A. The customer record has posted transactions.
- B. The customer record must be archived.
- C. The customer record must be on hold.
- D. The customer record has no historical transactions.

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**Answer: D**

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**Question: 62**

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You enter and post an intercompany payables transaction. Which type of transaction is created in the destination company?

- A. payables manual payment
- B. general journal entry
- C. payables transaction
- D. bank transaction

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**Answer: B**

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**Question: 63**

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You need to reprint a batch of unposted vendor checks. Which window should you use?

- A. Print Payables Checks
- B. Payables Batch Entry
- C. Select Payables Checks
- D. Post Payables Checks

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**Answer: D**

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**Question: 64**

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You need to void a Payables Management invoice. Which two are requirements to void the invoice? (Each correct answer presents part of the solution. Choose two.)

- A. The invoice must be posted.
- B. The invoice must be completely unapplied.
- C. The invoice balance must be SO.00.
- D. The invoice must be in history.

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**Answer: AB**

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**Question: 65**

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You print all your financial statements for a specific fiscal period. You need to prevent users from posting any Payables Management transactions to that fiscal period. What should you do?

- A. Mark the purchasing series closed for that specific period in Fiscal Period Setup.
- B. Mark the specific period closed in Payables Year End Closing.
- C. Mark the specific period closed for the purchasing series in Period Consolidation.
- D. Mark the purchasing series closed for that specific period in Reconcile to General Ledger.

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**Answer: A**

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**Question: 66**

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By default, how many aging buckets appear on the Payables Management Aged Trial Balance report?

- A. 4
- B. 5
- C. 6
- D. 7

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**Answer: A**

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**Question: 67**

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You enter the Next Number in the Bank Reconciliation Setup window. Which two types of transactions use the Next Number? (Each correct answer presents a complete solution. Choose two.)

- A. bank transactions with a transaction type
- B. cash receipts from Receivables Management
- C. bank deposits
- D. bank transactions with a receipt type

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**Answer: AD**

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**Question: 68**

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You do bank reconciliation. You discover that a vendor check that was printed, posted, and fully applied was returned. The check was returned because of an incorrect vendor check address. You need to void and reprint the check. Where should you void the check?

- A. Miscellaneous Checks
- B. Post Payables Checks
- C. Void Historical Payables Transactions
- D. Checkbook Maintenance

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**Answer: C**

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**Question: 69**

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A check clears for an amount that differs from the posted transaction amount in the Bank Reconciliation module. You record the difference in the Cleared Amount Entry window. What is the result of recording the difference in the Cleared Amount Entry window?

- A. The General Ledger is updated with the difference.
- B. The cleared amount is recorded for reference.
- C. The transaction amount is updated with the new cleared amount.
- D. The checkbook balance is updated with the difference.

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**Answer: B**

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**Question: 70**

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You need to print the Bank Transaction Posting Journal for all transactions that you post in Bank Transaction Entry. When does the Bank Transaction Posting Journal print?

- A. After you post each of the transactions in Bank Transaction Entry.
- B. After you post the Bank Transaction batch in which the transactions were saved.
- C. After you post the transactions in Bank Transaction Entry and then select the transactions in Select Bank Transaction.
- D. After you post the transactions and close Bank Transaction Entry.

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**Answer: D**

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**Question: 71**

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You need to save Report Writer reports to multiple file types. Which three items are valid file types for Report Writer reports? (Each correct answer presents a complete solution. Choose three.)

- A. Microsoft Access file
- B. Text file
- C. XML file
- D. Microsoft Word file
- E. HTML file

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**Answer: BCE**

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**Question: 72**

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Which of the two types of activities can you monitor by using Activity Tracking? (Each correct answer presents a complete solution. Choose two.)

- A. File tracking
- B. Posting tracking
- C. SmartList tracking
- D. Field tracking

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**Answer: AB**

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**Question: 73**

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Which statement is true for user classes?

- A. Are no longer used.
- B. Assign users to Organizational Structures.
- C. Provide the default information that displays on the home page.
- D. Simplify user setup by providing the default task and role information.

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**Answer: B**

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**Question: 74**

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The Payables Transaction Entry window is open. You need to add the window to the Navigation page as a shortcut. What should you do?

- A. Drag and drop the window to the shortcut area on the Navigation Pane.
- B. Right-click in the window and then select Add to Shortcuts.
- C. Right-click in the shortcut area on your Navigation Pane and then select Add Current Window.
- D. Click File on the window menu bar and then select Add to Shortcuts.

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**Answer: D**

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**Question: 75**

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What is the maximum number of periods that can be defined for a fiscal year?

- A. 12
- B. 13
- C. 52
- D. 367

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**Answer: D**

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