Vendor: Microsoft

Exam Code:MB-310

Exam Name: Microsoft Dynamics 365 Finance

Version: Demo

QUESTION 1

You need to determine the cause of the issue that User1 reports.

What are two possible causes for the issue? Each correct answer presents part of the solution.

NOTE: Each correct selection is worth one point.

A. The account structure is in draft status.

B. The financial dimensions were created in the incorrect legal entity.

C. User1\\'s security is incorrectly set up.

D. The account structure has an asterisk for all dimensions.

E. The account structure has quotations for all dimensions.

Correct Answer: BD

Reference: https://docs.microsoft.com/en-us/dynamics365/finance/general-ledger/configure-account-structures

---

QUESTION 2

DRAG DROP

You need to configure the system to for existing purchasing contracts.

Which commitment types should you use? To answer, drag the appropriate commitment types to the correct requirements. Each commitment type may be used once, more than once, or not at all. You may need to drag the split bar between

panes or scroll to view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Commitment types	Answer Area	
Value	**Requirement**	**Commitment type**
Product value	Local supplier agreement	
Product category value	Utah agreement	
Product quantity		

Correct Answer:

Commitment types

Product value

Product category value

Answer Area

Requirement	Commitment type
Local supplier agreement	Value
Utah agreement	Product quantity

Reference: https://docs.microsoft.com/en-us/dynamics365/supply-chain/procurement/tasks/create-purchase-agreement

---

QUESTION 3

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while

others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A client wants general journals to be used only to post ledger-type transactions.

You need to set up journal configuration to achieve the requirement.

Solution: Set up the journal control on the general journal to the account type of ledger.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

A journal name can be used only for adjustments. In this case, you can specify that only the Ledger account type is valid across all companies.

Which account types can be posted?

Add   Remove

Company accounts	Account type
<All>	Ledger

QUESTION 4

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while

others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A client has multiple legal entities set up in Dynamics 365 Finance. All companies and data reside in Dynamics 365 Finance.

The client currently uses a separate reporting tool to perform their financial consolidation and eliminations. They want to use Dynamics 365 Finance instead.

You need to configure the system and correctly perform eliminations.

Solution: Create a separate company in which you manually create the eliminations. Then, use that company in financial reporting or in the consolidation process.

Does the solution meet the goal?

A. Yes

B. No

Correct Answer: A

A separate company can be created and used to manually determine and post elimination transactions. This company can be used in the consolidation process or in financial reporting.

References: https://docs.microsoft.com/en-us/dynamics365/unified-operations/financials/budgeting/consolidation-elimination-overview

---

QUESTION 5

Note: This question is part of a series of questions that present the same scenario. Each question in the series contains a unique solution that might meet the stated goals. Some question sets might have more than one correct solution, while

others might not have a correct solution.

After you answer a question in this section, you will NOT be able to return to it. As a result, these questions will not appear in the review screen.

A client wants general journals to be used only to post ledger-type transactions.

You need to set up journal configuration to achieve the requirement.

Solution: Set up a default offset account on the journal name.
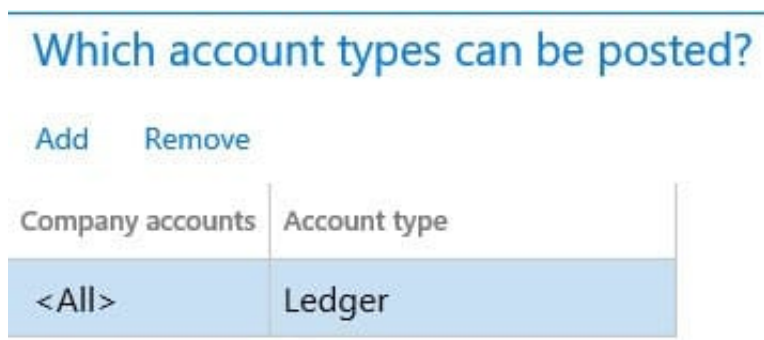
Does the solution meet the goal?

A. Yes

B. No

Correct Answer: B

Instead Solution: Set up the journal control to specify the account structure and ledger segment.

A journal name can be used only for adjustments. In this case, you can specify that only the Ledger account type is valid across all companies.

Reference: https://docs.microsoft.com/en-us/dynamics365/finance/general-ledger/general-journal-processing

---

QUESTION 6

SIMULATION

You are a functional consultant for Contoso Entertainment System USA (USMF).

You plan to settle accounts by receiving cash payments in US currency.

You need to create a cash receipts journal that uses the US dollar currency.

To complete this task, sign in to the Dynamics 365 portal.

Correct Answer: explanation

1.

Navigate to Finance > Cash Receipt Journals.

2.

Click the +New link to add a new cash receipt journal.

3.

Fill in the required fields including the currency field.

QUESTION 7

HOTSPOT

You plan to implement Dynamics 365 Finance.

You need to configure the system to meet the following requirements:

1.

Post vendor invoices in a journal.

2.

Create payments to vendors.

3.

Post headcount transactions.

4.

Process intercompany transactions.

Which journal types should you useTo answer, select the appropriate configuration in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Journal type
Post vendor invoices in a journal.	▼
	vendor invoice recording
	daily
	vendor invoice pool
Create payments to vendors.	▼
	vendor disbursement
	vendor invoice recording
	customer payment
	vendor invoice register
Post headcount transactions.	▼
	statistic
	daily
	budget
	elimination
Process intercompany transactions.	▼
	daily
	statistic
	allocation
	budget

Correct Answer:

Answer Area

Requirement	Journal type
Post vendor invoices in a journal.	**vendor invoice recording** / daily / vendor invoice pool
Create payments to vendors.	**vendor disbursement** / vendor invoice recording / customer payment / vendor invoice register
Post headcount transactions.	**statistic** / daily / budget / elimination
Process intercompany transactions.	daily / statistic / **allocation** / budget

Reference: https://docs.microsoft.com/en-us/dynamics365/finance/general-ledger/ledger-journal-types

---

QUESTION 8

A company uses Microsoft Dynamics 365 Finance. You are evaluating delinquent customers. You examine aging balances and determine that a customer\\'s balance must be written off.

You need to use journal lines to perform the write-off process.

Which two journal line types will be created? Each correct answer presents part of the solution.

NOTE: Each correct selectin is worth one point.

A. General ledger entry

B. Not sufficient funds (NSF) payment entry

C. Customer entry

D. Item transaction entry

Correct Answer: AD

Explanation:

Set up the write off parameters

Go to Navigation pane > Modules > Credit and collections > Setup > Accounts receivable parameters.

Click the Collections tab.

Expand or collapse the Write-off section.

(A)

The Write-off journal is the general journal that will hold the write-off transactions that you create.

You can attach a reason code to every write-off. You can override this default at the time of the write-off.

Set the Separate sales tax to Yes if you want to separate the sales tax from the original transaction in the write-off.

Close the page.

(D)

Go to Credit and collections > Setup > Customer posting profiles. The write-off account will be used as the expense account or reserve adjustment in the general journal.

Close the page.

Reference: https://learn.microsoft.com/en-us/dynamics365/finance/accounts-receivable/tasks/create-write-off-journal-customer

---

QUESTION 9

HOTSPOT

You are setting up a budget plan to accurately portray the projected budget for a company.

You need to select the appropriate allocation method for data distribution.

Which allocation methods should you useTo answer, select the appropriate configuration in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Answer Area

Requirement	Allocation method
Allocate budget plan lines to the destination scenario based on the percentages and financial dimensions that are defined in a selected budget allocation term.	▼ Aggregate Allocate to Dimension Distribute Copy from Plan
Allow budget amounts that are prepared at a lower level in the organization to be consolidated at a higher level.	▼ Distribute Allocate Across Periods Aggregate Allocate to Dimension
Transfer amounts that were budgeted at a higher level to a lower level of the organization for detailed review and adjustment before they can receive upper-level approval.	▼ Allocate Across Periods Distribute Copy from Budget Plan Aggregate
Enable budget amounts that are prepared at a higher level in the organization to be spread out for more localized review.	▼ Distribute Aggregate Copy from budget plan Allocate to dimension

Correct Answer:

Answer Area

Requirement	Allocation method
Allocate budget plan lines to the destination scenario based on the percentages and financial dimensions that are defined in a selected budget allocation term.	▼ Aggregate **Allocate to Dimension** Distribute Copy from Plan
Allow budget amounts that are prepared at a lower level in the organization to be consolidated at a higher level.	▼ Distribute Allocate Across Periods **Aggregate** Allocate to Dimension
Transfer amounts that were budgeted at a higher level to a lower level of the organization for detailed review and adjustment before they can receive upper-level approval.	▼ Allocate Across Periods Distribute **Copy from Budget Plan** Aggregate
Enable budget amounts that are prepared at a higher level in the organization to be spread out for more localized review.	▼ **Distribute** Aggregate Copy from budget plan Allocate to dimension

Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/financials/budgeting/budget-planning-data-allocation

---

QUESTION 10

DRAG DROP

You are creating a budget for an organization.

The organization requires that allocations be performed automatically as part of budget planning.

You need to invoke allocations at a specific budget planning stage.

Which three actions should you perform in sequenceTo answer, move the appropriate actions from the list of actions to the answer area and arrange them in the correct order.

Select and Place:

Actions

Set up Task approval or the workflow
Add an automated task for budget planning stage allocation at the desired workflow stage
Create a stage allocation on the Budget planning configuration page
Create an allocation schedule on the Budget planning configuration page

Answer Area

Correct Answer:

Actions

Set up Task approval or the workflow

Answer Area

Create an allocation schedule on the Budget planning configuration page
Create a stage allocation on the Budget planning configuration page
Add an automated task for budget planning stage allocation at the desired workflow stage

Reference: https://docs.microsoft.com/en-us/dynamics365/unified-operations/financials/budgeting/budget-planning-data-allocation

---

QUESTION 11

DRAG DROP

You are processing checks in Dynamics 365 Finance for a client.

You need to identify the outcome of the processed checks.

What is the check status for each scenario? To answer, drag the appropriate check statuses to the scenarios. Each check status may be used once, more than once, or not at all. You may need to drag the split bar between panes or scroll to

view content.

NOTE: Each correct selection is worth one point.

Select and Place:

Check statuses

Cancelled
Created
Paid
Void

Answer Area

Scenario	Check status
Lost in the mail to vendor and AP manager reversed the payment transaction	Check status
Rejected from the payment transfer form	Check status
Either generated or generated and posted	Check status
Fixed check number method and unused checks are available in the system	Check status

Correct Answer:

Check statuses

Answer Area

Scenario	Check status
Lost in the mail to vendor and AP manager reversed the payment transaction	Cancelled
Rejected from the payment transfer form	Void
Either generated or generated and posted	Paid
Fixed check number method and unused checks are available in the system	Created

---

QUESTION 12

HOTSPOT

A company uses Microsoft Dynamics 365 Finance to manage their computer hardware and support services.

A customer purchases the following three items on a sales order:

laptop

two tutoring sessions for use within the first year after purchase

one-year warranty

Which item should you consider for the revenue recognition process? To answer, select the appropriate options in the answer area.

NOTE: Each correct selection is worth one point.

Hot Area:

Revenue recognition | Item

At the time of invoicing

Laptop
Tutoring sessions
Warranty

On a schedule that is based on occurrence

Laptop
Tutoring sessions
Warranty

Correct Answer:

Revenue recognition | Item

At the time of invoicing

Laptop
Tutoring sessions
Warranty

On a schedule that is based on occurrence

Laptop
Tutoring sessions
Warranty

Explanation:

Box 1: Laptop

There are two concepts for revenue recognition:

Determine the revenue price. The revenue price is calculated based on the setup of the released products. The revenue price is never shown to the customer but is used only for the accounting of the sales order invoice. The sales order lines

and the documents that are printed as part of the sale continue to show the unit/list price.

Determine when revenue recognition should occur. A revenue schedule is used to determine when revenue should be

recognized.

Box 2: Tutoring sessions

Revenue schedules

A revenue schedule must be created for each occurrence that revenue can be deferred for. For example, if your organization offers support over six-month, 12-month, 18-month, and 24-month periods, you must create a revenue schedule for

each period. The setup of the revenue schedule determines how the revenue price is allocated across the number of periods that you select. It also determines the default dates that are entered for the revenue schedule that is created when

the invoice is posted.

Reference:

https://learn.microsoft.com/en-us/dynamics365/finance/accounts-receivable/revenue-recognition-so-basics

https://learn.microsoft.com/en-us/dynamics365/finance/accounts-receivable/revenue-recognition-setup