

# DAC EASY<sup>®</sup>

REVISED EDITION  
INCLUDES VERSION 2.0

# MADE EASY

Bud E. Smith

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# **DAC EASY<sup>®</sup> MADE EASY**

**Revised Edition Includes Version 2.0**

**Bud E. Smith**

Technical Assistance by  
Grant Miller, M.B.A.

**DOW JONES-IRWIN**  
Homewood, Illinois 60430

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**DAC  
EASY<sup>®</sup>  
MADE  
EASY**

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*To Elsie Naitoh, a friend forever*

This book is for the Dac Easy owner who hasn't found the program quite as "easy" as hoped. Most brand new owners of the program can use more accounting background, and a better understanding of how to use Dac Easy's features in support of a business. And most experienced users are curious about how the program works, and how to really push its capabilities to the limit. Both novice and more experienced users should find plenty of information, techniques, and insights into the program here.

But the special challenge to the book is the "closet" Dac Easy owner, who bought the program to learn about accounting at a low initial cost, but hasn't managed to make it do anything yet. So, the disk and manual are put in a closet or on a high shelf and forgotten about. If this work can change some of these owners into users, it will have served its purpose, and in the process will be that much more effective for all readers.

Almost all purchasers of this book will be Dac Easy owners who know that it is a powerful program and a great value. Given this context, there are faults within the program, and we're not afraid to point them out here. Once a problem's identified, ways to work around it can be found. We'll point out where you might need more help than even a large book like this can give you, and where to find it—whether from an accounting or computing text, a third-party program, or another Dac product.

What's special about Dac Easy Made Easy? The biggest single feature is its concentration on accounting principles. Not only is there an entire chapter devoted to accounting basics, but most of the other chapters tie the workings of Dac Easy to the program's roots in standard accounting procedures. The idea isn't to make the reader a CPA, but simply to give a framework and a vocabulary for dealing with both the program and with people who are well-versed in accounting.

Along with this accounting emphasis is a spotlight on the basic computer procedures you need to know to operate Dac Easy successfully. This discussion is packed into a single chapter to help you focus on it,

and know where to look when stuck. The goal here is not computer expertise but rather survival skills. Once your business is successfully set up on Dac Easy, you'll have time for further study of computers if you want.

Finally, special attention is given to the problems faced by users who are in their first few months or first year of using the program. Longer-term users will still find a lot to interest them here, but won't find it quite the help as a stuck new user.

All this should help answer the first question asked of any book about a software product: "What's in here that's not in the manual?" The answer is accounting information, computing basics, procedural help, better explanations, even easier to read printout samples and screen pictures. (Once you read this book, though, you should tackle the discussion of installing an existing business from the manual, which is not duplicated here.)

## A ROADMAP THROUGH THIS BOOK

A book with as much packed into it as this owes the reader a roadmap to help him or her avoid familiar areas, and focus on areas of real concern to a particular combination of background and present needs. The first three chapters here are each skimmable by one segment or another of the reading public, since each is basic in orientation: Dac Easy, then computing, then accounting are each discussed. This gets everyone closer to the same level for the purely Dac Easy focus that follows.

The next two chapters, 4 and 5, get into the nuts and bolts of implementing Dac Easy. The first focuses on your business: do you need the program at all? What will it take in terms of time and money to get it set up? The following chapter concentrates on setting up your data files on whatever disk space is available, and tries to give some idea of how far the program can take you if pushed.

Almost all of the latter half of the book is devoted to a module-by-module discussion of Dac Easy's components: accounting principles, files to be set up, and operational procedures. The idea is that if there's anything you need to know about purchase orders, for example, from how they affect your accounting system to how one is entered, this is the place to look.

Chapter 13 discusses all the other Dac Software programs that work with Dac Easy. This is done with the aim of showing which of the programs might be a help to which users. Hopefully, this section will serve as an honest guide for those who want to extend their Dac Easy-based system, but aren't quite sure what will work for them. The final

chapter contains an update for Dac Easy Version 2.0 and a discussion of what's new in the PC world.

A lot to cover in one book, but then Dac Easy can, when set up and used correctly, do a lot for you and your business. The goal here is to give you at least a running start in any area where your experience is less than required by this demanding program, and to help you apply its power to make you a more effective businessperson.

**Bud E. Smith**

## **ACKNOWLEDGMENTS**

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<b>CHAPTER ONE Dac Easy</b>	<b>1</b>
What It Is. Who It's For. How Hard Is It to Use? Bird's-Eye Overview: <i>What Goes In: Input. What Happens to the Input: Processing. The Long-Awaited Result: Output.</i> Dac Doesn't Do It All. A New Standard? Dac Easy Files and Modules. Getting Started. Dac Easy Basic Keystrokes. Dac Easy's Modules.	
<b>CHAPTER TWO Computing Basics</b>	<b>14</b>
Using Your Computer Hardware. Using DOS. Set the Date and Time. Get a Directory Listing. Backing Up Your Hard Disk. Copy Your Dac Easy Diskette! Copying and Deleting Files. More on Hard Disks.	
<b>CHAPTER THREE Accounting Basics</b>	<b>27</b>
What Accountants Do. Generally Accepted Accounting Principles. The Basic Accounting Equation. Accounts. An Example. The Balance Sheet. Revenues and Expenses. Revenues and Expenses and the Balance Sheet. Debits and Credits. Everyday Accounting: <i>The Journal. Posting. How Dac Easy Does It.</i> The Fiscal Year and You. The End of the Fiscal Year. Where You'll Still Need Help.	
<b>CHAPTER FOUR Dac Easy in Your Business</b>	<b>43</b>
Why Can't I Just Start Using It? Do I Need to Fill Out the Worksheets? The Worksheets Explained. Dac Easy and the Competition. Getting the Most Out of Dac Easy. Password Management. Dac Easy and Specific Types of Businesses. A Word of Advice.	
<b>CHAPTER FIVE Dac Easy Files</b>	<b>57</b>
Tutorial—Dac Easy Test System. File Entry. To Define Your Test Files. Enter Records to Files. Dac Easy as a Program.	

Files and File Sizes. How Dac Easy Data Files Are Defined. Fast File Definition. Sizing Your Files in Advance. A Short Summary. What the Total Kb Means. Maximum Possible File Sizes. Other File Utilities: *File Status* (2.1). *File Rehash* (2.3). *File Drive Change* (1.4). The Basics of Daily Transactions. Transaction Entry. A Calendar for Dac Easy: *Daily Routines*. *Monthly Routines*. *Yearly Routines*.

## **CHAPTER SIX General Ledger**

**89**

The General Ledger and Dac Easy. General Ledger Files Setup: *Chart of Accounts File*. *G/L Interface Table*. *Financial Statements File*. Daily Activities: *Quick Reference Section*. *Entering Transactions* (2.1). *A Few Definitions*. *Print Journals* (2.2). *Post* (2.4). *End Month Routine* (10.1) and *Closing the Month*. *End Year Routine* (10.2) and *Closing the Year*. General Ledger Reports: *Print Account Activity Detail Report* (2.3). *Print Trial Balance* (2.5). *Financial Statements Report* (8.1). *Report Formats* (8.2). *Print Chart of Accounts* (2.6).

## **CHAPTER SEVEN Billing**

**113**

Billing Basics: *Billing and the General Ledger*. *Customer Accounts*. *A Technical Note*. *Your Average Collection Period*. *Billing and Dac Easy*. *A Problem and Two Solutions*. Billing Files Setup: *Customer File* (11.3). *Statement Texts* (8.11). *Purchase Order # Assignment*, *Invoice # Assignment* (7.11). Daily Activities: *Quick Reference Section*. *Entering Invoices* (6.1). *Sales Returns* (6.2). *Print Invoices and Sales Returns* (6.3 and 6.4). *Print Sales Journal* (6.5). *Post* (6.6). *Monthly and Yearly Routines*. Reports: *Customer Directory* (8.5) and *Labels* (8.6).

## **CHAPTER EIGHT Accounts Receivable**

**132**

Accounts Receivable Basics: *Accounts Receivable and the General Ledger*. *Cash Controls*. *Accounts Receivable as an Asset*. *Bad Debts*. Accounts Receivable and Dac Easy: *The A/R Net Account*. Daily Activities: *Quick Reference Section*. *Enter Cash Receipts and Transactions* (3.1). *Print Journal* (3.3). *Post* (3.4). *Monthly and Yearly Routines*: *Generate Finance Charges* (3.2). *End Month Routine* (10.3). *End Year Routine* (10.4). Reports: *Customer Statements* (8.3). *Aging Report (and Cash Flow Forecast)* (8.4).

<b>CHAPTER NINE Purchase Orders</b>	<b>151</b>
Purchase Orders, Receiving Reports, Returns. Accounting Effects. Purchase Orders and Dac Easy. Vendor Files Setup: <i>Vendor File (11.4)</i> . Daily Activities: <i>Quick Reference Section</i> . <i>Enter Purchase Orders (5.1)</i> . <i>Enter Merchandise Received (5.2)</i> . <i>Purchase Return (5.3)</i> . <i>Print Purchase Orders (5.4)</i> , <i>Print Merchandise Received (5.5)</i> , <i>Print Returns (5.6)</i> . <i>Print Purchase Journal (5.7)</i> . <i>Post (5.8)</i> . Monthly and Yearly Routines. Reports: Vendor Directory (8.9) and Labels (8.10).	
<b>CHAPTER TEN Accounts Payable</b>	<b>169</b>
What Is Accounts Payable? <i>Effects on Accounts</i> . <i>Cash Controls for Disbursement</i> . <i>Discounts</i> . Accounts Payable and Dac Easy: <i>Payroll</i> . Daily Activities: <i>Quick Reference Section</i> . <i>Invoices and Transactions</i> . <i>Enter Checks to Print (4.6)</i> . <i>Print Checks (4.7)</i> . <i>Print Journals (4.8)</i> . <i>Post (4.9)</i> . Monthly and Yearly Routines: <i>End Month Routine</i> . <i>End Year Routine</i> . Reports: <i>Vendor Statements (8.7)</i> . <i>Aging Report (and Cash Flow Forecast) (8.8)</i> .	
<b>CHAPTER ELEVEN Inventory</b>	<b>184</b>
Inventory Basics: <i>Inventory and Definitions</i> . <i>Keeping Track of What's on Hand</i> . <i>A Few Definitions</i> . <i>Accounting Considerations</i> . Inventory and Dac Easy: <i>Accounting Transactions and Perpetual Totals</i> . <i>The Physical Inventory</i> . Inventory Files: <i>Cost System</i> . <i>The Products File</i> . <i>Entering Product File Information</i> . <i>Physical Inventory File</i> . Daily Routines: <i>The Inventory Alert Report (7.4)</i> . Periodic Routines: <i>The Physical Inventory Cycle</i> . <i>Enter Physical Inventory (7.7)</i> . <i>Special Note for Manufacturers, Assemblers, and Others</i> . <i>Print Physical-Perpetual Comparison (7.8)</i> . <i>Post Physical Inventory Adjustments (7.9)</i> . <i>End Year Process (10.7)</i> . Reports.	
<b>CHAPTER TWELVE Forecasting</b>	<b>207</b>
Running a Forecast: Accounts Receivable: <i>Starting Up in Midyear</i> . <i>When Can I Run Forecasts?</i> <i>What Numbers Can I Get?</i> Forecast Reports: <i>The Print Forecast Option</i> . Forecasting Methods. Making Sense of the Numbers: <i>Methods</i> . <i>Tools</i> .	
<b>CHAPTER THIRTEEN Dac and Third-Party Products</b>	<b>224</b>
A Core Software Package. Prices. Accounting Tutor. Dac Easy Mate. Dac Easy Port. Dac Easy Payroll and Tutor. A Disk From the Author. Third-Party Programs and Consulting.	

<b>CHAPTER FOURTEEN Dac Easy Version 2.0</b>	<b>231</b>
A Note to Owners of "Classic Dac." A Note to Those Who Don't Yet Own Dac Easy. This Book and Version 2.0. What's New With Dac Easy Version 2.0. <i>Improvements I: System Information. Improvements II: Much Easier to Use. Improvements III: Miscellanea. Multicompany Accounting. Remaining Problems.</i> What's New in the PC World. Tips and Tricks. <i>Validation. Automatic Backup.</i>	
<b>INDEX</b>	<b>244</b>

# Dac Easy

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### WHAT IT IS

Dac Easy® is a microcomputer program for general-use accounting. It includes almost all of the features necessary for tracking the daily and monthly accounting needs of a small business. It is a powerful and capable program; so much so that many established businesses with hundreds of dollars to spend have chosen Dac Easy over competing programs, based on its features as well as its low price.

The best thing about Dac Easy is that it's a straightforward conversion to the computer of a traditional pen-and-paper set of ledgers. This means that people versed in accounting can get up to speed quickly. Even those new to the subject will find that their accountant, tax person, or business-major friend can help them with the program, because the screen layouts look so much like the standard accounting journals, and the reports produced are the same ones these people have prepared many times.

Finally, in case you're nervous about what you're investing precious time and money in, Dac Easy is a serious accounting program. Just

because it costs less than its competitors, it's not restricted or limited, and there isn't a more expensive program for which this is a loss leader. As long as your business keeps only one set of profit and loss figures (i.e., doesn't have separate divisions), and your gross is not too much more than a million a year, Dac Easy will probably meet your needs. And products coming out from Dac Software and third-party vendors, especially tools to help you move Dac Easy data to word processors and spreadsheet programs, will help you surpass even these limitations.

You may be wondering if the program can handle the amount of data required to do accounting for your business. A very rough summary of the look at file structures in Chapter 5 is that Dac Easy on a two-floppy computer system can handle a business with about 300 credit customers, 150 products bought and sold, 300 vendors, and 600 accounts. Every additional product you add will mean you can have two fewer vendors or customers, while each added customer or vendor means one less product, and so on. If you have a hard disk or some other storage device, triple these figures once for every megabyte available. And remember that you'll need additional space for future growth.

## WHO IT'S FOR

Dac Easy's main audience is the small-business person. Because the program is inexpensive, runs on popular IBM PC-type computers, has tens of thousands of satisfied users, and is relatively easy to learn and use, it has become a nearly automatic choice for small businesses. (For our purposes, a "small" business is one with no full-time accounting person on staff.)

Another group of Dac Easy users consists of those who know computers and hope that a program like Dac Easy will be a relatively fun and painless way to learn about accounting. Once past the original setup work needed before the program will do much of anything, such users learn that it can be fun. If this is hard to believe, try setting up your personal finances in Dac Easy—your Visa bill becomes an item in Accounts Payable, your sofa is part of your Inventory. (Try depreciating it on your income tax and the fun will stop in a hurry.) You'll learn about accounting concepts in a meaningful and immediate context. This method, or the tutorial in Chapter 5, are the safest and easiest ways to learn your way around the program.

A final group of Dac Easy users is "the rest of us." Functionality and price make the program irresistible to thousands who normally con-

sider accounting and/or computers to be feared and terminally boring subjects. One of the rewarding aspects of writing this book is knowing the broad range of people who will use it, and the similarly large spectrum of businesses it will help to get control of such a vital business matter as accounting.

## HOW HARD IS IT TO USE?

Whether Dac Easy will be easy for you, at least at first, is a question with more than one answer. If you've done bookkeeping or accounting before, have some experience with computers (perhaps in word processing, or as a spreadsheet jockey), and are running a Dac Easy program that has been in use for a while, then you'll find using Dac Easy straightforward, interesting, and even — yes — easy. The contrast between doing accounting reports by hand and ordering them from Dac Easy will quickly repay the work it takes to learn the program. And the statistical history information, for instance, is kept with no work on your part, yet should help you make better business decisions.

But if one or more of these elements is lacking — accounting experience, computer basics, or an already set up system — then the pot of gold at the end of the rainbow will be somewhat harder to reach. The easiest deficit to remedy is a lack of computing experience. The Computing Basics chapter in this book will probably be enough to get you up and running. But if your business does or will soon depend on your computer system, it's important to have someone available who can help you solve a computer problem. You should have at least a couple of phone numbers of computer store people, consultants, and/or knowledgeable friends who can be persuaded to come over and help when the going gets tough.

The next easiest problem to remedy is a lack of general accounting knowledge. Almost every chapter in this book has at least one section of accounting information, and Dac Easy itself will help a lot here. By the use of menu selections and reasonably well-designed screen layouts and prompts, you're guided to what you want to do and what entries need to be made in order to do it. Dac Easy can be criticized for being hard to learn; it's not perfect, but many of the complaints really come from the fact that accounting, and how it applies to your business, can be hard to learn.

The biggest hurdle of all, though, is getting Dac Easy set up in the first place. Large sections of this book devoted to file sizing and file setup are needed most by those first getting their system going. The

ideal person to do this setup work for you would know your business intimately, be familiar with accounting in general and Dac Easy in particular, and have a week of time free to devote to setting up your files, testing the whole setup, and writing down the procedures needed to keep the system up-to-date. Unfortunately, this ideal person doesn't exist, and the most likely person to do the work is the person taking the time to read this book.

Once your business is installed on Dac Easy, the ease and benefits of using it will get you hooked. But an unfortunately substantial number of Dac Easy purchasers will never become full-fledged users, due to never getting over the setup hump. Chapter 5 provides a tutorial for setting up a minimal system to experiment with, and gives as much background as could be squeezed into the pages; but if you can't muster or borrow the time and expertise to get this all done, it's worth considering hiring a consultant. A job like installing your business on a Dac Easy system may cost quite a bit up front, but it should be a largely "turnkey" operation; except for help with closing your first couple months and your first year, you should be able to take over on your own, and say goodbye to the consultant.

## A BIRD'S-EYE OVERVIEW

Computer systems analysts love to look at a business function or computer program from the Olympian perspective of an IPO chart. This chart divides most activity, human or machine, into three parts: Input, Processing, and Output (IPO). A simple example is cooking dinner: The food in your kitchen is input, all the cooking and serving work is processing, and the resulting meal is output. These three broad categories help us to avoid looking at details right away, but to concentrate instead on the grand scheme of things. Before plunging into the keystroke-by-keystroke intricacies of using Dac Easy, as we will in much of this book, let's look at it from an IPO point of view. This will give us a broad idea of what we and the program are up to.

### What Goes In: Input

Everything that comes into a system from outside is referred to as input. In any accounting system, the basic unit of input is a transaction, which is what occurs whenever money or goods (equals tied-up sums of money, to an accountant) moves into or out of your business. So, through an entry to one or another of its modules, Dac Easy must



be told whenever money, goods, or services are given to or provided by your business. The General Ledger, Accounts Payable, Accounts Receivable, Purchase Orders, and Billing modules each handle different types of such transactions.

But input to an accounting system is really a multistep process. Transactions are first entered into a journal and checked. Only when the journal is checked for accuracy are the transactions “posted,” or used to update the permanent records of your business. Not until posting do the transactions actually affect your profit and loss, inventory totals, and so on. In a larger company, keying in daily transactions might be done by one person, making adjusting entries at year-end by another.

### **What Happens to the Input: Processing**

This is the most complex part of most systems—what is done with the data after it’s input and before any output. The best part of the IPO view is that we take most of these complications and say, “Forget about it! We’ll tackle that part later.”

Well, a detail or two for this discussion: Processing in Dac Easy mostly occurs at posting time, and at the time a sorted report is ordered. That’s why checks on input are made before posting, so mistakes aren’t spread throughout the rest of the system by the complicated updating that occurs during posting.

### **The Long-Awaited Result: Output**

The whole reason we bother with input and processing is to get output, and it’s here that Dac Easy really shines. Output includes reports on almost everything you can think of, from raw transaction data to elaborately sorted, carefully range-selected summary reports. Dac Easy’s output capabilities even include writing your checks and purchase orders for you.

Too often, businesspeople computerize their accounting because they happen to have a computer, or a hard disk seems like a good place to store data. But if you’re happy with the output of your manual system, consider sticking with it for now. Only when Dac Easy will save you substantial time and money in at least two of the areas of input, processing, and output should you do the work of converting. (More information on this decision is given in Chapter 4, *Dac Easy in Your Business*.) And that’s the purpose of an IPO-level look at Dac Easy: to