Oracle 1z0-216

Oracle E-Business Suite R12: General Ledger and Receivables Fundamentals

Version: 3.0

QUESTION NO: 1

Identify three purposes for which transaction types can be used. (Choose three.)

A. To record how cash can be applied to transactions
B. To set whether AutoInvoice validates transactions using IDs or values
C. To set whether transactions affect the Accounts Receivable (AR) customer balances
D. To record the accounting flexfield value that would be used for the cash account for transactions
E. To record the accounting flexfield value that would be used for the receivable account for transactions
F. To set transaction numbers to be either assigned automatically or entered manually for transactions

Answer: A,C,E

QUESTION NO: 2

John is reviewing the clients draft training documents about the Order to Cash life cycle business

processes. Identify four steps that are included in the Order-to-Cash life cycle. (Choose four.)

A. Launching pick release
B. Performing credit check
C. Reconciling bank statements
D. Running AutoInvoice to Receivables
E. Generating the move order manually

Answer: A,B,C,D

QUESTION NO: 3

A clerk from ABC Inc., receives a customer receipt that does not have sufficient information to

identify the customer or invoice. Which is the correct method of entering the receipt in Oracle

Accounts Receivable?

A. Enter the receipt as an unapplied receipt.
B. Enter the receipt as an unidentified receipt.
C. Enter the receipt as an on-account receipt.
D. Enter the receipt as a miscellaneous receipt.
E. Enter the receipt by applying it to a dummy customer account.

Answer: B

QUESTION NO: 4

Identify two statements that apply to Oracle Collections. (Choose two.)

A. It is a Web-based self-service application.
B. It can be used to place an invoice in dispute.
C. It enables customers to see their own Oracle Receivables account information, such as balances.
D. It can be used to initiate the Oracle Approvals Management (AME) credit memo request workflow from Oracle Collections.

Answer: B,D

QUESTION NO: 5

The end users at Lucy Ltd. noticed several AutoInvoice exceptions and requested your help in correcting them. Which window allows you to edit data?

A. Line Errors window
B. Interface Lines window
C. Interface Exceptions window
D. Interface Corrections window

Answer: B

QUESTION NO: 6

The client entered a miscellaneous receipt by mistake; it was posted to General Ledger. Now the miscellaneous receipt needs to be reversed. Which method would you advise the client to use?

A. Carry out a standard reversal of the miscellaneous receipt.
B. Carry out a debit memo reversal of the miscellaneous receipt.
C. Create a receivable activity adjustment for the reversal of the miscellaneous receipt.
D. Create an adjustment in receivables for the reversal of the effect of the miscellaneous receipt.
E. Create a journal entry in General Ledger to reverse the accounting impact created by the posting of the miscellaneous receipt.

Answer: A

QUESTION NO: 7

Which rule must be applied when using summary accounts to create a mass allocation journal?

A. Constant (C) must be assigned to each rollup group that is used in the formula line.

B. Summing (S) must be assigned to each rollup group that is used in the formula line, so that the related child values are summarized.

C. Looping (L) must be assigned to each rollup group that is used in the formula line, so that the associated child values are incorporated in the calculation.

Answer: A

QUESTION NO: 8

The head office of ABCCorporation is at New York, and it has a branch in Tokyo. Their ledgers

have the same chart of accounts and calendar. The New York ledger uses USD, whereas the

Tokyo ledger uses JPY as the functional currency. ABC Corporation has a requirement that all its

branch transactions-subledger journals, General Ledger journal entries, and balances at Tokyowill

have to be routinely reported in USD to New York. As an implementation consultant, which

reporting currency conversion would you suggest for ABC Corporation?

A. Balance-level reporting currency only
B. Subledger-level reporting currency only
C. Both journal-level and balance-level reporting currency
D. Both subledger-level and balance-level reporting currency

Answer: B

QUESTION NO: 9

The following template has been created:

D_Region_Asset

Here, D represents the company segment; the value set is called company.

Region represents the division segment; the value set is called division.

Asset represents the natural account segment; the value set is called account.

You receive this error:

APP-08820: The rollup group 'Asset' is not defined in the value set: <'Account'>.

What is the problem?

A. The natural account segment can have only a T designation.
B. The asset rollup group has not been assigned to a parent value.
C. The asset rollup group has been assigned to a parent with no child values.
D. The asset rollup group should have been aligned with the division segment.

Answer: B

QUESTION NO: 10

Which statement best describes stages in the credit review process?

A. Initiating a credit review, data collection, data analysis, making and implementing the recommendations
B. Defining a profile class, assigning it to customers, setting up the scoring model, and starting the workflow background process
C. Manually reviewing customers' past billing and payment history, initiating discussions with customers, and implementing recommendations
D. Manually initiating a review by sending out mails to customers requesting information, reviewing and making recommendations, and implementing recommendations after approval

Answer: A

QUESTION NO: 11

Identify the Receivables activity type where you are unable to select the tax rate code source

option of invoice.

A. Adjustment
B. Earned discount
C. Unearned discount
D. Miscellaneous cash

Answer: D

QUESTION NO: 12

ABC Company's requirement is that all mass allocation journals must be approved by using the

journal approval process. When the company accountant enters his or her mass allocation

journals, these journals must be routed to his or her manager for approval, then to the CFO, and

finally to the CEO for review and final approval. Select the option that would help ABC Company

meet this requirement.

A. Go to peers
B. One stop go direct
C. Go up the management chain
D. Go direct to the person with sufficient authorization limit

Answer: C

QUESTION NO: 13

The tables for the Customer Master are owned by _____.

A. Oracle Receivables
B. Oracle Order Management
C. Oracle Trading Community Architecture
D. Oracle Customer Relationship Management

Answer: C

QUESTION NO: 14

AutoCash rules apply to _____ receipts.

A. Manual
B. Automatic
C. Quickcash
D. Credit card
E. Direct debit
F. Prepayment

Answer: C

QUESTION NO: 15

Identify two correct statements regarding a primary ledger. (Choose two.)

A. Defining a primary ledger is not mandatory.
B. A primary ledger is the main record-keeping ledger.
C. Multiple legal entities can be linked to one primary ledger.
D. Multiple primary ledgers can be linked to one secondary ledger.
E. Multiple primary ledgers are required for one accounting setup always.

Answer: B,C

QUESTION NO: 16

An easy methodology to clarify how to define rollup groups for the summary account is to _____.

A. Look at industry standards
B. Review detailed financial reports
C. Sketch the summarization levels
D. Discuss it with all levels of management within the organization

Answer: C

QUESTION NO: 17

Which profile option must be enabled to allow you to change the tax code on the transaction line

in Receivables?

A. eBtax: Allow Manual Tax Lines
B. eBtax: Inventory item for Freight
C. eBtax: Allow Ad Hoc Tax Changes
D. eBtax: Allow Override of Customer Exemptions

Answer: C

QUESTION NO: 18

You are defining FSG reports to be used by different users for your customer. One of the

customer requirements is that some users must be able to modify the report definition, some

users must be able to only view the report definition, and other users can modify, view, and

submit the report. Which solution must be implemented to meet the customer requirement?

A. Define a separate data set for each FSG user and grant them privileges accordingly.
B. Define a separate ledger set for each FSG user and grant them privileges accordingly.
C. Define security rules and specify what actions can be performed by each user or a group of users.
D. Define definition access sets and specify what actions can be performed for a user or group of users.
E. Set up profile options for each user and specify what actions can be performed by each user or a group of users.

Answer: D

QUESTION NO: 19

AutoLockbox execution employs a multistep process. These steps can be submitted individually

or at the same time from the Submit Lockbox Processing window. Identify the correct sequential

combination of steps that are executed while running the AutoLockbox concurrent process in

Oracle Receivables.

A. Enter receipts, validate data, apply QuickCash
B. Import bank file, validate data, post QuickCash
C. Import bank file, enter receipts, validate QuickCash
D. Enter receipts, import bank file, validate data, post quickcash
E. Enter receipts, import bank file, validate data, post QuickCash, apply receipts

Answer: B

QUESTION NO: 20

Sam, the CFO of XYZ Company, finds that in the expenditure budget of the current year, there

are many funds available in the stationery account, whereas there is not much amount left for

employee travel expenses. Sam instructs the budget analyst John to transfer 80% of the

stationery account to the travel expenses account. While transferring the amount, John

encountered errors and approached Sam for a resolution. Sam reviews the situation and clarifies

it to John. Choose what Sam would have explained to John.

A. There must be some budgetary control enabled on the travel expenses, and a transfer can be made only after a funds check.
B. There must be some budgetary control enabled on the stationery account, and a transfer can be made only after a funds check.
C. There must be some budgetary control enabled on the stationery and travel expenses accounts, and a transfer can be made only after a funds check.
D. It is not possible to transfer amount from one account to another unless the absolute amount is known. So John should have calculated 80% of the stationery account and then tried to make the transfer.

Answer: B

QUESTION NO: 21

Identify a correct statement about profile classes.

A. Credit checking is managed in Receivables and Credit Management.
B. Late charge type includes adjustment, debit memo, and interest invoice.
C. Profile classes can be assigned to party, customer account, and account site levels.
D. Profile classes can be assigned at the site level if the site has active bill-to and ship-to address purposes.
E. Profile classes include credit check, credit collector, payment term, statement cycle, and statement-to address.

Answer: B

QUESTION NO: 22

ABC Corporation is a national company with five divisions that share the same ledger. Select the

statement that best describes the consolidation process for ABC Corporation.

A. Transfer data and run financial reports.
B. Enter eliminating journals and run financial reports.
C. Run translations, transfer data, and run financial reports.
D. Run revaluation and translation, transfer data, and run financial reports.
E. Run revaluation, translation, and eliminations; then transfer data and run financial reports.

Answer: B

QUESTION NO: 23

The Receipt Inherit Invoice Number option affects only receipts created by _____.

A. Oracle Cash Management
B. Oracle Trade Management
C. The AutoLockbox program
D. The Automatic Receipts program

Answer: D

QUESTION NO: 24

Select the setup task that you are required to perform in Receivables to manage tax calculations

on invoices.

A. Defining tax rules
B. Defining AutoInvoice
C. Defining AutoAccounting
D. Defining tax registrations
E. Defining Account Generator

Answer: C

QUESTION NO: 25

ABC Corporation has five companies, which operate in different industries. Each company has a

different ledger-processing option that is industry specific. Choose the number of primary ledgers

that are required to be defined.

A. Five
B. Four
C. Two
D. One
E. Three

Answer: A

QUESTION NO: 26

A receipt of $2,000 is received for an invoice that has $1,500 as the amount due. The remittance

advice does not state a reason for the overpayment. Identify the receipt state that should be

displayed.

A. Applied
B. Unapplied
C. On-account
D. Unidentified
E. Partially applied

Answer: B

QUESTION NO: 27

Customer reason codes can be used to assist in automatic claim creation in Receivables.