Exam Name:	Oracle Payables 11i Fundamentals		
Exam Type:	Oracle		
Exam Code:	1Z0-212	Total Questions:	103

Question: 1
Which four statements are true about modifying a payment batch? (Choose four.)

A. You can create a zero-amount payment for a supplier site.
B. You can remove all invoices for a particular supplier site.
C. You can create a negative-amount payment to clear a credit memo.
D. You can modify the payment or discount amounts for a selected invoice.
E. Payables automatically builds payments after you modify a payment batch.

Answer: A, B, D, E

Question: 2
From which three areas do the defaults come when you enter a supplier? (Choose three.)

A. Items
B. Operating Unit
C. Financial Options
D. Payables Options
E. Receiving Options

Answer: C, D, E

Question: 3
The bank account in the Payment Batches and Payments window defaults from _____.

A. Supplier level
B. Bank Accounts
C. Supplier Site level
D. Financial Options
E. Payables Options - Payments region

Answer: E

Question: 4
Why would you use the clearing payment method?

A. To generate a payment document to clear a debit memo
B. To generate a payment document to clear a credit memo
C. To account for intercompany expenses when you disburse funds through banks
D. To account for intercompany expenses when you do not disburse funds through banks

Answer: D

Question: 5
Which two statements regarding receipt accruals are true? (Choose two.)

A. For accruals generated at period end, the accrual is sent to General Ledger after the Receipt Accruals - Period-End process is run and the accrual is cleared when the journal entry is reversed in General Ledger.
B. For accruals generated at receipt, the accrual is automatically sent to General Ledger and subsequently cleared when the journal entry is reversed in General Ledger.
C. For accruals generated at period end, the accrual is sent to General Ledger after the Receipt Accruals - Period-End process is run and subsequently cleared when an invoice is entered and matched to the purchase order.

D. For accruals generated at receipt, the accrual is automatically sent to General Ledger and subsequently cleared when an invoice is entered and matched to the purchase order.

Answer: A, D

Question: 6
Which statement is true about invoices?

A. An invoice can be paid without being validated.
B. An invoice can be paid only after the invoice accounting entries are created.
C. Both invoice accounting entries and payment accounting entries need to be transferred to General Ledger at the same time if they are in the same calendar period.
D. An invoice needs to be validated before you can create the invoice accounting entries.
E. Invoice accounting entries and payment accounting entries can be transferred at different times to General Ledger only if they are in different calendar periods.

Answer: D

Question: 7
Client R has configured its Accounts Payables application to require three-way matching.
All invoice tolerances are set to zero.
No discounts are allowed.
A standard purchase order is entered for consulting services only. An invoice is entered and matched against this purchase order, having no tax or freight charges on it. The total invoice amount matches the distribution amount.
When the steps to prepare the invoice for payment are completed, the invoice is placed on hold. The companys business policy states that all holds cannot be manually released. The client wants to pay this supplier now. What would you recommend?

A. Manually release the hold because it is not a system hold.
B. The service must be received in Purchasing because three-way matching is required
C. The service must be received in Accounts Payable because it is a purchase order for a service and not a commodity or item.
D. Inspection is required because it is a three-way match, so you have to register the inspection in the system first.
E. Change the invoice tolerances in the Payables Options form to be greater than zero, so that the invoice does not go on hold again.

Answer: B

Question: 8
The period-close processes of which Oracle Applications can be directly affected by the Payables period-close activities and processes? (Choose all that apply.)

A. Purchasing
B. Installed Base
C. Advanced Pricing
D. Assets
E. Enterprise Asset Management (EAM)

Answer: A, D

Question: 9
ABC
Inc. has found that one of its suppliers needs to be enabled as a 1099 vendor, which is a tax-

related designation for self-employed contractors. But for this supplier invoices have already been entered and paid. Which two steps should the company take to ensure accurate tax reporting? (Choose two.)

A. Run the Update Income Tax Details Report.
B. Update the tax reporting information in the supplier site.
C. Create a new supplier with tax reporting information and merge the supplier.
D. Create a new supplier site with tax information and update the supplier site in all invoices.

Answer: A, B

Question: 10
Company A wants to use Oracle Internet Expenses, and wants to set up expense report templates for that purpose. Which three statements are true about the setup of the expense report templates? (Choose three.)

A. The expense report must be enabled for Internet Expenses.
B. The policy schedule must be attached to the expense item.
C. Each expense item must have an expense category assigned to it.
D. The tax code assigned to an expense item must be Web enabled.
E. The GL account assigned to an expense item must have all the Accounting Flexfield segment values filled in.

Answer: A, C, D

Question: 11
Which four selection criteria can be used when creating a payment batch? (Choose four.)

A. Supplier
B. Due Date
C. Customer
D. Pay Group
E. Invoice Batch
F. Payment Priority

Answer: A, D, E, F

Question: 12
In standalone AP, you can enable autonumbering for _____ through the Financial Options form.

A. Invoices
B. Suppliers
C. Payments
D. Employees
E. Expense reports

Answer: B

Question: 13
Identify four purposes for which the Special Calendar is used. (Choose four.)

A. For payment terms
B. For recurring invoices
C. For the Key Indicators Report
D. For automatic tax withholding

E. For opening and closing payables periods, which Payables uses to allow transactions to process in General Ledger accounting periods
F. For controlling the number of future periods that Payables would allow for invoice entry and accounting

Answer: A, B, C, D

Question: 14
Which items do not require approval through the workflow? (Choose all that apply.)

A. Invoices not matched to a purchase order
B. Invoices that existed before you enabled the feature
C. Expense reports imported through the Payables Expense Report Import Program
D. Recurring invoices if the recurring invoice template did not have the Approval Workflow Required option enabled
E. Invoices that completed the Invoice Approval Workflow process, and the Invoice Approval Workflow process determined that according to the rules set up in Oracle Approvals Management, no one needs to approve the invoice

Answer: B, C, D, E

Question: 15
At your client site, under Payables Options, the Transfer to GL option has been set to Summarize by Accounting Period. The period end close processes for Accounts Payable have run and the Payables journals (Purchase Invoices and Payments) have been created and posted in General Ledger. Which statement is true?

A. Drilling down from the journals of Purchase Invoices and Payments categories in GL to Payables is possible.
B. Drilling down from the journals of the Payments category in GL to Payables is possible, but drilling down from journals of the Purchase Invoices category in GL to Payables is not possible.
C. Drilling down from the journals of the Purchase Invoices category in GL is possible, but drilling down from journals of the Payments category in GL to Payables is not possible.
D. Drilling down from GL to Payables is not possible.

Answer: A

Question: 16
At your client site, Cash Management is installed along with Oracle Payables.
The Payables option for payment accounting is set to account for a payment both on issue and clearing.
The cash clearing accounts and cash accounts are different. What accounting happens when a payment is issued?

A. Debit AP Liability, Credit Cash Clearing
B. Debit AP Liability, Credit Cash
C. Debit Cash Clearing, Credit Cash
D. Debit Cash, Credit Cash Clearing

Answer: A

Question: 17
Identify the two invoice types processed by the Payables Open Interface process. (Choose two.)

A. Credit memos
B. Mixed invoices
C. Standard invoices
D. Prepayment invoices

Answer: A, C

Question: 18
What are the three options available for the parameter 'Transfer to GL Interface' when running the request 'Payables Transfer to General Ledger'? (Choose three.)

A. In Detail
B. Summarize by Invoice Date
C. Summarize by Payment Date
D. Summarize by Accounting Date
E. Summarize by Accounting Period

Answer: A, D, E

Question: 19
A client has two requirements for its AP application:

1) AP should automatically create balancing accounting entries for invoice and payment
   transactions using the expense GL Account.
2) Stop the application of a prepayment amount to an invoice or expense report amount that is
   charged to a different balancing segment.

Which two steps would satisfy both these requirements? (Choose two.)

A. Set the Automatic Offset Method to Accrual
B. Set the Automatic Offset Method to Account
C. Set the Automatic Offset Method to Balancing
D. Enable the Prevent Prepayment Application Across Offset Segments option
E. Enable the Prevent Prepayment Application Across Account Segments option
F. Enable the Prevent Prepayment Application Across Balancing Segments option

Answer: B, F

Question: 20
You are working on an implementation for Accounts Payable. Many payments for small suppliers will be made outside of the system, but your client does not want to manually record them because that would be too time consuming. What would be the best solution?

A. Create electronic payment batches using a check payment method for those multiple
   suppliers, and destroy those checks.
B. Create electronic payment batches using an electronic payment method, such as Electronic
   Funds Transfer (EFT), for those multiple suppliers, and then do not send the resulting
   electronic file to the bank.
C. Create electronic payment batches using a clearing payment method for those multiple
   suppliers, because this payment method does not generate a file.
D. Create electronic payment batches using a wire payment method for those multiple suppliers,
   and then delete the resulting electronic file.

Answer: D

Question: 21
XYZ Inc. has these due dates for its invoices:

1. Invoice -1 - 01-APR-06
2. Invoice -2 - 06-APR-06
3. Invoice -3 - 08-APR-06

The company has defined Additional Pay Through Days as 5. It is running a payment batch on 02-APR-06.
Which invoices would be selected for payment?

A. 2 only
B. 1 only
C. 1 and 2
D. 1 and 3
E. 1, 2 and 3

Answer: C

Question: 22
Where is the Expense AP Accrual Account used in the Period End Accrual process default from?

A. Purchasing Options
B. Payables Options
C. Financial Options
D. Receiving Options

Answer: A

Question: 23
Which types of items would prevent period close in Payables? (Choose all that apply.)

A. Unpaid invoices
B. Unaccounted invoices
C. Unpaid expense reports
D. Pending payment batches

Answer: B, D

Question: 24
In the accrual process for Period End Accruals, which two events generate accounting entries that can be transferred to General Ledger? (Choose two.)

A. Processing a receipt
B. Entering Purchase Order
C. Entering invoices and matching them in Payables
D. Running the Period End Accrual program

Answer: C, D

Question: 25
ABC Corporation has closed its APR-XX accounting period. The APR-XX period started on 27-MAR-20XX and ended on 26-APR-20XX. It has run the Posted Invoice Register, the Posted Payments Register, and two Accounts Payable Trial Balance reports (as of 30-MAR-20XX and

30-APR-20XX). Unfortunately, the accounts do not balance. Which two actions should be taken? (Choose two.)

A. Check to make sure that all invoices for the period are paid.
B. Check the dates on the Accounts Payable Trial Balance reports.
C. Check to ensure that invoice and payment journals are posted in General Ledger.
D. Check to make sure that there are no unaccounted transactions in APR-XX by using the Unaccounted Transactions report.

Answer: B, C

Question: 26
Which three statements are true regarding purchase order matched invoices? (Choose three.)

A. You can set up controls in your system to require you to purchase order match each invoice.
B. You can set an option on a purchase order shipment that controls whether invoices should match to that shipment directly or to a receipt.
C. You can set up controls in your system to require you to invoice match credit memos or debit memos that have been matched to a purchase order.
D. You set tolerances to specify the range of variance you will allow if the amounts or quantities on the invoice are less than the amounts or quantities on the purchase order or receipt.
E. You set tolerances to specify the range of variance you will allow if the amounts or quantities on the invoice are greater than the amounts or quantities on the purchase order or receipt.

Answer: A, B, E

Question: 27
Which two statements are true regarding the Payables Options region in the Bank Account window? (Choose two.)

A. You can enter the Payables Options information for Supplier bank accounts.
B. The Maximum Payment field controls the largest payment amount that you allow in a payment batch.
C. The Maximum Payment field controls the largest currency outlay that you allow for a payment batch for this bank account.
D. The Minimum Payment field controls whether you would allow zero amount payments from this bank account.
E. If the bank account is a foreign currency or multiple currency account, realized gain and realized loss accounts would be displayed by default in the Payables Options window.

Answer: B, E

Question: 28
You are working on a multiorganization Accounts Payable implementation with several payable entities. Your client will not set up supplier bank accounts, and will use payment batch, quick payments and manual payments. Which payment methods can your client use? (Choose all that apply.)

A. Clearing
B. Check
C. Wire
D. Electronic

Answer: A, B, C

Question: 29
Which three statements are true regarding the setting up of a bank? (Choose three.)

A. Each bank can have multiple branches.
B. Each branch can have multiple accounts.
C. Each account can be associated with multiple Payables payment documents AND multiple Receivables payment methods.
D. Each account can be associated with only one Payables payment document and one Receivables payment method.
E. Each account can be associated with multiple Payables payment documents OR multiple Receivables payment methods, but not both.

Answer: A, B, E

Question: 30
During the entry or update of expense reports in the Payables Expense Report window, holds can be applied on an expense report. These holds are carried forward to the invoice created from the expense report in Payables.
Which statement is true?

A. Any number of user-defined holds and any number of system holds can be applied on one expense report in the Payables Expense Report window.
B. Only one user-defined hold and no system hold can be applied on one expense report in the Payables Expense Report window.
C. Any number of user-defined holds and only one system hold can be applied on one expense report in the Payables Expense Report window.
D. Only one user-defined hold and any number of system holds can be applied on one expense report in the Payables Expense Report window.

Answer: B

Question: 31
Which three statements properly describe the use of distribution sets? (Choose three.)

A. You can assign a distribution set to an invoice when you enter it.
B. You can use full distribution sets to create distributions with no set percentage amounts.
C. You can use skeletal distribution sets to create distributions with set distribution amounts.
D. You can use a distribution set to automatically enter distributions for an invoice when you are not matching it to a purchase order.
E. You can assign a default distribution set to a supplier site so Payables would use it for every invoice you enter for that supplier site.

Answer: A, D, E

Question: 32
Which steps must be performed to complete the Invoice Payment process? (Choose all that apply.)

A. Enter invoices.
B. Enter suppliers.
C. Pay invoices.
D. Enter customers.
E. Create accounting entries.
F. Transfer information to General Ledger.

Answer: A, B, C

Question: 33
XYZ Inc. uses Oracle Purchasing and Payables only. the company would like to know the Financial Options that it should set up to provide defaults. Which three options would you recommend? (Choose three.)

A. Accounting
B. Tax Options
C. Human Resources
D. Supplier Purchasing
E. Encumbrance Options

Answer: A, B, D

Question: 34
Which three statements are true regarding internal bank accounts? (Choose three.)

A. They are defined to disburse funds to suppliers.
B. They are defined for receiving payment from customers.
C. They are defined to disburse electronic payments from your customers.
D. They are defined for receiving electronic payments made to your suppliers.
E. Internal bank accounts define accounts for which you are the account holder.

Answer: A, B, E

Question: 35
Which type of transaction uses the expense clearing account defined in Financial Options?

A. Expense Reports
B. Credit card transactions
C. Miscellaneous Expenses
D. Expense-related AP invoices

Answer: B

Question: 36
Which three programs submit their own reports, without any user intervention? (Choose three.)

A. Invoice Matching
B. Invoice Cancellation
C. Payment Confirmation
D. Expense Report Import
E. Invoice Validation

Answer: C, D, E

Question: 37
The purpose of the Unrealized Gain / Loss Report is to review unrealized gains and losses on _____.

A. All invoices
B. Foreign currency invoices
C. All invoices due to tax effects
D. All invoices due to inflation effects

E. All invoices due to changes in the AP setup

Answer: B

Question: 38
Which three methods can be used to enter invoice distributions? (Choose three.)

A. Using a distribution set
B. Matching an invoice to a receipt
C. Entering manually in the Distributions window
D. Using the Distributions Open Interface

Answer: A, B, C

Question: 39
XYZ Corporation wants to provide transparency in its Accounts Payable (AP) operations to its counterparts within the Purchasing, Fixed Assets, and General Ledger departments. Several complaints have surfaced regarding issues with AP process times and held up payments. The AP department must strictly adhere to accounting regulations about segregating job functions while trying to meet this requirement. Which task should be performed to make this possible?

A. Give access to all AP forms and reports.
B. Give AP inquiry-only access, only through Oracle responsibilities.
C. Implement a Web-based version of Oracle AP that allows Web viewing of AP information.
D. Create custom inquiry forms for them to view invoices and payments but not supplier
   information.
E. Change the profile options to allow unrestricted viewing of the AP data in PO and GL so that
   the staff from these other areas do not have to log in to AP.

Answer: B

Question: 40
What are the two ways in which you can submit an invoice for validation? (Choose two.)

A. Online by using the Validate and Account button in the Invoice Batches window
B. In batch by submitting the Payables Invoice Validation program from the Invoice Workbench
C. In batch by submitting the Payables Invoice Validation program from the Submit Request
   window
D. Online by using either the Validate check box or the Validate Related Invoices check box in the
   Invoice Actions window

Answer: C, D

Question: 41
A prepayment with invoice number as PREPAY/1 exists in Payables for an amount of 1000 USD and has a status of Available. An expense report has been created in the Expense Reports Window and the prepayment of 1000 USD is fully applied against the expense report. The Expense Report Import program has not been run. What is the status of the PREPAY/1 prepayment in Payables?

A. Paid
B. Not Paid
C. Available
D. Approved
E. Fully Applied

Answer: C

Question: 42
What are the requirements to transfer descriptive flexfield information from Purchasing to Payables when matching invoices? (Choose two.)

A. Copy the attribute fields using custom code.
B. Invoice match should be done to purchase order (PO) distribution.
C. Enable the Transfer Descriptive Flexfield information.
D. Enable the same flexfield structure at the invoice-line level and PO-distribution level.

Answer: C, D

Question: 43
Values in the Control options tab at the site level of a supplier default from the _____.

A. Supplier
B. System Options
C. Financial Options
D. Payables Options

Answer: A

Question: 44
Company A has implemented Oracle Payables and Oracle General Ledger. It has a third-party (non-Oracle) application that it uses to enter employee expense reports. The company wants to interface the expense reports created in the third party application to Oracle Payables as invoices, and pay these invoices out of Oracle Payables. Which Oracle Payables interface can be used to accomplish this?

A. Payables Open Interface
B. Projects Import Interface
C. Credit Card Import Interface
D. Expense Report Import Interface

Answer: A

Question: 45
From expense reports created in which applications sources are Payables invoices created by using the Expense Report Import program?

A. Oracle Projects only
B. Oracle Internet Expenses only
C. Oracle Projects and Oracle Internet Expenses only
D. Oracle Payables Expense Reports and Oracle Internet Expenses only
E. Oracle Projects, Oracle Internet Expenses, and Oracle Payables Expense Reports

Answer: E

Question: 46
As part of it's closing process, XYZ Corporation reviews receipt accruals.
Occasionally Payables matches incorrectly, and as a result they find that some perpetual accruals never clear, leaving reconciliation items on their accrual reports. Which two actions should the company take to solve the problem? (Choose two.)

A. Reverse the invoice distributions and rematch if possible.
B. Run the Uninvoiced Receipts Report to identify the receipt accrual that has not cleared and create a manual journal entry in General Ledger to clear the receipt from the report.
C. Run the Accrual Rebuild Reconciliation report to identify the receipt accrual that has not cleared and use the Write-Off window to remove the item from reappearing on subsequent reports. Then, create a manual journal entry in General Ledger to clear the accrual.
D. Run the Matching Hold Detail report to identify the receipt that has not cleared and use the Write-Off window to remove the item from reappearing on subsequent reports. Then, create a manual journal entry in General Ledger to clear the accrual.

Answer: A, C

Question: 47
Which three statements are true about prepayments? (Choose three.)

A. You cannot enter prepayment invoices in the Quick Invoice window.
B. It is not necessary to void the payment document that paid the prepayment in order to cancel an applied prepayment. You simply need to unapply the prepayment and cancel it.
C. You can only partially apply a prepayment to an invoice if the prepayment is partially paid.
D. A prepayment is a type of invoice that you enter to make an advance payment to a supplier or employee.
E. You cannot change a Permanent type prepayment to a Temporary type prepayment.
F. There are two types of prepayments. Temporary prepayments can be applied to invoices or expenses reports; Permanent prepayments cannot be applied to invoices.

Answer: A, D, F

Question: 48
Which three types of invoices can be automatically generated (without any manual intervention), if the appropriate setup steps have been performed? (Choose three.)

A. Interest invoices
B. Recurring invoices
C. Purchase order (PO) matched invoices
D. Pay on receipt invoices
E. Withholding tax invoices

Answer: A, D, E

Question: 49
The AP: Notification Recipient E-mail profile option is used for sending notifications _____.

A. On invoice holds
B. On invoice approvals
C. On price/quantity variances
D. On payables Business Events
E. From the Concurrent Request Notification program

Answer: E

Question: 50
XYZ Corporation uses Fixed Assets to manage their Asset transactions such as capitalizing, depreciating, adjusting, and retiring. After assets are purchased and the invoice is entered and accounted for, the company runs the Mass Additions Create process to send assets to Fixed

Assets. When the purchase order is written, which account should be specified on the purchase order distribution for the charge account?

A. The Material account associated with the inventory organization
B. The AP Trade Liability account associated with the operating unit
C. The Asset Cost account associated with an asset category in assets
D. The Asset Clearing account associated with an asset category in assets

Answer: D

Question: 51
Which two events take place when an invoice is matched to a purchase order (PO)? (Choose two.)

A. Tolerances are enforced.
B. PO quantity billed is updated.
C. PO quantity received is updated
D. PO accounting information is copied over.

Answer: B, D

Question: 52
What are three prerequisites for interfacing Payables invoice lines with Assets? (Choose three.)

A. There are no holds placed on the invoice.
B. The invoice must be posted to General Ledger.
C. The option 'Track as Asset' is selected in the Distributions form when entering an invoice.
D. The invoice has been transferred to General Ledger.
E. Distribution Account is Asset Clearing or CIP account

Answer: C, D, E

Question: 53
XYZ Inc. has this account structure: Company, Cost Center, Account, Product, and Future. Company is the balancing segment and Account is the natural segment.
XYZ has these invoices and payment accounts:

Invoice 1 - Credit Liability - ????
Debit Expense - 1000.1100.51000.1000.0000
Payment 1 -Credit Cash - ????
Liability -????

The supplier has these defaults at the site level:

Liability Account - 1000.0000.21000.0000.0000

The bank has these defaults at the bank account level:

Cash - 1000.0000.10000.0000.0000

XYZ Inc. has specified Account as the Automatic Offset option. The liability account would be _____.

A. 1000.1100.21000.1000.0000
B. 1000.0000.21000.1000.0000

C. 1000.0000.21000.0000.0000
D. 1000.0000.51000.0000.0000

Answer: A

Question: 54
Your client has received an invoice that requires immediate payment. The next scheduled check run is only after the end of the week. Which two methods would you recommend to the client to create the payment? (Choose two)

A. Enter the invoice in the Invoice workbench, validate the invoice, and select Pay in Full. This action would access the Payment workbench and create a manual payment.
B. Enter the invoice in the Invoice workbench, and validate the invoice. Open the Payment workbench and create a quick payment.
C. Enter the invoice in the Invoice workbench, validate the invoice and then select Pay in Full. This action would access the Payment workbench and create a quick payment.
D. Enter the invoice in the Invoice workbench, and validate the invoice. Open the Payment workbench and create a manual payment.

Answer: B, C

Question: 55
Client L has set up its Oracle AP on its own and has experienced various problems during daily operation. The client has been able to enter invoices and have them validated, but has been unable to create accounting entries. You have been asked to review the situation. What cause do you identify?

A. A base currency has not been defined.
B. Automatic Offsets has been set to Balancing.
C. The Primary Accounting Method has not been set.
D. The Payables Accounting Process was not submitted.
E. The Account for Gain / Loss feature has not been enabled.
F. The Chart of Accounts has been set up with the wrong number of segments.

Answer: D

Question: 56
You are working on an implementation for Accounts Payable for ABC Inc.
Your client has three requirements:

1. It wants to be able to pay only certain types of suppliers by batch
2. Each payment batch needs to be below 100,000 USD (U.S. dollar), or the batch automatically gets canceled without user intervention.
3. Each single payment for a supplier site needs to be between 10 USD and 10,000 USD, or the payment is automatically not issued.

To meet these requirements you perform the following:

a) Set up suppliers with pay groups for each type, and use them when running the payment batch
b) Set up the payment batch with Maximum Outlay equal to 100,000 USD
c) Set up the payment batch with Maximum/Minimum payments as 10 USD and 10,000 USD

Which requirements have you satisfied?

A. 1 only

B. 3 only
C. 2 only
D. 2 and 3
E. 1 and 2
F. 1 and 3
G. 1, 2 and 3

Answer: F

Question: 57
Company Z has already implemented Accounts Payable (AP), General Ledger (GL), and Project
Accounting (PA), and requires that GL and PA stay in accounting balance at all times.
There have been no customizations made to the applications. A nightly Transfer to GL process is
run with all required parameters set appropriately (Yes, All, or In Detail).
A nightly Interface Supplier Costs process is also run, with parameters set to either Yes or
Accrued Cost Only.
A descriptive flexfield called SAI Value has been defined on the invoice header to capture
additional information. SAI Value is used in conjunction with the accounting on the invoices. This
is not a required field, even though it provides required information for operational needs.
There is a corresponding user-defined hold called SAI Hold that is manually applied whenever an
invoice is created and SAI Value has not been provided to Company Z by the supplier.
During the weekly reviews of the accounting, the users have found that certain invoice
transactions that are on SAI Hold are showing up in PA but not in GL, thereby creating an out-of-
balance situation at the month-end close. What could have caused this situation?

A. The current PA period is closed.
B. The current GL period is closed.
C. The relevant invoices have not been validated.
D. The Payables Accounting process has not been run.
E. Accounting is not being created by the user-defined hold.
F. The descriptive flexfield field should be a required field, and not optional.
G. The parameters in the Transfer to GL process have not been set correctly.
H. The parameters in the Interface Supplier Costs process have not been set correctly.

Answer: E

Question: 58
Your client would like to spread the charge across more than 50 accounts for a specific supplier
whenever an invoice is entered for the supplier. This list of accounts does not change much over
time. Which option requiring minimal ongoing maintenance would you recommend?

A. Import predefined invoices from an Excel spreadsheet.
B. This cannot be done in standard Oracle Payables; it requires customization.
C. Create an invoice and use the prorate functionality to allocate the cost across the accounts.
D. Create a distribution set for all the desired accounts and assign it to all new invoices for this
   supplier site.
E. Implement an operational policy that all invoices of this type are created listing all of the
   desired accounts.

Answer: D

Question: 59
Your client ABC Inc.'s European operations accrue all the expense items on receipt (perpetual
accrual) without any exceptions. Which statement is true about the period close for Payables and
Purchasing?

A. Purchasing has to close before Payables.
B. Payables has to close before Purchasing.
C. Closing of Payables automatically closes Purchasing.
D. Payables and Purchasing can close independently of each other.

Answer: D

Question: 60
The Transaction Sweep Report generated as part of the Payables close process shows some payments. What are the possible reasons? (Choose all that apply.)

A. The payments were voided.
B. The checks associated with the payments were not printed.
C. One or more of the invoices paid by the payments were not accounted.
D. The cash account code combination of the payments has been disabled.
E. The suppliers for which the payments have been made have been deactivated.

Answer: C, D

Question: 61
With which three modules does Oracle Payables have two-way integration? (Choose three.)

A. Projects
B. General Ledger
C. Cash Management
D. Oracle Purchasing
E. Human Resources

Answer: A, C, D

Question: 62
Which three statements are true about the invoice approval workflow? (Choose three.)

A. If an approver rejects the invoice, the workflow program ends.
B. If an approver approves the invoice, the invoice goes to the next person in the approver list until all required people approve the invoice.
C. If any changes are made to the invoice other than the invoice amount, the user must manually resubmit the invoice by opening the Invoice Actions window and selecting the Initiate Approval check box.
D. If the invoice amount is changed after the invoice is already submitted to the approval process or after the process is complete, the system does not automatically resubmit the invoice for approval.
E. If an approver does not respond within the time you specify, Workflow routes the invoice back to the originator.

Answer: A, B, C

Question: 63
When you use Invoice Approval Workflow, which setup options in the Payables Options form are related to invoices? (Choose three.)

A. Allow Force Approval
B. Use Invoice Approval Workflow
C. Require Validation Before Approval

D. Allow Document Sequencing Override
E. Build Discount Accounts when Matching

Answer: A, B, C

Question: 64
Which two statements are true if you select an invoice type of Quick Match? (Choose two.)

A. You can quickmatch to individual distribution lines.
B. You can quickmatch to individual purchase order shipments.
C. Payables automatically creates invoice distributions on the basis of the purchase order distributions.
D. Payables automatically completes the match to all available shipments on the purchase order.

Answer: C, D

Question: 65
Which three events would cause accounting to be generated when the Payables Accounting process is run? (Choose three.)

A. Paying an invoice
B. Validating an invoice
C. Entering a purchase order
D. Clearing a payment with Cash Management
E. Delivering goods to a final destination when accruing receipts at period end

Answer: A, B, D

Question: 66
An expense report EXP/1 was created with a date of 1-May-06.
Another expense report EXP/2 was created with a date of 30-Apr-06.
The source of both these expense reports is Payables Expense Reports. The Payables Expense Report Import program was run with a purge date of 31-May-06.
EXP/1 was successfully imported into Payables but EXP/2 showed an error.
Which statement is true?

A. EXP/1 can be queried in the Payables Expense Reports window, but EXP/2 cannot be queried.
B. EXP/2 can be queried in the Payables Expense Reports window, but EXP/1 cannot be queried.
C. Both EXP/1 and EXP/2 can be queried in the Payables Expense Reports window.
D. Neither EXP/1 nor EXP/2 can be queried in the Payables Expense Reports window.

Answer: B

Question: 67
You just received an invoice for a new supplier. You need to pay it and ensure that all accounting entries are created in General Ledger. You perform these steps, in the order shown:

1. Enter the supplier.
2. Enter the invoice.
3. Run the payment batch.
4. Create payment accounting entries.
5. Validate the invoice.
6. Create invoice accounting entries.

7. Transfer the information to General Ledger.

What would be the result?

A. The invoice is paid and all accounting entries are created in General Ledger.
B. The invoice is paid but only the payment accounting entry is created in General Ledger.
C. The invoice is not paid and no entries are created in General Ledger.
D. The invoice is not paid but the invoice accounting entry is created in General Ledger.
E. The invoice is paid but only the invoice accounting entry is created in General Ledger.
F. The invoice is not paid but the payment accounting entry is created in General Ledger.

Answer: D

Question: 68
ABC Inc. wants to create invoices for suppliers on the basis of purchase order (PO) receipts. Which three steps should the company take in Payables? (Choose three.)

A. Enable Gapless numbering.
B. Enable the Invoice Match option.
C. Enable Pay On receipt at site level.
D. Submit the Pay on Receipt Auto Invoice program.

Answer: A, C, D

Question: 69
Which three statements are true regarding voucher numbers and document sequences? (Choose three.)

A. After you create and save a sequence, you can change it.
B. Assigning unique voucher numbers to documents is called document sequencing.
C. You can select a sequence of numbers that you would assign to a document category.
D. Even if invoices or payments are deleted, each voucher number retains audit records.
E. Document sequencing for all the documents you use in all your Oracle applications comes automatically set up with your installation.

Answer: B, C, D

Question: 70
Which event would reverse an accrual for an item set to accrue on receipt?

A. Paying an invoice
B. Delivering goods to a final destination
C. Running the Receipt Accruals - Period-End process
D. Matching an invoice in Payables to a purchase order

Answer: D

Question: 71
Expense reports for Company A are entered in Payables using the Expense Report form. The accounting flexfield has a three-segment structure as follows:

Company - Cost Center - Account

The account segment in the expense report is populated from the employee record. The company and the cost center for the expense lines are derived from the GL account. The Account segment value can vary for every line in the expense report.

Which approach would you recommend to Company A for fast and accurate entry of expense reports?

A. Enter the expense report header, enter the lines and override the Account segment value for each line as required.
B. Create expense report templates, enter all the segment values for each line in the template, use the template lines when entering the expense report and manually override the Company and Cost Center segment values.
C. Enter the expense report header, enter the lines and enter all the segment values for each expense report line
D. Create expense report templates, enter the Account segment value for each line in the template, leave the other segment values empty and use the template lines when entering the expense report.

Answer: D

Question: 72
What are the five purposes of the validation process for invoices? (Choose five.)

A. To apply any required holds
B. To release any qualifying holds
C. To check that all required fields are filled
D. To validate the General Ledger (GL) accounting information
E. To apply all prepayments and any discounts
F. To confirm that all supplier information is up-to-date
G. To validate and create the accounting entries for the invoice
H. To ensure that the total amount of all distributions equals the invoice total
 I. To create an additional distribution for any difference between the total amount of all distributions and the invoice total

Answer: A, B, C, D, H

Question: 73
Identify the different types of invoices processed using the Payables Open Interface tables. (Choose all that apply.)

A. XML Invoices
B. PCard Invoices
C. EDI gateway Invoices
D. Pay on receipt invoices
E. Credit card transactions

Answer: A, B, C, D, E

Question: 74
An expense report created in Oracle Internet Expenses and approved by the management could not be imported into Oracle Payables using the Payables Expense Report Import program. What is the most likely reason?

A. Prepayments were not applied to the expense report.
B. The expense report did not have withholding tax applied to it.
C. An expense report Template was not attached to the expense report.

D. The expense report had items that required receipts and the accounting review was not complete.

Answer: D

Question: 75
Which three reports can be used for identifying duplicate suppliers? (Choose three.)

A. Suppliers Report
B. Supplier Audit Report
C. Supplier Merge Report
D. Supplier Listing by Supplier Name

Answer: A, B, D

Question: 76
When setting up Financials and Payables Options, which two options can only be defined if you have Multi-Org enabled? (Choose two.)

A. Accounting
B. Tax Options
C. Invoice Controls
D. Payment Options

Answer: A, B

Question: 77
Your client, Company A, has the following requirements:

1. Asset Invoices are entered in AP daily, but assets are transferred to Oracle Assets only once a week.
2. Payables Journal entries have to be transferred to GL at least once a month for reporting purposes.
3. Oracle Projects balances have to be updated once every month.
4. Payment batches need to be processed daily.

Based on the above what would be the minimum recommended frequency of running the Transfer to GL program?

A. Daily
B. Weekly
C. Monthly
D. Once every two weeks

Answer: B

Question: 78
Which two items can be used for enabling franchise or subsidiary relationship between vendors? (Choose two.)

A. Customer Number
B. Vendor Audit Report
C. Parent Supplier Number
D. Vendor Affiliated Structure Listing Report

Answer: C, D

Question: 79
ABC Corporation has closed its APR-XX accounting period. The APR-XX period started 27-MAR-20XX and ended on 26-APR-20XX. To ensure that all accounting from APR-XX has been sent to General Ledger, it needs to run two Trial Balance reports, the Posted Invoice Register and the Posted Payment Register. Which dates must be used to run the Accounts Payable Trial Balance reports?

A. One run for 26-MAR-20XX and one for 26-APR-20XX
B. One run for 01-APR-XX and one run for 30-APR-20XX
C. One run for 27-MAR-20XX and one run for 26-APR-20XX
D. One run for 31-MAR-20XX and one run for 30-APR-20XX

Answer: A

Question: 80
The Manual payment method is best described as the method of _____.

A. Paying a single check within Payables
B. Paying multiple checks in a payment batch
C. Manually writing a check outside of Payables
D. Recording a payment made outside of Payables

Answer: D

Question: 81
Company XYZ has received the following invoice: Invoice number:

```
Invoice number: 12345
Supplier:  ABC Corporation

2 lap top computers    $2,000.00
1 printer                 500.00
4 office chairs           600.00
printer paper              50.00
                       ---------
Subtotal               $3,150.00
Shipping                   50.00
                       ---------
Total                  $3,200.00
```

The item charges were distributed to various departments. Company XYZ wants to distribute the freight charges proportionately to the same accounts that were charged for the items. How should XYZ create the freight distributions?

A. Manually enter freight-type distributions for each account that was charged.
B. Enable Automatically Create Freight Distribution in the Invoice region in the Payables Option window.
C. Create a Freight Distribution by selecting the Create Freight Distribution check box in the Invoices window.

D. In the Distributions window, click the Allocate button, identify the distribution type as Freight, select Prorate, and select the distributions to which freight charges would be allocated.

Answer: D

Question: 82
Which four interface tables are available in Oracle Payables? (Choose four.)

A. Payables Payments Interface
B. Payables PCard Interface
C. Payables Open Interface
D. Suppliers Open Interface
E. Payables PO Matching Interface

Answer: B, C, D, E

Question: 83
Which three types of invoice can be entered ONLY in the Invoice Workbench, and CANNOT be in the Invoice Gateway? (Choose three.)

A. Prepayment type invoice
B. Enter Debit Memo type invoices
C. Enter Credit Memo type invoices
D. Enter invoices for purchase order matching
E. Enter PO Default type invoice that would default supplier information from the purchase order

Answer: A, B, E

Question: 84
An AP manager wants a list of invoice reports that she can use to manage her invoice pipeline. Which five reports would you recommend? (Choose five.)

A. Invoice on Hold report
B. Invoice Register report
C. Invoice Workflow report
D. Recurring Invoices report
E. Preliminary Invoice Register report
F. Invoice Approval Status report
G. Posted Invoice Register report

Answer: A, B, D, F, G

Question: 85
An expense report clerk has finished entering an expense report. The Expense Report Import program has been run and the expense report has been created as an invoice in Payables. The invoice has not been accounted or paid. The clerk discovers that the expense report was entered without tax codes on some items. What is the best way to correct this situation?

A. Add the tax codes in the invoice and invoice distributions in AP.
B. Enter a new expense report with only those items that have tax distributions items.
C. Delete the expense report. Reenter the expense report with the tax codes.
D. Delete the invoice in AP. Delete the expense report. Re-enter the expense report with the tax codes.

Answer: A

Question: 86
Which are types of prepayments? (Choose all that apply.)

A. Fixed
B. Scheduled
C. Permanent
D. Temporary
E. Recurring

Answer: C, D

Question: 87
Which two statements are true about defining payment documents? (Choose two.)

A. Checks and electronic payments are examples of payment documents.
B. Credit and debit memos and checks are examples of payment documents.
C. You can create only one payment document for each internal bank account.
D. Use the Payment Documents window to define payment documents for internal, customer, and
   supplier bank accounts.
E. You must create at least one payment document before you can use a bank account to create
   invoice payments.

Answer: A, E

Question: 88
To process a payment you must complete _____.

A. The Payables Accounting process
B. Only the Invoice Validation process
C. Only the Create Accounting process
D. Both the Invoice Validation and Create Accounting processes

Answer: B

Question: 89
The Quick Payment method is best described as the method of _____.

A. Creating a payment without an invoice
B. Manually writing a check outside of Payables
C. Recording a payment made outside of Payables
D. Creating and printing a computer generated payment to pay a supplier for one or more
    invoices

Answer: D

Question: 90
What can you do to a payment batch after it has been formatted?

A. Change an invoice amount.
B. Prevent payment to a supplier.
C. Print checks from the output file.
D. Prevent payment of a particular invoice.
E. Add an invoice that Payables did not originally select.

Answer: C

Question: 91
For a given operating unit, the Automatic Tax Calculation is selected. Every employee for whom expense reports are entered in Oracle Payables may have different Automatic Tax Calculation options. What is the best way of meeting this requirement?

A. Do not enter tax details for the invoice, instead calculate them at the time of payment.
B. Create a supplier site for every employee and specify the Automatic Tax Calculation option at the supplier-site level.
C. Let the Automatic Tax Calculation option default from the Payables Option window and this option can be overridden as necessary for each employee expense report.
D. Do not use Automatic Tax Calculation; enter the tax distributions manually for each expense report.

Answer: B

Question: 92
XYZ Corporation has implemented Oracle Assets and has a high volume of asset-related invoices that are processed in Payables. Asset-related invoices are sent to Oracle Assets weekly where they are processed. Payment batches are processed on Tuesdays and Fridays. Which two statements are true regarding Payables processes? (Choose two.)

A. XYZ Corporation would need to run the Payables Transfer to General Ledger and Mass Additions Create processes at least weekly.
B. XYZ Corporation would need to run the Payables Approval process at least twice a week.
C. XYZ Corporation would need to run the Mass Additions Create process weekly. It would need to run the Payables Accounting and Payables Transfer to General Ledger processes only once monthly, before period end.
D. XYZ Corporation would need to run the Payables Approval process only once a week, before running the Mass Additions Create process. It would need to run the Payables Transfer to General Ledger process only monthly, before period end.

Answer: A, B

Question: 93
Which four lookups can be added with additional values at the time of implementation and also after implementation? (Choose four.)

A. Free On Board (FOB)
B. Invoice Type
C. Bank Branch
D. Automatic Withholding Tax (AWT) Rate Type
E. Automatic Withholding Tax (AWT) Certificate Types

Answer: A, C, D, E

Question: 94
Your client is concerned about having problems with transaction processing related to the autonumbering of suppliers and invoices, but not payments. The client has a requirement that all three items must be numbered according to a standard format that it will devise.
An outside contractor assigned to the project plans to use document sequencing when configuring the system to meet this requirement. What would be the result?

A. The requirement would be fully met by this solution.

B. The requirement would not be met because there is no autonumbering for suppliers and invoices.
C. The requirement would not be met because document sequencing is related to the autonumbering of invoices, payments and not suppliers.
D. The requirement would not be met because document sequencing addresses autonumbering of suppliers, invoices, and payments together.
E. The requirement would only be partially met: the autonumbering of suppliers would be addressed but additional steps are needed to address the autonumbering of invoices.

Answer: C

Question: 95
Company K has these business requirements for AP operations:

1. All invoices must be part of a batch.
2. Discounts must be taken in all situations.
3. Invoices need to be numbered by the system.
4. Accounting entries must be created for all invoice types.
5. All credit memos above a certain dollar amount must be approved before entry.
6. Four-way matching is enforced.

Select all profile options that need to be configured to satisfy the given requirements. (Choose all that apply.)

A. AP: Use Invoice Batch Controls
B. AP: Enable Invoice Autonumbering
C. AP: AP Discounts interface start date
D. OM: Show Discount Details on Invoice
E. AR: Use Invoice Accounting For Credit Memos

Answer: A

Question: 96
In the accrual process for Perpetual Accruals, which two events generate accounting entries that can be transferred to General Ledger? (Choose two.)

A. Processing a receipt
B. Entering Purchase Order
C. Entering invoices and matching them in Payables
D. Running the Period End Accrual program

Answer: A, C

Question: 97
At which four times can the Create Accounting process be run? (Choose four.)

A. After the Payment process
B. Before the Payment process
C. Before the Invoice Validation process
D. After the Invoice Validation process
E. Before the "Transfer information to GL" process

Answer: A, B, D, E

Question: 98

Which two methods would you recommend for preventing the creation of duplicate suppliers? (Choose two.)

A. Run the Vendor Audit Report.
B. Recommend standard naming conventions for suppliers.
C. Run the Supplier Listing by Supplier Name Report to check the duplicates.
D. Query the supplier in the Supplier form before creating a new supplier.

Answer: B, D

Question: 99
Which options can be set at the supplier site level? (Choose all that apply.)

A. Banks
B. Receiving
C. Payments
D. Classification

Answer: A, C

Question: 100
You initiated a payment batch by entering criteria for invoices that you want to pay. Payables selected the invoices and built the payments. In which order would you perform the following steps to complete the payment batch process?

A. Format payments.
B. Confirm the payment batch.
C. Print checks.
D. Modify the payment batch.
E. Review the Payment Batch Control Report to verify the accounting of invoices.

A. D, B, A, E, C
B. D, A, C, B, E
C. B, D, A, C, E
D. E, D, A, B, C

Answer: B

Question: 101
Multiple Reporting Currencies (MRC) has been enabled for your client, Company A. Which method would you recommend to your client for transferring accounting entries to GL using the Payables Transfer to GL process?

A. Transfer to GL with Journal Import for the Primary Set of Books. Repeat the process for each Reporting Set of Books individually.
B. Transfer to GL with Journal Import for the Primary Set of Books and all associated Reporting Sets of Books together.
C. Transfer to GL without Journal Import for the Primary Set of Books. Submit Journal Import for the Primary Set of Books. Repeat these steps for each Reporting Set of Books.
D. Transfer to GL without Journal Import for the Primary Set of Books and all associated Reporting Sets of Books together. Submit Journal Import from GL for the Primary Set of Books and all associated Reporting Books together.

Answer: B

Question: 102
The rate variance Gain/Loss accounts specified in the Financial Options - Accounting region are used to account for _____.

A. Invoice price variance in purchase orders and invoices
B. Exchange rate variance in invoices and payments
C. Exchange rate variance for expense items in purchase orders and invoices
D. Exchange rate variance for inventory items in purchase orders and invoices

Answer: D

Question: 103
One of your clients makes this statement during an AP meeting:
Prepayments can be applied to Expense Report. What is your response?

A. Yes, if you make a schedule prepayment.
B. Yes, but only if you set the correct profile option to do so.
C. No, because prepayments can only be applied against invoices.
D. Yes, you can prepay both invoices and expense reports.
E. No, because prepayments can only be applied against invoices that are set up to handle
   prepayments.

Answer: D

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