

<b>Exam Name:</b>	<b>Oracle 11i Inventory Management Fundamentals</b>		
<b>Exam Type:</b>	<b>Oracle</b>		
<b>Exam Code:</b>	<b>1Z0-221</b>	<b>Total Questions:</b>	<b>131</b>

**Question: 1**

For which four purposes can Miscellaneous transactions be used? (Choose four.)

- A - cycle-count adjustment
- B - physical Inventory adjustment
- C - decrementing onhand balances from a subinventory
- D - adjusting inventory quantity within an inventory organization
- E - transferring inventory quantity across inventory organizations

**Answer: A, B, C, D**

**Question: 2**

A parts distributor has a facility that includes several buildings that are used as warehouses. All the warehouses together represent one subinventory in an inventory organization. Each building is multistoried, and each floor (story) has several rooms within each building that are unique to that building. All rooms are used to store material, and the distributor needs the ability to store material and pick material from these rooms. What is the optimum number of segments that you would recommend for the Stock Locator flexfield?

- A - 1
- B - 2
- C - 3
- D - 4

**Answer: C**

**Question: 3**

At what level can you generate cycle count requests and perform cycle counting under a single cycle count name?

1. all subinventories
2. a specific subinventory
3. selected set of subinventories

- A - 1 only
- B - 2 only
- C - 3 only
- D - 1 or 2 or 3

**Answer: D**

**Question: 4**

For which three functional areas can status attribute controls be controlled? (Choose three)

- A - Invoicing
- B - Services
- C - Inventory
- D - Receiving
- E - Bills of Material
- F - MPS/MRP Planning

**Answer: A, C, E**

**Question: 5**

Which statement is true regarding inventory transactions?

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- A - Transaction reasons can be used in all transaction forms.
- B - You can designate by transaction type which transaction reasons are available.
- C - You must create at least one user-defined transaction reason for each inventory organization.

**Answer: A**

**Question: 6**

XYZ Inc. is a manufacturing organization. All its new manufacturing items need to be defined in Oracle Engineering. After ECO approval, the item will be transferred to Oracle Manufacturing for regular manufacturing. The R&D department defined 10 new inventory items in Oracle Engineering. The items have not been transacted yet, and have not been assigned to any child organization. Item names need to be changed to begin with the prefix "SL". What should you do?

- A - Change the setup at the user profile level and rename the items with the prefix with "SL".
- B - Ignore the 10 existing items, and define another 10 new items, with the correct prefix.
- C - Delete the items by clicking the red X on the master-item form, and define the new items with the prefix "SL".
- D - Disable the existing 10 items with item status "Inactive" and define new items with the prefix "SL".

**Answer: A**

**Question: 7**

A customer who distributes widgets has a warehouse with locations where material is stored. In the customer's current system, users may receive material on a purchase order and indicate the location where it should go, but when the material is physically sent to the location, they may discover that the location is full. What is the best way to solve the problem?

- A - Set up each location as a subinventory and select the nettable flag.
- B - Set up each location as a subinventory and select the Allow Reservation flag.
- C - Set up each location as an organization and create locators in the organization.
- D - Set up the locations as locators, and use the capacity tab of the locator definition form to enter the maximum number of items that can be stored in the locator.

**Answer: D**

**Question: 8**

Which two statements are true about the Managing Shipments process? (Choose two.)

- A - You can update information pertaining to the shipment header and the shipment lines.
- B - You can access all incoming and outgoing in-transit shipments between inventory organizations associated with the current organization.
- C - In-transit shipment between inventory organizations must use the receipt routing specified at the item, organization, or system level.
- D - If you change the Expected Receipt date, you can control whether Purchasing updates Shipment Supply to reflect the new due date.

**Answer: A, B**

**Question: 9**

You need to create a new item template. You want to use the Copy Template window to copy attributes from an existing template to a new template. Which three statements are true with respect to creation of an item template? (Choose three.)

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- A - As a best practice, you should never modify a seeded template.
- B - If you copy a template, you cannot make it organization specific.
- C - The new template created by this method will be validated upon creation.
- D - You can copy only from a single template, you cannot copy from multiple templates.
- E - Templates created with this function are not validated until you apply them to an item.
- F - You can copy from several templates and select Overwrite, Append or Overwrite Not Null.

**Answer: A, E, F**

**Question: 10**

Exhibit:



View the Exhibit and examine the organization structure. You are leading a discussion with your client about the Item Master Organization setup. Identify three considerations that would be important for your client. (Choose three.)

- A - should not open the accounting period for V1
- B - should create the subinventories for V1 the same as M1
- C - should not set up Receiving Parameters for V1
- D - should use the Item Master Organization as a repository of item definitions, and should not use that organization to conduct regular business.

**Answer: A, C, D**

**Question: 11**

The materials manager has noticed that several items were created and assigned to various inventory organizations, but the analyst skipped the Copy from Template step. She would like to know how to correct the items. Which three statements are true? (Choose three.)

- A - You can change an organization-level attribute with the Master Item window. If you do this, it will update the organization-level attribute across all organizations.
- B - To update master-level attributes, use the Master Item window. If an attribute is controlled at the master level, the value of the attribute applies for all organizations to which the item is assigned.
- C - You can use the Item Attribute Copy form to update the value of an item attribute across multiple organizations in a given organization hierarchy.
- D - You can use the Organization Item window to update organization-level item attributes. This update window updates organization level attributes in your current organization only.

**Answer: B, C, D**

**Question: 12**

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Which three are true about the item master? (Choose three.)

- A - It is possible to copy items across item master organizations.
- B - It is possible to associate items in one item master organization with another item master organization.
- C - Oracle recommends that you limit the Item Master role to solely an item definition organization.
- D - It is NOT possible to associate items in one item master organization with another item master organization.
- E - When an attribute control is set at the item master level, updates are not allowed at the item/organization level.
- F - When an attribute control is set at the item master level, updates can still be made at the item/organization level but these updates will not propagate back up to the item master level.

**Answer: C, D, E**

**Question: 13**

XYZ Inc. is a vending machine manufacturer. XYZ wants to track its finished goods by both lot and serial control. They decide to assign serial numbers during shipment to the customer, and lot numbers at the time of receiving the machine into stock. Which setup option needs to be selected?

- A - full lot control
- B - serial number generation at receipt
- C - full lot control and no serial number control
- D - serial number generation at sales order issue
- E - full lot control and serial number generation at receipt
- F - no lot control, and serial number generation predefined
- G - full lot control, and serial number generation at sales order issue

**Answer: G**

**Question: 14**

Which three are true about the Move Order process? (Choose three.)

- A - Requisition and pick release orders are pre-approved.
- B - Replenishment and pick wave move orders are pre-approved.
- C - If no planner is specified for the item, the requisition line is automatically approved.
- D - If no approvals are required in your organization set the Inventory organization parameters Timeout Period to 0 and the Timeout Action to Approve Automatically.

**Answer: B, C, D**

**Question: 15**

What are the components of the Receipt to Issue process?

- A - Receiving, Transferring, Issuing
- B - Receiving, Work in Process, Shipping
- C - Receiving, Work in Process, Order Management
- D - Receiving, Purchasing, Work in Process, Shipping

**Answer: A**

**Question: 16**

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Which two statements are true about the relationship between a subinventory and a locator?  
(Choose two.)

- A - Each subinventory can have multiple locators.
- B - Each locator can be associated with multiple subinventories.
- C - A subinventory has only one locator. When the locator is inactivated, the subinventory also gets inactivated.
- D - To make a subinventory locator controlled, you have to set the Locator control to Prespecified.
- E - You can restrict the subinventory that an item can reside in, by selecting the restrict subinventory flag on the Item. You can restrict the locator that the item can reside in within the subinventory, by selecting the restrict locator flag on the item master.

**Answer: A, E**

**Question: 17**

Which three statements are valid about transaction reasons? (Choose three.)

- A - They can be used in all transaction forms.
- B - They can be defined by the system administrator only.
- C - They can be used with any type of Material Transaction.
- D - Reports by transaction reason are available in the application.

**Answer: A, C, D**

**Question: 18**

The Exponential Smoothing Forecast (ESF) method should be selected when \_\_\_\_\_.

- A - trend demand patterns are greater than? (alpha)
- B - seasonal demand patterns are greater than? (alpha)
- C - both trend and seasonal demand patterns are equal to zero
- D - both trend and seasonal demand patterns are less than ? (alpha)
- E - both trend and seasonal demand patterns are greater than? (alpha)

**Answer: C**

**Question: 19**

Your client wants to implement re-order point planning for some of the items in the organization. They currently use min-max planning. What is the minimum amount of information that needs to be changed on the items the customer wishes to plan?

- A - Safety Stock Quantity, and Forecast
- B - Safety Stock Quantity, Inventory Planning Method set to Reorder Point, Forecast Quantity, Carrying Cost
- C - Safety Stock Quantity, Inventory Planning Method set to Reorder Point, Forecast Quantity, Carrying Cost, and Order Cost
- D - Safety Stock Quantity, Inventory Planning Method set to Reorder Point, Forecast Quantity, Carrying Cost, Order Cost, and Maximum Order Quantity
- E - Safety Stock Quantity, Inventory Planning Method set to Reorder Point, Forecast Quantity, Carrying Cost, Order Cost, and Minimum Order Quantity

**Answer: C**

**Question: 20**

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Based on the ABC analysis which statement best describes the approach a warehouse manager should take in securing A, B, and C type inventory items?

- A - provide the best protection for A items
- B - provide the best protection for B items
- C - provide the best protection for C items
- D - provide the same level of protection to all items

**Answer: A**

**Question: 21**

From which Oracle applications can interorganization receipts be received into an organization?

- A - Inventory
- B - Order Management
- C - both Inventory and Order Management

**Answer: A**

**Question: 22**

There are three possible methods to define an "Inventory item". Each method requires some minimum information about the item. Which three options correspond to the three methods, and list the minimum information required to define an "Inventory item" for an average costing inventory organization? (Choose three.)

- A - Item, Item Description
- B - Item, Item Description, Item template, Item Cost
- C - Item, Item Description, Copy existing Inventory item
- D - Item, Item Description, Seeded "Finished Goods" Item template
- E - Item, Item Description and Functional usage of the item for setting the attribute control
- F - Item, Item Description, Item template, Item Category, Long Description, Item DFF (descriptive flexfield)

**Answer: C, D, E**

**Question: 23**

For performing an ABC analysis, you need to define these three:

1. ABC compile
2. ABC classes
3. ABC assignment group

Which two are correct actions? (Choose two.)

- A - Assign an ABC group to an ABC class.
- B - Assign an ABC class to an ABC group.
- C - Link an ABC group to an ABC compile.
- D - Link an ABC compile to an ABC group.

**Answer: B, D**

**Question: 24**

Which four statements are true about subinventory transfer transactions for a WMS (Warehouse Management System) enabled organization? (Choose four.)

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- A - Inventory control is validated.
- B - A user-defined transaction type can be used.
- C - Storage Locator information is optional for a subinventory transfer.
- D - Storage Locator information is mandatory for a subinventory transfer.
- E - General ledger account needs to be entered during subinventory transfer.
- F - Goods can be transferred across storage locators within the subinventory.
- G - Inventory value of an item is transferred from one inventory organization to another.

**Answer: A, B, D, F**

**Question: 25**

You are doing a cycle count approval transaction. You want the transaction to be processed while you wait. The control needs to be returned to you after the transaction processing is complete. To achieve this, you would set the profile option Cycle Count Approval Form to \_\_\_\_\_.

- A - Online Processing
- B - Concurrent Processing
- C - Background Processing

**Answer: A**

**Question: 26**

You are using cycle counting, The quantity variance approval tolerances are specified at these levels:

- Cycle count header level
- Cycle count class level
- Cycle count item level

If the tolerances are set up at all the levels, which tolerance is considered first by Oracle Inventory?

- A - Cycle count class level
- B - Cycle count header level
- C - Cycle count item level
- D - Inventory organization level

**Answer: C**

**Question: 27**

Your client manufactures and sells material from four different manufacturing locations. The client has these requirements:

Requirement 1:

When a customer calls to return a product, the client needs to know which plant produced the material.

Requirement 2:

Product manufactured within a plant needs to be tracked uniquely.

What would you do to meet the clients needs?

- A - Set up lot control at the organization level and use a prefix.
- B - Set up lot control at the item level and a use prefix for the lot number.
- C - Create one locator for each product and produce the item to that locator.

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D - Create part numbers for each customer to know which part number is ordered.

**Answer: A**

**Question: 28**

ABC Inc. has its inventory organizations located across the globe. Finished goods are transferred between organizations before shipping the goods to the local customers. ABC has these requirements:

1. Transfer needs to be done by intransit time.
2. Intransit transfer charges are involved.
3. Each shipping method has its own intransit time.

For these requirements, which three are valid considerations or setup steps? (Choose three.)

- A - Use interorganization transfer accounts.
- B - Use the Direct transfer type in the shipping network.
- C - Intransit time for different ship methods cannot be set.
- D - Set up a shipping network between the inventory organizations.
- E - Assign transfer distance with transfer charges at shipping network.

**Answer: A, D, E**

**Question: 29**

Oracle Inventory interacts with other Oracle applications by sharing information. Choose two pieces of information that Oracle Inventory receives from the Order Management application. (Choose two.)

- A - UOM information
- B - Shipping information
- C - On-hand information
- D - ATP supply information
- E - Reservations information

**Answer: B, E**

**Question: 30**

At which level can costing methods, such as Standard Costing or Average Costing (Moving Average costing) be controlled in an Inventory Organization?

1. individual item level
2. subinventory level
3. inventory organization level

- A - 1 only
- B - 2 only
- C - 3 only
- D - 1 or 3
- E - 1 or 2
- F - 2 or 3
- G - 1 or 2 or 3

**Answer: C**

**Question: 31**

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Which is the best method for replenishing free stock items that you store on the production floor, or office supplies kept in departmental cabinets?

- A - Cycle counting
- B - Min-max planning
- C - Replenishment counting
- D - Economic Order Quantity (EOQ)

**Answer: C**

**Question: 32**

You are required to transact an interorganization transfer for Item A. Before the transfer, you must determine \_\_\_\_\_.

- A - planning lead times
- B - material ownership during transfers
- C - and define general ledger accounts to be used in transit
- D - and define a shipping network between the organizations

**Answer: D**

**Question: 33**

ABC Enterprises is a worldwide organization that builds and ships products all over the globe. The products it sells are very costly and its customers expect the very highest quality. ABC wants to be able to inspect the parts it receives from its manufacturing plants, as well as those that happen to be transferred through interorganizational transfers. The planners require the inbound shipments be visible and nettable, so they can keep inventory levels low, which is important in a business that has high-cost items. Which three steps do you take to create a win-win situation for ABC? (Choose three.)

- A - Set up the shipping networks as intransit interorganization transfers.
- B - Set up a receiving subinventory with Allow Reservations and Asset Sub-inventory set to Yes.
- C - Have the system administrator create an alert for the planners to know when the purchase order has been received.
- D - Set up a receiving subinventory with Nettable set to Yes, Allow Reservations set to Yes, and Asset Subinventory set to Yes.
- E - Set up a receiving subinventory with Nettable set to Yes, Allow Reservations set to Yes, and Asset Subinventory set to No.
- F - Set-up a Inspection Sub-inventory with Nettable Checked to Yes, Allow Reservations set to Yes, and Asset Subinventory set to No.

**Answer: A, C, D**

**Question: 34**

What does it mean when you have a serial number in the mtl\_serial\_numbers Table with current\_status as 6?

- A - pending status
- B - resides in stores
- C - resides in intransit
- D - defined but not used

**Answer: A**

**Question: 35**

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You are implementing Oracle Inventory in a Make-To-Order manufacturing environment where there is on-hand inventory for 200 different motors. For these purchasable items, given the proper profile setup, Min-max can automatically create \_\_\_\_\_.

- A - an expense account
- B - an encumbrance account
- C - an invoice price variance account
- D - records in the Purchase Order Requisition interface table
- E - an inventory Accounts Payable accrual account

**Answer: D**

**Question: 36**

You have enabled the CHECK ATP option for an item in the Finished Goods subinventory. What would Oracle Inventory do?

- A - check the quantity requested against forecast
- B - generate a requisition for the requested quantity
- C - permit order booking based on a successful test
- D - check the quantity requested against safety stock
- E - check the quantity requested against EOQ (economic order quantity)

**Answer: C**

**Question: 37**

You define a new item and apply a template that has these values:

Primary Unit of Measure = EACH  
 Cycle Count Enabled = YES  
 BOM Allowed = YES  
 You click the Save icon.

Later, you apply a new template with these values:

No value is specified for BOM Allowed  
 Cycle Count Enabled = NO  
 Carrying Cost Percent = 3  
 You click the Save icon.

What are the attribute values for the item now? (Choose all that apply.)

- A - Primary unit of measure = EACH
- B - BOM Allowed =Yes
- C - Carry Cost Percent = 3
- D - Cycle Count enabled = NO
- E - Cycle Count enabled = YES
- F - No value for BOM Allowed.

**Answer: A, B, C, D**

**Question: 38**

A customer produces stents at several factories that are set up as inventory organizations. The company needs the ability to uniquely identify each stent and know which factory produced it. Regulations require that each stent be identified by 16-characters. What would you do to meet this requirement?

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- A - Use lot control, by using the prefix for the factory, and total length of 16 characters. Set Uniqueness to None.
- B - Use lot control, by using the prefix for the factory, and total length of 15 characters. Set Uniqueness to None.
- C - Set up serial control, by using the prefix for the factory, and a starting serial number of 16 characters. Set Uniqueness to Across Organizations.
- D - Set up serial control, by using the prefix for the factory, and a starting serial number of 15 characters. Set Uniqueness to Across Organizations.

**Answer: D**

**Question: 39**

Which four attributes are item-defining attributes? (Listed first is the functional area, followed by the item defining attribute.) (Choose four.)

- A - Purchasing / Purchased
- B - Inventory / Inventory Item
- C - Costing / Costing Enabled
- D - Advanced Pricing / Invoice Enabled
- E - MPS/MRP Planning / Planning Method
- F - Order Management / Customer Orderable

**Answer: A, B, C, F**

**Question: 40**

If you are not satisfied with the ABC class into which an item falls as a result of an automatic ABC assignment process, how would you most quickly change it?

- A - Update the ABC class for the item manually in the ABC assignment.
- B - Recompile ABC with a different criterion and reassign the item automatically.
- C - Update the breakpoint assigned to the ABC class and reassign the item automatically.
- D - Purge the ABC assignment, recompile with different a criterion, and reassign the item automatically.

**Answer: A**

**Question: 41**

Vision Corporation is a semiconductor discrete manufacturing organization. It has its own manufacturing and distribution centers located globally.

It has these operating Units:

- US - USA operating unit
- CAN - Canadian operating unit
- UK - UK operating unit
- MX - Mexican operating unit
- IND - India operating unit
- SPA - Spain operating unit
- FRA - France operating unit
- NL - Netherlands operating Unit
- GER - Germany operating unit.

These are the inventory organizations that exist in each operating unit:

Inventory Org            - Operating unit

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VC (Master Org) - US  
 US1 (Child Org) - US  
 US2 (Child Org) - US  
 CA1 (Child Org) - CAN  
 MX1 (Child Org) - MX  
 IN1 (Child Org) - IND  
 SP1 (Child Org) - SPA  
 FR1 (Child Org) - FRA  
 NL1 (Child Org) - NL  
 GE1 (Child Org) - GER

Which three statements are true? (Choose three.)

- A - Master organization VC cannot be shared across operating units.
- B - Items cannot be assigned to inventory organizations across operating units.
- C - All inventory organizations do not need to be in the same operating unit to assign items.
- D - Items defined in VC organization can be assigned to Us1, US2, NL1 and MX1 inventory organizations.
- E - Organization items in the inventory responsibility assigned to FRA operating unit can be restricted, to not view the organization items assigned to US2 inventory organization.
- F - You can define an item in Ni inventory organization and assign it to GE1 inventory organization.

**Answer: C, D, E**

**Question: 42**

Receipt routing options are \_\_\_\_\_.

- A - direct, standard, inspection required
- B - in-transit, standard, inspection required
- C - direct, inter-organization shipment, standard, inspection required
- D - in-transit, inter-organization shipment, standard, inspection required

**Answer: A**

**Question: 43**

Company ABC has a factory that is set up as an inventory organization with several subinventories. Each of the subinventories has locators. The factory purchases material using a purchase order. The person who receives the purchase order does not know which subinventory and locator the material needs to go to. ABC wants the subinventory and locator to be automatically populated for that item. Which option would solve the problem?

- A - Populate the completion subinventory and locator on the routing for that item.
- B - Use the Item Transactions Default form to create default subinventory and locators for the purchased item.
- C - Use the restrict subinventory and restrict locator flag on the Item Master record of that item.
- D - Populate the supply subinventory and locator fields on the Item Master record for the purchased item.

**Answer: B**

**Question: 44**

Which four statements are true about an average costing organization that does not have WMS (Warehouse Management System) enabled? (Choose four.)

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- A - All inventory transactions validate the inventory controls that are enabled for the item.
- B - A subinventory transfer transaction transfers the quantity and value of an inventory item.
- C - Subinventory transfer transactions transfer an inventory value from one account to another.
- D - A transaction can change the inventory value of an organization and the inventory value of a subinventory.
- E - Either an internal requisition or an internal sales order is always needed for inventory organization transfers.
- F - It is possible to receive items into your organization from a general ledger account number that is different for each category of items.
- G - It is not possible to receive items into your organization from a general ledger account number that is different for each category of items.

**Answer: A, B, D, F**

**Question: 45**

Which four statements are true about defining physical inventories? (Choose four.)

- A - Physical counts are reviewed, and either accepted or rejected as a whole.
- B - Physical inventory takes a snapshot of inventory on hand at the beginning of the process; all adjustments are made against the snapshot quantity.
- C - Physical inventory takes a dynamic count of inventory on hand, accepts inventory transactions during the inventory count process, and makes inventory adjustments against the dynamic quantities.
- D - Physical inventory suspends other transactions; all other inventory transactions will fail at the inventory interface from the time the snapshot is taken until the physical count is either accepted or rejected.
- E - You can define multiple physical inventories to count selected portions of your inventory, or you can count your total inventory.
- F - There is no tolerance limit set on the Physical Inventory; it is a user's decision to accept or reject the entire count.

**Answer: A, B, D, E**

**Question: 46**

Which three statements are true about defining an item using a template? (Assume that there are no Interdependent Attributes.) (Choose three.)

- A - You can apply multiple templates to an item.
- B - A template can be applied only at the master organization level.
- C - A template can be applied at the master or child organization levels.
- D - Template application is additive. If you apply a second template to an item, the item will retain the values of all the attributes that were not enabled by the second template.
- E - A template applied to a master item, which has already been assigned to a child organization, can still update the organization-controlled item.
- F - Modifying an item template will automatically update the items that were previously defined using that template.
- G - Template application is exclusive. If you apply a second template to an item, the item will not retain any values of the prior template.

**Answer: A, C, D**

**Question: 47**

Your cycle count has the following setup:

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Cycle count variance approval tolerances defined;  
Approval Required option set to "If out of tolerance";  
Automatic Recounts selected with a maximum of three.

If the first cycle count actual quantity entered for your item exceeds the approval tolerance specified, Oracle Inventory \_\_\_\_\_.

- A - automatically approves and posts the cycle count adjustment
- B - holds the cycle count adjustment for approval and posts it after approval
- C - holds the cycle count adjustment for a recount and does not post the adjustment
- D - holds the cycle count adjustment for approval and does not post the adjustment

**Answer: C**

**Question: 48**

You are implementing Oracle Inventory in a Process-Manufacturing environment. The default profile for the Min-Max Planning Report is deployed. What will be the result?

- A - Requisitions will be preapproved.
- B - Users must approve requisitions for items that have a limited shelf life.
- C - Users must approve requisitions for items with an MSDS (Material Safety Data Sheet).
- D - Users must approve requisitions that are inside the items PAST DUE SUPPLY time fence.
- E - Users must approve requisitions when the quantity exceeds the item EOQ (Economic Order Quantity)

**Answer: A**

**Question: 49**

An item is defined with one of the units of measure (UOM) in the Quantity UOM class. This item is always purchased in pounds, which is in the Weight UOM class. For shop floor (internal) issue, the item is issued in one of the units of measure in the Volume UOM class. When it is sold to a customer, it is sold in one of the Quantity units of measure. What setup is needed to transact the item in the organization?

- A - interclass and intraclass conversion
- B - standard conversion for the units of measure in the Quantity, Weight and Volume UOM classes
- C - standard conversion for the units of measure in the Quantity, Weight and Volume UOM classes, necessary intraclass and interclass conversion
- D - standard conversion for the units of measure the Quantity, Weight and Volume UOM classes, and interclass conversion
- E - standard conversion for the units of measure in the Quantity, Weight and Volume UOM classes, and intraclass conversion

**Answer: C**

**Question: 50**

You specified cycle count measurement error values when you defined your item at the master item or organization item level. You also specified a cycle count quantity variance approval tolerance at the cycle count item level. If the actual cycle count quantity for your item differs from the system on-hand quantity by less than the specified measurement error, Oracle Inventory \_\_\_\_\_. (Select one answer)

- A - does not consider cycle count approval tolerance but makes a cycle count adjustment

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- B - does not consider cycle count approval tolerance and does not make a cycle count adjustment
- C - applies the measurement error to the cycle count approval tolerance before the approval decision and makes a cycle count adjustment when approved
- D - applies the measurement error to the cycle count approval tolerance before the approval decision and does not make a cycle count adjustment when approved

**Answer: C**

**Question: 51**

ABC Corp. wants material in a subinventory to be considered for material planning purposes. Which set of flags would you set for that subinventory?

- A - Nettable, Depreciable
- B - Qty Tracked, Nettable
- C - Allow Reservation, Nettable
- D - Qty Tracked, Include in ATP

**Answer: B**

**Question: 52**

You have specified cycle count variance approval tolerances for your cycle count. You have also set the Approval Required option in your cycle count to "If out of tolerance". If the actual cycle count quantity entered for your item falls within the approval tolerance specified, Oracle Inventory \_\_\_\_\_.

- A - automatically approves and posts the cycle count adjustment
- B - automatically approves but does not post the cycle count adjustment
- C - holds the cycle count adjustment for approval and posts it after approval
- D - holds the cycle count adjustment for a recount and does not post the adjustment

**Answer: A**

**Question: 53**

Which two statements are true regarding Oracle Inventory replenishment methods? (Choose two.)

- A - Kanban represent replenishment signals that are manual.
- B - Reorder point planning can be performed at the subinventory level.
- C - Min-Max planning considers lead time and is not based on demand projections.
- D - Replenishment counting enables you to perform counts for non-tracked subinventories, and then direct Inventory to check these counts against the minimum quantities that you have specified.

**Answer: A, D**

**Question: 54**

Your customer decided to use min-max planning for some items in specific subinventories. You caution him to not include too many customer orders when he runs the report. What do you suggest he use?

- A - Supply Cutoff Date
- B - Demand Cutoff Date
- C - Supply and Demand Cutoff Dates
- D - MRP (Material Requirement Planning)

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E - ASCP (Advanced Supply Chain Planning)

**Answer: B**

**Question: 55**

Which statement is true about a replenishment counting system?

1. You can plan only at the warehouse level.
2. Pre-identification of items is required to use this method.
3. You can plan only at the subinventory level, and the item subinventory relationship needs to be defined.

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

**Answer: C**

**Question: 56**

For which functional area(s) must item attributes be defined so that an item is just an inventory item?

- A - Inventory only
- B - Main and Inventory
- C - Main, Inventory and Order Management
- D - Inventory, Order Management and Purchasing
- E - Main, Inventory, Order Management, Purchasing and Work in Process

**Answer: B**

**Question: 57**

Which three statements regarding Inventory forecasting are true? (Choose three.)

- A - Focus forecasting can only be generated from historical data.
- B - You typically use Focus forecasting to produce single period forecasts.
- C - Statistical forecasting can be generated from either historical data or master schedule entries.
- D - Statistical forecasting enables you to simulate various methods of calculating demand so that you can select the best forecasting model.
- E - Statistical forecasting enables you to apply exponentially weighted trend and seasonality factors to predict demand.

**Answer: A, B, E**

**Question: 58**

You and the client are working on setting up subinventories for the organization. The client wants to call the subinventory DAYTONS-20STOCKROOM. The system does not let you create this subinventory. What is the problem?

- A - The subinventory name cannot have the - sign.
- B - The subinventory name cannot have numbers in it.
- C - The subinventory name cannot have an apostrophe.
- D - The subinventory name cannot be longer than 10 characters.

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**Answer: D**

**Question: 59**

Which is the key setup required in order to restrict the access to an inventory organization by a user? (Choose one)

- A - System administrator assigns the appropriate responsibility to a user.
- B - System administrator sets up a restricted profile value for the user responsibility at the user level.
- C - A superuser sets up the organization access to the inventory organization for the user responsibility.
- D - System administrator sets up an appropriate securing attribute value for the user application under the user definition.

**Answer: C**

**Question: 60**

Assume a simple ABC compile was run for the following three items using Current on hand value as the compile criterion.

- Item 1 On hand quantity = 20, Frozen Cost = \$10
- Item 2 On hand quantity= 10, Frozen Cost= \$15
- Item 3 On hand quantity = 5, Frozen Cost = \$50

Select the correct sequence of the items for an ABC class.

- A - Item1, Item2, Item3
- B - Item1, Item3, Item2
- C - Item 2, Item 1, Item 3
- D - Item 2, Item 3, Item 1
- E - Item 3, Item 2, Item 1
- F - Item3, Item1, Item2

**Answer: F**

**Question: 61**

ABC Corporation has its inventory organizations located in North America, Asia and Europe.

North America Inventory Organizations

-----

- Boston Manufacturing
- Seattle Manufacturing
- Denver Manufacturing

Europe Inventory Organizations

-----

- Netherlands
- France
- Germany
- Belgium

Asia Inventory Organizations

-----

- India
- Singapore

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Malaysia

North America manufacturing organizations are the source of material to the other inventory organizations in Europe and Asia, but for all the Europe inventory organizations, the inventory is sourced from the Netherlands organization.

Select all the networks that need to be set up to meet this requirement. (Choose all that apply.)

- A - between all the European organizations
- B - all the European organizations with all the Asian organizations
- C - Netherlands organization to all the other European organizations
- D - all the North America Inventory organizations with Netherlands organization
- E - all the North America Inventory organizations with all the Asian organizations
- F - all the North America Inventory organizations with all the European organizations

**Answer: C, D, E**

**Question: 62**

MCO Company has implement Oracle E-Business Suite 11i. MCO has been an Oracle customer since Release 10.7 Character. MCO is a global enterprise and constantly ships good between organizations for Manufacturing, Repair, Customer Orders, and so on. MCO charges transportation and handling charges on all interorganization transfers, even across operating units.

The value that has been transferred recently started to fluctuate widely and erratically. Incorrect cost transfers have made the company's books out of balance, and their inventory valuation is not consistent with corporate standards.

Which are four investigative steps that could help you to correct the problem and ensure that correct, consistent amounts are added to each transaction? (Choose four.)

- A - Ensure that the organizations are all standard costing organizations.
- B - Check the shipping networks for transfer charges that are a requested value.
- C - Check the shipping networks for transfer charges that are a required percentage.
- D - Check the shipping networks for transfer charges that are a requested percentage.
- E - Run the shipping reports to determine which organizations are causing the problems.
- F - Run transaction history report, perform analysis and determine the start day when the transactions were not to standard, and how much they were off.
- G - Setup a keystroke tracing program for all MWA Handheld scanners, to determined exactly who is keying, and what is being keyed in the interorganization transfers.

**Answer: B, D, E, F**

**Question: 63**

You created an internal requisition to move material between two organizations. The destination is locator-controlled. The shipping network between these two locations has been defined as Direct. The shipment transaction fails. What could be the reason for the failure?

- A - Locator default has not been set up in the transaction default.
- B - You did not indicate the locator of the destination on the requisition.
- C - Internal requisitions cannot be used for Direct shipping networks.
- D - Locator-controlled destinations cannot be used for Direct shipping networks.

**Answer: A**

**Question: 64**

A Finished Goods subinventory of name FG has to be set up in several inventory organizations. Which two are true? (Choose two.)

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- A - The same subinventory name FG can be set up in any of the inventory organizations under the same Oracle Inventory responsibility.
- B - The same subinventory name FG CANNOT be set up in several inventory organizations under the same Oracle Inventory responsibility.
- C - The same subinventory name FG can be set up in different inventory organizations IF the organizations are under different Oracle Inventory responsibilities.
- D - The same subinventory name FG can be set up in different inventory organizations, regardless of the Oracle Inventory responsibilities.

**Answer: A, D**

**Question: 65**

To which elements should each inventory organization be linked to complete the accounting information setup?

- A - only a legal entity
- B - only a set of books
- C - only an operating unit
- D - a set of books and a legal entity only
- E - an operating unit and a legal entity only
- F - a set of books and an operating unit only
- G - a set of books, an operating unit and a legal entity

**Answer: G**

**Question: 66**

Identify the type of entity against which Oracle Inventory charges a transaction.

- A - transaction type
- B - transaction source type
- C - associated subinventories
- D - none

**Answer: B**

**Question: 67**

ABC Inc. is an audio CD distribution organization; it is not Warehouse Management System (WMS) enabled. ABC Inc. wants to identify its inventory items to be combination of its own item name (which may have up to 30 alphanumeric characters) and the UPC code (which is numeric and always 12 characters). What is the best way to define the system item flexfield?

- A - one segment, format type character, maximum size of 60
- B - one segment, format type character, maximum size of 42
- C - two segments, the first one with format type character, maximum size of 30 and second with format type character, maximum size of 12, with "Right-Justified and Zero-fill numbers" checkbox checked
- D - two segments, the first one with format type character, maximum size of 40 and second with format type character, maximum size of 12
- E - one segment, with format type character, maximum size of 42, with "Right-Justified and Zero-fill numbers" Checkbox checked

**Answer: C**

**Question: 68**

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If an internal order is not required for the transfer between two organizations, then an interorganizational transfer of material (either direct or intransit type) between the inventory organizations applies to:

1. the transfer of material between inventory organizations across operating units
2. the transfer of material between inventory organizations within the same operating unit

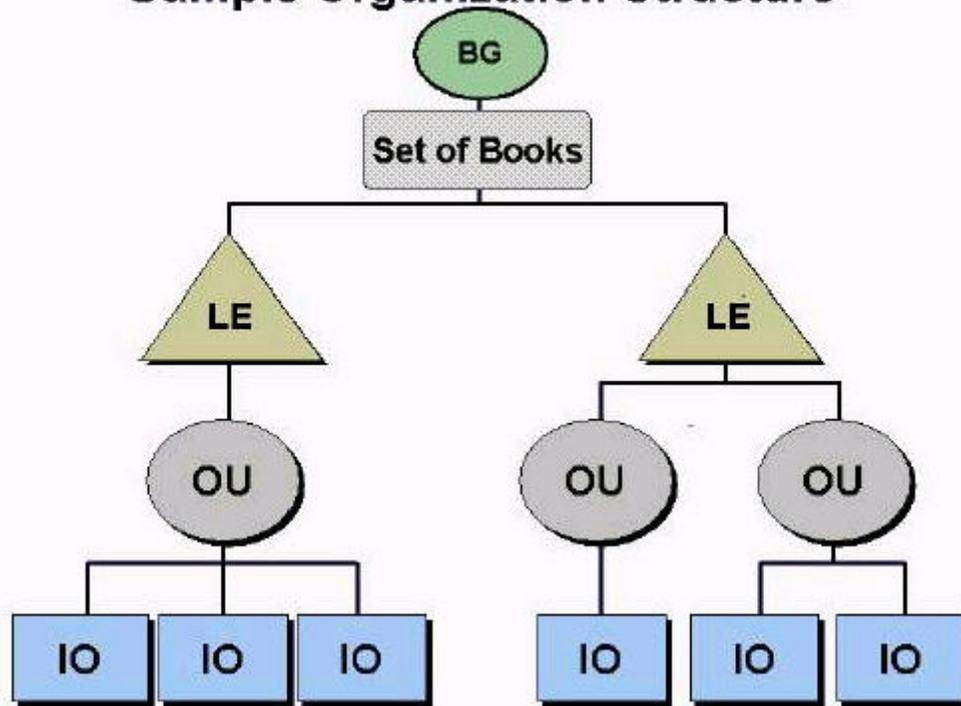
- A - 1 only
- B - 2 only
- C - both 1 and 2

**Answer: C**

**Question: 69**

View the Exhibit.

## Sample Organization Structure



You are setting up Oracle Inventory for a new client.

The organizational structure consists of one set of books, two legal entities, and three operating units.

The three operating units have three, one and two inventory organizations respectively.

What is the total number of Oracle Inventory instances required to model this structure?

- A - 1
- B - 2
- C - 3
- D - 6

**Answer: A**

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**Question: 70**

From which Oracle applications can 'in-transit' receipts be received into an organization?

- A - Purchasing
- B - Purchasing and Work in Process
- C - Purchasing and Order Management
- D - Purchasing, Inventory, and Work in Process

**Answer: A**

**Question: 71**

Which two are supply sources for Supplier and Production inventory replenishment? (Choose two.)

- A - discrete job
- B - external sales order
- C - replenishment move order
- D - internal purchase requisition
- E - external purchase requisition

**Answer: A, E**

**Question: 72**

What is true about Reorder Point Planning?

1. Suggests an economic order quantity that minimizes the overall procurement cost.
2. Suggests a new order when the physical on-hand quantity plus the expected receipts drops below safety stock.
3. Does not include forecast demand while calculating the reorder quantity.
4. Includes forecast demand while calculating the reorder quantity.

- A - 1 and 3
- B - 2 and 3
- C - 1 and 4
- D - 2 and 4
- E - 1, 2 and 3
- F - 1, 2 and 4

**Answer: C**

**Question: 73**

The ATP (Available to Promise) algorithm uses three time fences. They are PAST DUE SUPPLY, PAST DUE DEMAND and \_\_\_\_\_.

- A - Finite Supply Time
- B - Infinite Supply Time
- C - Planning Horizon Time
- D - User Defined Lead Time
- E - Accumulative Lead Time

**Answer: B**

**Question: 74**

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You want Oracle Inventory to automatically create move orders while doing min-max planning. To enable that functionality, you would need to define the \_\_\_\_\_.

- A - subinventory supply source type at the pull level
- B - Move Order Timeout Action to a value greater than zero
- C - Move Order Timeout Period to a value greater than zero
- D - subinventory supply source type at the subinventory or item level

**Answer: D**

**Question: 75**

Which three statements are true about to ABC analysis and cycle count classes? (Choose three.)

- A - The hit/miss% for the class overrides the hit/miss% of the cycle count header.
- B - The hit/miss% for the cycle count header overrides the hit/miss% of the class.
- C - You can compile an ABC analysis for a subinventory that is defined as a non-quantity-tracked subinventory.
- D - You can compile an ABC analysis for non-asset (expense) subinventories for which you track quantities.
- E - In ABC analysis, you must always submit for an approval on quantity variance, regardless of the tolerance levels.
- F - You can enter positive and negative tolerances for each class which will override the tolerance at the cycle count header level. The tolerances are of two types: quantity and value.

**Answer: A, D, F**

**Question: 76**

What is true about reorder-point planning?

- A - is an optional field for all items
- B - is a required field for all items
- C - is used for sub-inventory items
- D - is required for all forecasted items
- E - is required for all non-forecasted items

**Answer: A**

**Question: 77**

You have specified cycle count variance approval tolerances for your cycle count. You have also set the Approval Required option in your cycle count to "If out of tolerance". If the cycle count quantity entered for your item exceeds the approval tolerance specified, Oracle Inventory \_\_\_\_\_. (Select one answer)

- A - automatically approves and posts the cycle count adjustment
- B - holds the cycle count adjustment for approval and posts it after approval
- C - holds the cycle count adjustment for a recount and does not post the adjustment
- D - holds the cycle count adjustment for approval and does not post the adjustment after approval

**Answer: B**

**Question: 78**

ABC Corporation, an electronic manufacturing organization, has all the functionality of a standard business unit. They are in the implementation phase of Oracle E-Business Suite; WMS (Warehouse Management System) functionality is enabled.

Which functionality is available for the Miscellaneous transactions in Oracle Inventory?

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1. Inventory Adjustment to General ledger account
2. User Defined Transaction type
3. Material Shortage Alert
4. Transaction for past and future period
5. Inventory Controls on the item
6. Account alias issue and receipt transaction
7. Miscellaneous issue and receipt
8. Vendor Consigned inventory receipt
9. Transaction reason at transaction header

- A - All of 1 through 9
- B - 1 through 8 only
- C - 1 through 7 only
- D - 1, 2, 5, 6 and 7 only
- E - 1, 2, 3, 5, 6 and 7
- F - 1, 5, 6 and 7
- G - 1, 5, 6, 7 and 9

**Answer: B**

**Question: 79**

You are defining the staging subinventory for your sales order pick release rule. Which flag should be set on the subinventory setup for pick release to work?

- A - The subinventory should have the Nettable flag selected.
- B - The subinventory should have the Reservable flag selected.
- C - The subinventory should have the Depreciable flag selected.
- D - The subinventory should have the Pre-Processing Lead Time field populated.

**Answer: B**

**Question: 80**

Which two statements are true about lot numbers? (Choose two.)

- A - Lot numbers can be user defined.
- B - Lot numbers have to be numeric only.
- C - Lot numbers have to be of a fixed length.
- D - Lot numbers can be generated only at the organization level.
- E - Before turning lot control on for an item, your on-hand quantity for that item should be zero.

**Answer: A, E**

**Question: 81**

Which data is received by Oracle Order Management from Oracle Inventory?

- A - shipping, reservations, and demand information
- B - demand information and ATP/on-hand quantities
- C - units of measure, items, reservations and ATP/on-hand quantities
- D - units of measure, items, demand information, and ATP/on-hand quantities

**Answer: C**

**Question: 82**

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You just finished your first meeting with the customers Distribution Manager. She currently has the same numbering system throughout all areas of the warehouse (Aisle, Bay, Level, Slot) and she does not want to change the system. You have determined there will be multiple sub-inventories (FGI, Stores, Receiving, Inspection, Packing, MRB, and Other Damaged). How will you compile the locator flexfield to meet these requirements?

- A - Aisle-Bay-Level-Slot
- B - Slot-Level-Bay-Aisle
- C - Subinventory-Aisle-Bay-Slot
- D - Subinventory-Aisle-Bay-Level
- E - Aisle-Bay-Level-Slot-Subinventory
- F - Subinventory-Slot-Level-Bay-Aisle

**Answer: A**

**Question: 83**

What is the precedence for Locator Control?

- A - Organization level < subinventory level < item level
- B - Organization level > subinventory level > item level
- C - Organization level > subinventory level < item level
- D - Organization level < subinventory level > item level

**Answer: A**

**Question: 84**

Which three values are applicable for the Transaction profile option Miscellaneous Issue and Receipt? (Choose three.)

- A - Online Processing
- B - Form-Level Processing
- C - Concurrent Processing
- D - Background Processing

**Answer: A, C, D**

**Question: 85**

The client is running cycle counts to keep inventory accurate and eliminate the need for a complete physical inventory. The client has encountered a problem: they are not able to count items that are not in stock. They want the items to appear on a cycle count even if they are not in stock. These are high-dollar items and important to the inventory and cycle count accuracy. You approach the Materials Manager, and you ask for permission to perform which 3 steps?

1. Set up the cycle count item scope at the organization level and item valuation at the subinventory level.
2. Ensure the Count Zero Quantities box is checked.
3. Set up the cycle count item scope item scope at the organization level and item valuation at the organization level.
4. Set up a cycle count to count only the zero-quantity items
5. Create a subinventory where only zero-quantity parts are stored.
6. Increase the number of counts per year for all B Class Items.
7. Increase the number of counts per year for all A Class Items.

- A - 2, 7, 3
- B - 4, 5, 7

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- C - 1, 2, 6
- D - 5, 6, 7
- E - 4, 3, 7
- F - 1, 2, 7
- G - 3, 2, 4

**Answer: A**

**Question: 86**

Select all the control options and restrictions that can be applied to an item.

1. Locator Control
2. Serial Number Control
3. Lot Control
4. Subinventory and Locator restrictions
5. Revision Quantity Control

- A - 2, 4 and 5
- B - 2, 3 and 4
- C - 1, 2, 3 and 5
- D - 2, 3, 4 and 5
- E - 1, 2, 3, 4 and 5

**Answer: E**

**Question: 87**

What are the Inventory Move Order types that are supported?

- A - Requisition, inventory replenishment, pick release
- B - Subinventory transfer, interorganization transfer, RMA
- C - Subinventory transfer, interorganization transfer, requisition
- D - Subinventory transfer, interorganization transfer, pick release
- E - Subinventory transfer, interorganization transfer, expected receipt

**Answer: A**

**Question: 88**

At which three functional areas can status attribute controls be controlled? (Choose three.)

- A - Receiving
- B - Lead Time
- C - Purchasing
- D - Work in Process
- E - Order Management
- F - MPS/MRP (Master Production Scheduling/Material Requirement Planning)

**Answer: C, D, E**

**Question: 89**

Which four statements are true regarding interorganization transfer? (Choose four.)

- A - The items you transfer must not exist in both organizations.
- B - You cannot set multiple intransit times for a single shipping method.
- C - You can define multiple inventories, warehouses, and manufacturing facilities as distinct organizations.

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- D - You can transfer expense and asset items from one organization to another using intransit inventory.
- E - You cannot transfer partial quantities of the same item to different subinventories and locators in a single transaction.
- F - The validity of a transfer transaction depends on the controls you have defined in both the shipping and destination organizations for the items you want to transfer.
- G - The validity of a transfer transaction is governed by the controls you have defined in the shipping organization for the items you want to transfer; these controls are then transferred to the destination organization.
- H - You can transfer one or more items in a single transaction and transfer partial quantities of the same item to different subinventories and locators in a single transaction.

**Answer: C, D, F, H**

**Question: 90**

For performing an ABC analysis, you define these three:

1. ABC compile
2. ABC classes
3. ABC assignment group

Which statement is correct?

- A - You need to assign all ABC groups to an ABC class.
- B - You need to assign all the ABC classes to an ABC group.
- C - You need to assign at least one ABC group to an ABC class.
- D - You need to assign at least one ABC class to an ABC group.

**Answer: D**

**Question: 91**

Min-Max profile options support \_\_\_\_\_.

- A - Oracle Focus Forecasting
- B - Kanban Material planning
- C - Dynamic Safety Stock planning
- D - Static Safety Stock planning
- E - Standard Reorder-Point planning

**Answer: B**

**Question: 92**

What is the prerequisite to enter unscheduled entries in your cycle count?

- A - run a manual schedule request to generate counts
- B - run an automatic schedule request to generate counts
- C - run the count generation program for unscheduled entries
- D - generate cycle count requests before you can enter counts
- E - Unscheduled Entries flag set to Yes in your cycle count header

**Answer: E**

**Question: 93**

Which two statements are true about the item master? (Choose two.)

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- A - It is possible to copy items across item master organizations.
- B - It is possible to associate items in one item master organization with another item master organization.
- C - There is no functional or technical difference between the Item Master organization and other organizations.
- D - When an attribute control is set at the item master level, updates are not allowed at the item/organization level.
- E - When an attribute control is set at the item master level, updates can still be made at the item/organization level but these updates will not propagate back up to the item master level.

**Answer: C, D**

**Question: 94**

ATP (Available to Promise) checking can be specified \_\_\_\_\_.

- A - at the component level
- B - as a function of unconsumed forecast
- C - as a function of forward unconsumed forecast
- D - only for finished goods at the subinventory level
- E - as a function of backward unconsumed forecast

**Answer: A**

**Question: 95**

The following table shows the values for quantity variance and adjustment value tolerances for an item in a cycle count:

Item Attributes Value  
Item Standard Cost- \$10.00  
Positive Quantity Variance - Tolerance 5%  
Negative Quantity Variance - Tolerance 10%  
Positive Adjustment Value - Tolerance \$200  
Negative Adjustment Value - Tolerance \$250

Given that the system count is 100, which value would be considered a Positive Quantity Variance that requires approval, and also considered a Positive Adjustment Value?

- A - The count quantity equals 73.
- B - The count quantity equals 106.
- C - The count quantity equals 88.
- D - The count quantity equals 122.

**Answer: D**

**Question: 96**

You are implementing Oracle Inventory and you plan to use Focus Forecasting. Focus Forecasting assumes that the forecasting method that worked best for the previous period \_\_\_\_\_ and \_\_\_\_\_. (Choose two.)

- A - will be best for the current period
- B - was based on heuristic processes
- C - was based on stochastic processes
- D - will result from comparing five forecast methods
- E - used the method that yields the greatest APE (absolute percentage error)

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**Answer: A, D**

**Question: 97**

You are setting up a requisition move order for which approval is required. At the organization level, you have defined the following:

- 1) Move Order Timeout Period
- 2) Move Order Timeout Action

However, the approval process is not being enabled for the organization item. What is a possible reason?

- A - The subinventory source type has not been set to pull level.
- B - A planner has not been assigned to the organization item.
- C - The Move Order Timeout Period has been set to a value greater than zero.
- D - The Move Order Timeout Action has been set to a value greater than zero.

**Answer: B**

**Question: 98**

ABC Inc. is a medical equipment manufacturer. The company wants its finished goods item to be restricted to a locator assigned to a subinventory for transactions. Which setup step needs to be performed?

- A - Set up item transaction default.
- B - Restrict subinventories at the item-organization level.
- C - Restrict locator control at the organization parameter.
- D - Set up subinventories and locator restriction at the item-organization level.
- E - Train the user to transact the specific item from the specific subinventory and locator.

**Answer: D**

**Question: 99**

Oracle Inventory interacts with other Oracle applications by sharing information. Choose two pieces of information that Oracle Payables, Receivables and Assets applications receive from the Inventory module. (Choose two.)

- A - item information
- B - UOM information
- C - on-hand information
- D - ATP supply information
- E - transaction accounting detail information

**Answer: A, B**

**Question: 100**

Company XYZ has portable bar code readers that are used to scan and read data about the amount of time charged on a resource that has been utilized on the manufacturing floor. This data about utilization is then processed in the Oracle Work in Process module by using a \_\_\_\_\_.

- A - Cost Manager
- B - Concurrent Manager
- C - Move Transaction Manager
- D - Material Transaction Manager
- E - Lot Move Transaction Manager

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**Answer: E**

**Question: 101**

You have set the SET RESTOCK min-max field to YES. What will Oracle Inventory do?

- A - generate requisitions
- B - recalculate EOQ (Economic Order Quantity) values
- C - plan all sub-inventory items using min-max methods
- D - plan all subinventory items and override safety stock values
- E - plan MRP/MPS (Material Requirement Planning / Master Production Schedule) items using statistical forecast methods

**Answer: A**

**Question: 102**

Which three ways can inventory be received into stock by using the Oracle Inventory module? (Choose three.)

- A - Receipt and Deliver
- B - Receipt and then Deliver
- C - Receipt and Inspect
- D - Receipt, Inspect and Deliver

**Answer: A, B, D**

**Question: 103**

Which is a typical hierarchy in a multiorganization model (top down)?

- A - business group, set of books, operating unit, legal entity, inventory organization
- B - business group, set of books, legal entity, operating unit, inventory organization
- C - business group, legal entity, set of books, operating unit, inventory organization
- D - business group, legal entity, operating unit, set of books, inventory organization
- E - business group, operating unit, set of books, legal entity, inventory organization
- F - business group, operating unit, legal entity, set of books, inventory organization

**Answer: B**

**Question: 104**

Inventory organizations B1 and M1 each have five unique physical separations of material inventory area, which are under locator control. Customer shippable goods are stored in the FGI (Finished Goods Inventory) storage area. The raw material storage area is called Stores. Organization B1 wants to transfer customer goods from one locator to another. What is the applicable transaction to accomplish the transfer?

- A - subinventory transfer
- B - direct interorganization transfer
- C - Account Alias Issue and Receipt
- D - Miscellaneous Issue and Receipt
- E - interorganization transfer by way of intransit

**Answer: A**

**Question: 105**

Which types of move orders are supported by Oracle Inventory?

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1. Move Order Requisitions
2. Replenishment Move Orders
3. Pick Wave Move Orders
4. Anonymous Move Orders

- A - 1 and 2 only
- B - 2 and 3 only
- C - 2, 3 and 4 only
- D - 1, 2 and 3 only
- E - 1, 2, 3 and 4

**Answer: D**

**Question: 106**

How many distinct ABC compile names can exist at a given time in an inventory organization?

- A - only one for each subinventory
- B - only one per inventory organization
- C - an unlimited number of names
- D - one for each subinventory and one for each inventory organization

**Answer: C**

**Question: 107**

Which statement is true about an inventory organization that is set up under a multiorganization structure in Oracle Inventory?

- A - All inventory organizations should be under the same set of books.
- B - All inventory organizations should be under the same operating unit.
- C - An inventory organization exists under a distinct set of books, operating unit and legal entity.
- D - The same inventory organization can be under different sets of books, operating units and legal entities.
- E - Each inventory organization under different business units or sets of books should be under a different installation of Oracle Applications.

**Answer: C**

**Question: 108**

You have specified both quantity variance and adjustment value approval tolerances at the cycle count header level only. You have also set the Approval Required option in your cycle count to "If out of tolerance". Oracle Inventory would automatically approve your actual count entered if \_\_\_\_.

- A - the cycle count quantity entered for your item falls within the quantity variance tolerance
- B - the cycle count quantity entered for your item falls within the adjustment value approval tolerance
- C - the cycle count quantity entered for your item falls within both the quantity variance tolerance and the adjustment value approval tolerance
- D - the cycle count quantity entered for your item falls within either the quantity variance tolerance or the adjustment value approval tolerance

**Answer: C**

**Question: 109**

Which three are Oracle Inventory replenishment methods? (Choose three.)

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- A - Kanban
- B - Safety Stock
- C - Min-max Planning
- D - Replenishment Counting
- E - MRP (Materials Requirement Planning)

**Answer: A, C, D**

**Question: 110**

ABC Inc. is a semiconductor manufacturing organization. They have all possible inventory controls on items.

Which controls are validated on subinventory transfer transactions?

1. Lot Control
2. Locator Control
3. Serial Number control
4. Revision quantity control
5. Subinventory and locator restrictions for specific items

- A - 1 only
- B - 1, 2 and 3
- C - 1, 3 and 5
- D - 1 and 3 only
- E - 1, 2, 3 and 4
- F - 1, 2, 3 and 5
- G - all of 1 through 5

**Answer: G**

**Question: 111**

ABC Inc. does not have Oracle Engineering implemented to transfer the engineering item to Oracle Inventory.

All their engineering items are defined in Oracle Inventory with a item status ENG, which has these attributes disabled:

- “Customer Order Enabled”
- “Internal Order Enabled”
- “Invoice Enabled”
- “Purchasable”

All the other status control attributes are enabled.

The Planning and Engineering departments had a meeting and concluded that the engineering items will be released to Oracle Manufacturing with “Internal Order Enabled” attribute enabled first on an agreed date for their business center to order and stock the items for selling. Then the status attribute “Customer Order Enabled” and “Invoice Enabled” will be enabled on a different agreed date.

These status attributes need to be changed automatically on the agreed date, and not require a manual intervention.

What is the correct functionality?

- A - Two different statuses, with the appropriate status attribute flag enabled. Assign the status attribute to the item manually on the date that it needs to be implemented.
- B - Three different statuses, with the appropriate status attribute flag enabled. Assign the status attribute to the item manually on the date that it needs to be implemented.

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- C - Two different status attributes, with the appropriate status attribute flag enabled. Write a custom program to assign the status attribute to the item on the date that it needs to be implemented.
- D - Two different statuses, with the appropriate status attribute flag enabled. Assign the status to the item by using Pending Status on the date when it needs to be implemented.
- E - To do this, Oracle Engineering needs to assign the status attribute to the item with the date when it needs to be implemented.

**Answer: D**

**Question: 112**

A customer is in the process of setting up a warehouse in the Oracle system. He wants the whole warehouse to be a subinventory.

He has bins in the warehouse to store material.

He needs to track some high-dollar items by quantity and the bin in which they reside.

He also has some low-dollar parts like nuts and bolts that he needs to track by quantity, but does not want the overhead of specifying the bin in which they should reside.

What will you do to meet this requirement?

- A - Set up the subinventory with Locator control set to Prespecified.
- B - Set up the subinventory with Locator control set to Dynamic Entry.
- C - Set up the subinventory with Locator control set to Item Level control; for items that should be tracked by bin, set Locator control to None.
- D - Set up the subinventory with Locator control set to Item Level control; for items that should be tracked by bin, set Locator control to Dynamic Entry.

**Answer: D**

**Question: 113**

ABC Inc. has four operating units. Each operating unit has its own master organization.

Operating unit 1 has twenty-two inventory organizations.

Operating unit 2 has four inventory organizations.

Operating unit 3 has thirteen inventory organizations.

Operating unit 4 has eight inventory organizations.

All four operating units are assigned to one legal entity.

Which statements are true? (Choose all that apply.)

- A - Two item masters cannot exist in one legal entity.
- B - Interorganization transfers between operating unit 2 and operating unit 3 cannot be performed.
- C - An item in the master organization of operating unit 3 can be assigned to one of the child organizations in operating unit 1.
- D - The same item name can be defined in the master organization in operating unit 1 and the master organization in operating unit 2.
- E - Inventory items in operating unit 1 cannot be assigned to all 22 child inventory organizations, because items cannot be assigned to more than 15 child organizations at one time.

**Answer: B, D**

**Question: 114**

Which three statements regarding Oracle Inventory forecasting are true? (Choose three.)

- A - Forecasts generated by Inventory are based on historical transaction activity only.

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- B - Master schedule entries can be used as transaction activity to generate Inventory forecasts.
- C - Manually created forecasts can be based on transaction activity other than historical data.
- D - After you complete an Inventory forecast, you can use it to drive Min-Max planning.
- E - When creating a forecast, you can select the type of transactions you want to use.

**Answer: A, C, E**

**Question: 115**

Which two statements about the Stock Locator flexfield are true? (Choose two.)

- A - Stock Locator is set up as a key flexfield.
- B - Stock Locator is set up as a descriptive flexfield.
- C - You cannot have a . character in your locator name.
- D - You have to use the same value set for all the segments of the Stock Locator flexfield.
- E - You have the flexibility to set up segments of the stock locator as mandatory or not mandatory.

**Answer: A, E**

**Question: 116**

Select one accurate and comprehensive description of the content scope of an ABC compile?

- A - performed at the inventory organization level only
- B - performed at the individual subinventory level only
- C - performed at the inventory organization or individual subinventory level
- D - performed at the individual subinventory level with a choice to include the same items from all subinventories in the organization

**Answer: C**

**Question: 117**

Which two statements are true regarding item standard costs, if the inventory organizations are setup to use their own organization as the costing organization? (Choose two.)

- A - An item cannot have different standard costs across different inventory organizations of a single operating unit.
- B - An item can have different standard costs across different inventory organizations of a single operating unit.
- C - An item can have different standard costs across different inventory organizations regardless of the operating unit.
- D - An item can have different standard costs in different inventory organizations only if the organizations are under different operating units.

**Answer: B, C**

**Question: 118**

Which four statements are true about generating a cycle count? (Choose four.)

- A - You can schedule cycle counts either automatically or manually.
- B - You can manually schedule count using the Manual Schedule Request window. You can request counts for specific subinventories, locators and items.
- C - The Cycle Count Enabled item attribute must be set to Yes for the items you want to include in your cycle count (assume autogenerated requests).
- D - If you turn automatic scheduling on, you should specify the frequency of scheduling: daily, weekly, or by period.

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E - If an item is under serial control the cycle count will always create one count request for each serial number.

**Answer: A, B, C, D**

**Question: 119**

Identify four steps or best practices that take place related to a physical inventory. (Choose four.)

- A - Do not ship or receive items during the physical inventory.
- B - Discard unused or blank tags at the end of your inventory.
- C - Clear the Pending Transactions and the transactions in the Transactions Open Interface, before taking a snapshot of inventory quantity.
- D - If you enable dynamic tag entry for your physical inventory, enter counts for any item and stock-keeping unit combination without a pre-generated tag number.
- E - Ensure that normal transaction activity can occur in each location during the physical inventory.
- F - Ensure that no transaction activity occurs in a particular location until after you have entered your accounts, or better still, until after you have performed your adjustments.
- G - Ensure that no transaction activity occurs in a particular location until after you have taken your snapshot.

**Answer: A, B, C, F**

**Question: 120**

Which three statements are true regarding inventory transactions? (Choose three.)

- A - The user can define new source types.
- B - The user can define new transaction actions.
- C - Transaction types are used to classify a transaction for reporting and querying purposes.
- D - A transaction source type is the combination of a transaction type and a transaction action.
- E - Transaction types identify certain transactions to be included in historical usage calculations for ABC analysis or forecasting.

**Answer: A, C, E**

**Question: 121**

You are reviewing an existing implementation. Some of the items have no planning method selected. Before you select a replenishment method, it is important to know the item's \_\_\_\_\_.

- A - lead time
- B - Mean-Absolute-Deviation
- C - EOQ (Economic Order Quantity)
- D - Exponentially Smoothed Forecast
- E - current ATP (Available to Promise)

**Answer: A**

**Question: 122**

When you set up a subinventory, you have to set up accounts for the subinventory. From which account does the Expense Account default?

- A - Expense Accrual Account from the Intercompany Relations setup form
- B - Default Cost Group that the system assigns when setting up the organization
- C - The Expense Account setup on the Purchasing page of the Item Master Record
- D - Expense Account from the Valuation Accounts region of the Organization parameters form

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E - Expense Accounts Payable Accrual account on the Receipt Accounting page of the Purchasing Options form

**Answer: D**

**Question: 123**

For which type of Move order is approval required?

- A - Shipping Move Order
- B - Requisition Move Order
- C - Replenishment Move Order

**Answer: B**

**Question: 124**

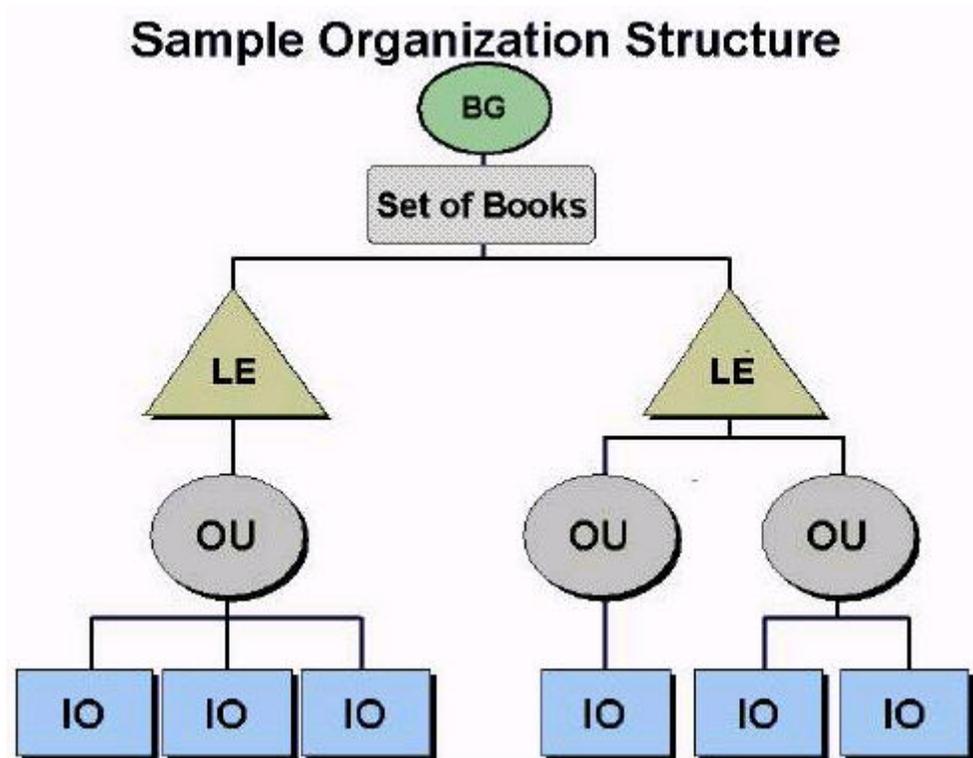
Which three statements are true regarding Inventory replenishment methods? (Choose three.)

- A - Min-max planning considers carrying cost.
- B - Reorder point planning considers order cost.
- C - Reorder point planning considers replenishment lead time.
- D - Min-max planning can be performed at the subinventory level.
- E - When you define an item, you can specify both reorder point planning and min-max planning to place limits on the calculated reorder point.

**Answer: B, C, D**

**Question: 125**

View the Exhibit.



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You are setting up Oracle Inventory for a new client.

The organizational structure consists of one set of books, two legal entities, and three operating units.

The three operating units have three, one and two inventory organizations respectively. All the operating units will use the same item numbers.

You should setup all costing attributes at the \_\_\_\_\_ level.

- A - legal entity
- B - operating unit
- C - inventory organization
- D - subinventory organization
- E - set of books (business group)

**Answer: C**

**Question: 126**

During the setup of inventory organizations, you define physical locations (with address/ shipping details) and inventory organizations separately, and then associate them with each other. Which two statements are true regarding these associations? (Choose two)

- A - A physical location can be associated with only one inventory organization.
- B - An inventory organization can be associated with only one physical location.
- C - A physical location can be associated with more than one inventory organization.
- D - An inventory organization can be associated with more than one physical location.

**Answer: B, C**

**Question: 127**

Which three statements are true about ABC analysis? (Choose three.)

- A - The ABC class is an item attribute.
- B - You can only have three classes: A, B and C.
- C - You must assign an ABC class to at least one ABC group.
- D - You may use ABC classes to group items for planning purposes.
- E - You use ABC classes to identify the value groupings to which your items belong.

**Answer: C, D, E**

**Question: 128**

ABC Organization is part of a Business Group with a dozen inventory organizations. It uses 'Item Status' to control the life cycle of a product. It is facing problems when updating attributes for an item, such as 'Build in WIP'. They have tried applying a newly created template, as well as Updating the Attribute in the Master Item level. Which three options do they need to verify to troubleshoot this issue? (Choose three.)

- A - Check the Item Attribute control settings.
- B - Check the Inventory Profile: Default Status.
- C - Check the organizations inventory balance for the items.
- D - Check that item attributes are enabled on the item template.
- E - Check that the Inventory Transactable attribute is set to YES.
- F - Check for errant miscellaneous receipts and issues that distort the items correct inventory position.

**Answer: A, C, D**

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**Question: 129**

Min-max planning can be used \_\_\_\_\_.

- A - only at the sub-inventory level
- B - in place of MRP/MPS planning
- C - in Exponential Smoothing Forecast calculations
- D - in EOQ (Economic Order Quantity) calculations
- E - in MRP/MPS (Material Requirement Planning / Master Production Schedule) calculations

**Answer: B**

**Question: 130**

You are creating an interorganization transfer. The standard shipping lead time defined for the transfer is 14 days. You want to move the inventory from the source and put it in Intransit. You made a mistake and did not choose the option to have Intransit Inventory. When you initiate the process for interorganization transfer, what is the most likely result of the transaction?

- A - You will get an error for the transaction, because it violates referential integrity.
- B - The inventory will be moved from the source organization, but it will be moved directly to the destination organization.
- C - The inventory will not be moved from the source organization, because there is a lead time of 14 days defined.
- D - The inventory will be moved from the source organization, but it will be moved to intransit inventory, because there is a lead time of 14 days defined.

**Answer: B**

**Question: 131**

Items in the Length category are defined with the primary Unit of Measure (UOM) as "Each". These items are purchased in UOM as Roll, and sold in UOM as Box. Quantity is the UOM class for Each, Roll and Box units of measure. Each is the base unit for the Quantity UOM class. Every item in the Length category has its own conversion factor when it is converted from Roll to Box. What setup is needed to transact these items for generating purchase orders, and the issue and receipt of material?

- A - standard conversion between Box to Roll
- B - standard conversion between Box to Each and Roll to Each
- C - intraclass conversion between Box to Roll for the items in Length category
- D - interclass conversion between Box to Each and Roll to Each for every item in Length category
- E - intraclass conversion between Box to Each and Roll to Each for every item in Length category
- F - standard conversion between Box to Each and Roll to Each and intraclass conversion between Box to Each and Roll to Each for the items in Length category
- G - standard conversion between Box to Each and Roll to Each and interclass conversion between Box to Each and Roll to Each for the items in Length category

**Answer: E**

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