1z0-226

Oracle EBS R12: Inventory and Order Management Fundamentals

Version 3.0

1Z0-226

QUESTION NO: 1

The Check ATP option is enabled for an item in the Finished Goods subinventory.
Which action will occur?

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 Economic Order Quantity (EOQ).

Answer: C

QUESTION NO: 2

The client requires that cycle counts are entered by the warehouse staff. However, only
the warehouse manager can schedule counts, generate count requests, and approve the
counts that are out of tolerance. What should you consider when setting up the cycle
counting process? (Choose three.)

A. the frequency of the recounts required
B. the number of automatic recounts required
C. the tolerance level for automatic adjustment
D. Modify the workday calendar used by the warehouse.
E. the responsibility that has access to the Approve Counts function
F. the number of serial and/or lot controlled items included in the count

Answer: B,C,E

QUESTION NO: 3

Company Z has two sites. Both sites are inventory organizations. One is in Colorado, the
other is in New Jersey. Inventory is expected to travel between the two, in both
directions. The following requirements are identical for the two organizations:

A. Ownership transfer occurs upon ship confirm.
B. There is a two-step receiving process.
C. Only approved orders would be performed.
Which setups in Shipping Networks meet these criteria?

D. Transit Type = Direct, FOB = Receipt, Receipt Routing = Direct, Internal Order
Required = checked
E. Transit Type = Intransit, FOB = Receipt, Receipt Routing = Direct, Internal Order
Required = unchecked
F. Transit Type = Intransit, FOB = Receipt, Receipt Routing = Standard, Internal Order
Required = checked
G. Transit Type = Direct, FOB = Shipment, Receipt Routing = Standard, Internal Order
Required = checked

H. Transit Type = Intransit, FOB = Shipment, Receipt Routing = Inspection, Internal Order Required = checked

Answer: C

QUESTION NO: 4

Each UOM class must have a base unit specified.Which represents a base unit for the UOM Class Quantity?

A. One
B. Each
C. Case
D. Gross
E. Dozen

Answer: B

QUESTION NO: 5

A user informs you about the inability to create a requisition using category 110.33. The Purchasing category structure is set up as Item Category.Commodity.The user has described the problem as follows:"I am able to select 110 for the item category and 33 for the commodity, but when I click OK I receive an error." Identify two reasons for the error. (Choose two.)

A. The commodity 33 has been deactivated.
B. The item category 110 has been deactivated.
C. The category 110.33 is not assigned to a buyer.
D. Category 110.33 is not set up in the categories form.
E. 110.33 is not assigned to the Purchasing category set.
F. 110.33 has not been added to the appropriate value set.
G. Allow Dynamic Inserts is not checked for the Purchasing category flexfield.

Answer: D,E

QUESTION NO: 6

XYZ is a chemical manufacturing company. On a daily basis, it produces 100 kilos of Item A from a single production batch.100 kilos of item A manufactured from a single batch has a single expiration date. However, the purity of item A varies as follows:
Category 1: 95%
Category 2: 85%
Category 3: 50%
From an implementation perspective, which setup or process would meet this

requirement?

A. Enable lot control. Map three categories as coproducts.

B. Enable lot control for item A. Create three lots to represent the categories.

C. Enable lot control for item A. Create three child lots and link them with the parent lot.

D. Enable lot and grade control for item A. Have three categories mapped with grades.

E. Enable lot and serial control for item A. Create one lot and three categories that are mapped with serial numbers.

Answer: D

QUESTION NO: 7

For which type of move order is approval required?

A. Planning Move Order
B. Shipping Move Order
C. Production Move Order
D. Requisition Move Order
E. Replenishment Move Order

Answer: D

QUESTION NO: 8

Identify four functions that a user can perform using the Material Workbench. (Choose four)

A. Create move orders.
B. Create and save queries.
C. Change material statuses.
D. Perform miscellaneous issues.

E. Perform miscellaneous receipts.
F. Perform pick confirm transactions.
G. Perform ship confirm transactions.
H. View material in receiving, on-hand quantities, and intransit material.

Answer: A,B,C,H

QUESTION NO: 9

The client has decided that Quality and Discrete Manufacturing will be implemented at a future stage, so new supply from current manufacturing will be added to current inventory on hand by the Open Transactions Interface. The immediate requirement is to

go-live with Inventory and Order Management. Which three seeded transaction types can be omitted for material status control?(Choose three.)

A. average cost update
B. all internal transactions
C. backflush subinventory transfer
D. miscellaneous issues and receipts
E. all transaction types related to Work in Process
F. all transaction types related to Project Manufacturing

Answer: C,E,F

QUESTION NO: 10

ACME attempts the Pick Release process for delivery lines that have been booked. Which three options are valid? (Choose three.)

A. Run the Auto Allocate process.
B. Run the Pick Slip Grouping process.
C. Run the Interface Trip Stop process.
D. Use the Standard Report Submission process (SRS).
E. Execute Online from the Release Sales Order window.
F. Run a concurrent program from the Release Sales Order window.

Answer: D,E,F

QUESTION NO: 11

PTO Kits consist of _____.

A. a standard BOM
B. a configurable BOM
C. a standard BOM with mandatory included options
D. a configurable BOM with mandatory included options
E. an engineering BOM with mandatory included options

Answer: C

QUESTION NO: 12

Identify the four statements related to the MOAC functionality. (Choose four.)

A. When querying any transaction, one must specify the operating unit.
B. The Operating Unit field is a display-only field for all the transaction forms.
C. While entering a transaction, the Operating Unit needs to be selected in case the user wants an Operating Unit other than the default.
D. While querying for a transaction, entering the Operating Unit helps the application to

query lesser number of transactions and results in better performance.
E. A new Operating Unit field has been added to all the forms that allow the user to view and manage Sales Orders and Returns across multiple operating units.
F. A new Operating Unit field has been added to all the forms that allow the user to view and manage Sales Agreements and Quotes across multiple operating units.

Answer: C,D,E,F

QUESTION NO: 13

Weight and physical dimensions are examples of _____.

A. an item attribute
B. an item parameter
C. an item profile option
D. an item master characteristic

Answer: A

QUESTION NO: 14

Identify three correct statements regarding customer acceptance setups. (Choose three.)

A. Customer acceptance can be enabled at the inventory organization level.

B. For enabling customer acceptance, no setup is required in OM.
C. Customer acceptance can be enabled at the OM operating-unit level.
D. Define assignment rules for deferral reasons at the customer, site, or item level.
E. The first step to enable customer acceptance is to set the OM system parameter: Enable Fulfillment Acceptance.
F. The second step of the customer acceptance setup is to define customer acceptance deferral reasons in the AR revenue management setup.

Answer: C,E,F

QUESTION NO: 15

What are the three necessary setup steps to enable system credit checking on an order? (Choose three.)

A. Assign a credit rule to the order type being used.
B. Select a warehouse that has credit checking enabled.
C. Enable the Credit Card Security Code system parameter.
D. Use a payment term for which the Credit check box is enabled.
E. Define the customer profile so that the Credit check box is selected.
F. Make sure that there is at least one defaulting rule enabled for credit checking.

Answer: A,D,E

QUESTION NO: 16

Select two correct statements regarding the workflow holds/activities/Exception Management.(Choose two.)

A. The Retry concurrent program can be run only at Execution mode.
B. Retry workflow activities are possible only at individual error levels.
C. Retry workflow activities are possible in batch mode via concurrent program.
D. Retry workflow activities cannot be launched from the Process Messages window.
E. When a ship line activity errors out after the line has progressed and the delivery detail is closed, the line status displays as Notify instead of Retry.

Answer: C,E

QUESTION NO: 17

During the requirements-gathering stage, your client states that it wants items purchased from a supplier to be inspected. The client wants to know at what point the inventory is available to reserve. When can reservations occur?

A. upon PO Line receipt
B. when the PO is approved
C. after the Inspection step is performed
D. after the Receipt Line Deliver transaction
E. reservations are not possible on inspection items

Answer: D

QUESTION NO: 18

Your client requires Org A to supply Org B with inventory on a need basis. The Internal Order flag is checked. An internal requisition has been created and approved.What type of receipt would Org B have to perform to receive the goods?

A. RMA receipt
B. Inter-Org Transfer
C. Account Alias receipt
D. Purchase Order receipt
E. Receipt by Shipment Number

Answer: E

QUESTION NO: 19

Your client has an item that is used globally. The site in Colorado is evaluating a local source for the item. The buyer requires the incoming goods from the local source to be separated from the goods received from nonlocal sources. Which three actions should be performed to meet this requirement? (Choose three.)

A. Enter the item in the subinventory form.
B. Modify master item attributes to default a subinventory.
C. Change the PO Line receipt routing to Inspection Required.
D. Modify organization item attributes to default a subinventory.
E. Create a separate subinventory to stock goods from the local source.
F. Create item transaction default for the item in the Item Master Organization.
G. Insert a separate subinventory on the purchase order and attach Receiver Notes.
H. Ensure that you do not create an item transaction default for the item in the Inventory Organization.

Answer: E,G,H

QUESTION NO: 20

Which data is provided by Oracle Purchasing to Oracle Inventory?

A. ATP supply, planning supply, and requisition information
B. items, requisition, and interorganization shipment information
C. receipts/deliveries and interorganization shipment information
D. receipts/deliveries, ATP supply, and planning supply information
E. receipts/deliveries, units of measure, ATP supply, and planning supply information

Answer: D

QUESTION NO: 21

Oracle Inventory interacts with other Oracle applications by sharing information.Choose two pieces of information that Oracle Payables, Receivables, and Costing 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 NO: 22

What is true about (alpha) in the Exponential Smoothing Forecast (ESF) method?

A. (alpha) equals the old forecast.
B. (alpha) is always greater than one.
C. (alpha) is calculated by Oracle Inventory.
D. (alpha) is multiplied by the forecast error to determine the adjustment.
E. (alpha) equals the old forecast plus a portion of the forecast error from the previous period.

Answer: D

QUESTION NO: 23

You and your client determined that forecasting methods included with inventory will be sufficient to meet the client's needs. You and the customer have decided to use Focus Forecasting to begin with and move to Exponential Smoothing after one year. Along the way, your customer noticed some definite trends in demand and has requested your help to re-evaluate the forecasting method. What do you recommend as a forecasting method? What additional information is needed, if any?

A. Focus Forecasting
B. Exponential Smoothing
C. Exponential Smoothing with Trend Enhanced Forecasting, Alpha and Beta Coefficients
D. Exponential Smoothing with Season Enhanced Forecasting, Alpha and Beta Coefficients
E. Exponential Smoothing with Season Enhanced Forecasting, Alpha and Gamma Coefficients

Answer: C

QUESTION NO: 24

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
C. both trend and seasonal demand patterns are equal to zero
D. both trend and seasonal demand patterns are less than
E. both trend and seasonal demand patterns are greater than

Answer: C

QUESTION NO: 25

You are implementing inventory and 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. will use the method that yields the greatest absolute percentage error (APE)

Answer: A,D

QUESTION NO: 26

ACME is implementing 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. an inventory Accounts Payable accrual account
E. records in the Purchase Order Requisition interface table

Answer: E

QUESTION NO: 27

The client wants to implement reorder point planning for some 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 client wants 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 NO: 28

Your customer decided to use min-max planning for some items in specific subinventories. You caution him not to include too many customer orders when he runs