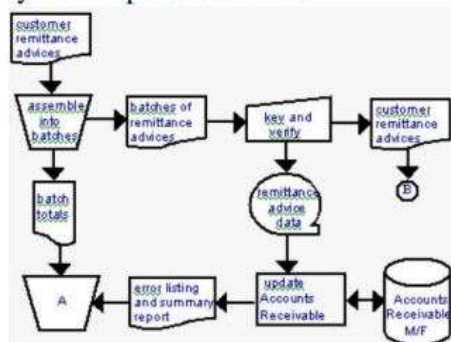


- 1) Which of the following statements about ERP systems is true?
- A. Most ERP software implementations fully achieve seamless integration.
  - B. Some ERP software packages are themselves combinations of separate applications for manufacturing, materials resource planning, general ledger, human resources, procurement, and order entry.**
  - C. A specific enterprise software package implemented uniformly throughout an enterprise is likely to contain very flexible connections to allow changes and software variations.
  - D. ERP systems are designed primarily for small businesses.
  - E. Integration of ERP systems can be achieved in only one way.
- 2) Which of the following is NOT an example of a **resource** in the REA ontology?
- A. Employee Labor
  - B. Land
  - C. Finished Goods
  - D. Customers**
  - E. Raw Materials
- 8) Which of the following are economic increment events?
- A. Work-In-Process Jobs**
  - B. Material Issues
  - C. Labor Operations
  - D. Machine Operations
  - E. Cash Disbursements

- 1) In the following flowchart segment, the most likely action to take with the customer remittance advices once they've been keyed into the system, AND the corresponding symbol to put at circle B is



- A. Discard them immediately; manual process symbol
- B. Forward them to the internal audit department for review; dashed line
- C. Forward them to the treasurer to compare with the monthly bank statement; dashed line
- D. File them by customer number; file symbol**
- E. Compare them to the customer check amounts, manual process symbol

- 3) When converting entity-relationship models into relational tables,
- A. One to one (maximum cardinalities) relationships should always be implemented with a separate table.
  - B. Every relationship should be implemented with a separate table.
  - C. A one to many (maximum cardinalities) relationship should be implemented by posting the key of the one entity table into the many entity table.
  - D. A one to many (maximum cardinalities) relationship should be implemented by posting the key of the many entity table into the one entity table.
  - E. Both B and D above are true.
- 8) Which of the following is true regarding the use of an outer join in SQL?
- A. The outer join must be specified in the SELECT clause of an SQL statement.
  - B. The outer join need not be specified as an outer join, because most database software automatically recognizes whether a join should be inner or outer.
  - C. The outer join must be specified as a Left Join or a Right Join.
  - D. An outer join is also commonly called an Equi-Join.
  - E. The outer join must be specified in the PROJECT clause of an SQL statement.
- 1) Most of the time the conversion process involves the manufacture or production of:
- A. Work in Process
  - B. Finished Goods
  - C. Raw Materials
  - D. Labor
  - E. Overhead
- 2) Which type of manufacturing process involves the production of an established number of product units, or particular jobs such as car repair, the printing of a customized wedding invitation, or a consulting engagement?
- A. Continuous processes
  - B. Established run processes
  - C. Batch processes
  - D. Production employee processes
  - E. Ongoing run processes
- 2) What resource do enterprises typically acquire in the human resource process?
- A. Inventory
  - B. Cash
  - C. Human capital
  - D. Finished Goods
  - E. None of the above
- 10) Which of the following is an example of an event query in the financing transaction cycle?
- A. What dollar amount was requested on cash requisition #422?
  - B. Which financial officer has the highest debt authorization limit?
  - C. Which loans have not yet been paid off?
  - D. Have any cash receipts occurred that were not related to financing agreements?

- 1) An example of an internal control designed to mitigate the risk of stock market investments is
  - A. An enterprise sells goods on credit rather than requiring immediate cash payment for sales.
  - B. An enterprise checks customers' credit ratings before approving sales to customers.
  - C. An enterprise maintains a diversified portfolio rather than holding only one company's stock.
  - D. An enterprise never pays dividends but rather reinvests all earnings.
  - E. An enterprise invests only in penny stocks because they are low cost.
  
- 3) What is collusion?
  - A. Collusion is an internal control designed to prevent fraud.
  - B. Collusion is the act of two or more employees acting together to conspire in a fraud.
  - C. Collusion is the act of two internal controls contradicting each other and negating the intended benefit.
  - D. Collusion is a clash or disagreement between two middle-tier managers.
  - E. Collusion occurs as a result of the elimination of cash through the use of electronic payments.
  
- 3) What criteria may be used to compare some of the goals of ERP software-based systems and REA-based systems?
  - A. Database orientation
  - B. Semantic orientation
  - C. Structuring orientation
  - D. All of the above
  - E. None of the above
  
- 8) Catalysts for the changing nature of enterprise systems include:
  - A. Growth of e-commerce
  - B. Decreasing benefits of supply change management
  - C. Increasing satisfaction with general ledger software packages
  - D. Increasing availability of legacy system mainframe programmers
  - E. None of the above
  
- 9) What does the acronym EDI stand for?
  - A. Enterprise Data Information
  - B. Electronic Data Infrastructure
  - C. Enterprise Data Interchange
  - D. Electronic Data Interpretation
  - E. Electronic Data Interchange

**R4. What is the difference between online processing and real-time processing? Can processing be both online and real-time? Can processing be online without being real-time?**

**Online processing** means the computer-input device is connected to the CPU so that master files can be updated as transaction data are entered. **Real-time processing** means master files are updated as transactions occur so an immediate response may be given to an information user in time to affect the outcome of the event. Real-time processing generally requires online processing; however, online processing does not guarantee real-time, since transaction data may be entered long after the transactions actually occur.

**R7. How has B2B commerce changed with advances in electronic technology?**

B2B commerce has undergone a shift that requires an inter-enterprise view of enterprise systems. This shift is away from a traditional linear supply chain/value system to the current "value webs" in which enterprises need information not just about their most direct external partners but also about indirect partners. For example, enterprises today increasingly need information about product demand by their customers' customers. It is difficult to say whether this shift occurred because of advances in technology or whether the increasing information needs driving enterprises toward e-commerce in fact necessitated the technological developments.

**D10. Inspect the following logical relational database tables. Assuming the tables were created correctly and that entered data are complete and accurate, what must have been the minimum and maximum participation cardinalities of the Inventory Type entity in the Stockflow relationship?**

*Inventory Type*

ItemID	Description	Unit Cost
I1	Heart pin	\$4.59
I2	Topaz ring	\$22.35
I3	Diamond pendant	\$332.50

*Stockflow*

ItemID	SaleID	Quantity Sold
I1	S1	20
I2	S1	5
I2	S2	10

Minimum participation cardinality for inventory type must be zero (**I3 has not yet participated in the stockflow relationship with sales**). Maximum participation cardinality for inventory type must be many (**I2 has participated in the stockflow relationship twice – with sales 1 and 2**).

D6. You have three tables in your relational database: Student, Course, and TakenBy.

Student		
StudentID	Name	Address
S1	Angelo Ramon	8892 Sandhurst
S2	Chloe Zenker	1262 Gingersnap
S3	Harold George	1495 Colorado

Course		
CourseID	Description	No.Credits
C1	Economics	3
C2	Finance	3
C3	Marketing	3

TakenBy			
StudentID	CourseID	Semester	GradeEarned
S1	C1	Sp2010	A
S1	C3	Sp2010	B+
S1	C2	Fa2010	A-
S2	C1	Sp2010	B
S2	C2	Fa2010	A
S2	C3	Fa2010	A
S3	C1	Fa2010	A
S3	C2	Fa2010	B+

What information will result from the following SQL query applied to this relational database?

```
SELECT StudentID, Name
FROM Student, TakenBy
WHERE Student.StudentID= TakenBy.StudentID AND CourseID=C1 AND
GradeEarned=A;
```

Answer	
StudentID	Name
S1	Angelo Ramon
S3	Harold George

## Applied Learning

A1. A customer calls a mail order catalog to order merchandise. The order clerk takes the customer's name, mailing address, credit card number, and the merchandise numbers, sizes, colors, and quantities. After the order clerk hangs up, he or she verifies the merchandise numbers given by the client are valid (that the company does indeed sell an item with that number) and checks with the Shipping Department on availability of the merchandise item.

Required:

- a. What business process and information process risks exist in this scenario?
- b. What control(s) may be implemented to mitigate the risks identified in part (a).

There are numerous responses to this question. Make sure your responses address executing an actual operating event, rather than recording, maintaining, or reporting data in an information system. For a review of business risks, refer to the "Business Event Risks" section in the chapter. Examples of business risks (and corresponding rules) include:

- ◆ Accepting an order from an undesirable or unauthorized customer (e.g., a bad credit risk) thus increasing bad debt losses. A business rule to decrease this risk includes always performing a credit check on customers (preferably, prior to completing the order event).
- ◆ Accepting a credit approval authorization from an unauthorized or invalid credit approver. A business rule to decrease this risk includes validating the authorization of the agent who approves credit (preferably, prior to completing the order event).
- ◆ Taking an order for a product or service that is not currently sold by the company or in an amount that the business cannot obtain or produce. A business rule to decrease this risk includes checking the validity and availability of merchandise involved in an order (preferably, prior to completing the order event).
- ◆ Having an unauthorized person take the order or having an order submitted from an invalid location. A business rule to reduce this risk is to only execute orders from valid or authorized order taker locations. For example, this would prevent a shipping clerk that knew she needed an existing order to initiate a shipment from trying to execute a bogus order event from the shipping area.

Risks such as these can be controlled declaratively within the information system itself. For example, the IT application could be used to prevent an order from a customer who is not in the approved customer file. Procedures can be established to include only those customers in the approved customer file who have an acceptable credit rating and who are considered good customers. Similarly, the system can control the products or services sold by allowing only items on the "list of goods and services" to be sold, and by allowing them to be sold only by selected individuals within the organization. Passwords and access codes can prevent unauthorized personnel from executing a customer order.

Other questions: →

10 True & False, 10 Fill in the blank, 20 MCQ

Total of short Qs: 7

Total of long Qs: 2 (the table + applied question)

Best of Luck, Omnia.