

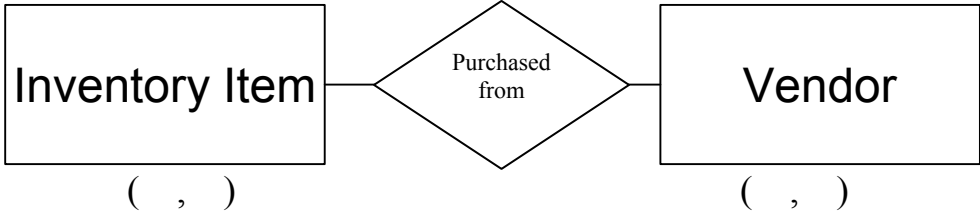
Question #4 (2 points)

Review the screen. Kim uses the _____ inventory system and _____ valuation method for accounting for inventory.

Question #5 (4 points)

If you were placing an order for *Peace Roses*, which vendor would you use and why?

For the ER diagram below showing Inventory Items and Vendors, add the cardinalities (both minimum and maximum) to illustrate the nature of the relationship being tracked on the Item Vendor Maintenance window.



Question #6 (3 points)

Click on the OPTIONS button at the bottom of the Customer Maintenance screen. On the next screen, what is the *major* potential control issue with the options selected (or lack of options selected) as Kim grows her business? _____

What two options need to be selected to help speed cash flow from customers? _____ and _____

Question #7 (2 points)

While viewing the Sales Batch Entry screen, what type of batch total is the **Transactions** field? _____
The **Batch Total** field? _____

Question #8 (2 points)

As you enter data, some information automatically fills in (e.g., unit price and extended price). This reduces keystrokes and makes data entry more efficient. This is an example of what data entry control? _____

Question #9 (2 points)

Review the screen. How is the sales module (through sales transaction entry) integrated with payroll?

Question #10 (2 points)

How is this screen (i.e. underlying data) connected to the customer table? _____

Question #11 (1 point)

By looking at the inquiry screen, how was the inventory module updated with this transaction?
_____.

Question #12 (2 points)

How many different purchase orders were created based on the Back Order? _____.

Which item(s) (descriptions and numbers) will be ordered from Mary's House of Flowers (vendor ID 901)? _____.

Question #13 (3 points)

Reference numbers are OUR coding for the items. What is Mary's House of Flowers item number for White Roses? _____.

How can we tell from the PO that we changed the original Backorder/PO generation? (what clue is printed on the doc?) _____.

Exception reports are a preventive, detective, or corrective control? _____.

Question #14 (4 points)

Each item shows an increase in what quantity? _____; When will Quantity on Hand increase? _____; Why do vendors not show a balance? _____; Why does account 3-2000 not show a balance? _____.

Question #15 (2 points)

What is the primary key of the Receiving Transaction Entry table? _____.

Review the screen. List three foreign keys: _____, _____, and _____.

Question #16 (2 points)

The Auto-Rcv button save times and cuts down on data entry errors. Based on your understanding of the purchase/receive business process, what is the internal control concern with using the Auto-Rcv button for receiving inventory (be specific)?

_____.

Question #17 (1 point)

The transaction (Trx) by vendor represents the _____ ledger.

Question #18 (2 points)

Write out the journal entry (debits and credits with full account titles from chart of accts).

Question #19 (2 points)

There are two other documents on this screen that we could print. What are they are why are we not printing them? _____

Question #20 (2 points)

Why might Kim want to print an exception report if there is an error?

Question #21 (2 points)

The boxes at the left of screen represent what type of report in the Billing/Cash receipts process?

How old is Shari's balance? _____

Question #22 (4 points)

Complete the following table, based on the information from the **zoom** window.
Audit trail code for the \$213 entry to ascertain validity, completeness, and accuracy should be something like GLTRX00000. This refers to Journal entry # _____, Batch ID _____, Source Doc type _____, Source Doc # _____.

Question #23 (2 points)

This screen allows you to select what invoice the payment is applied to and the amount. If autoapply is selected, what invoices do you think it defaults to?

_____ If the data entry person can select individual invoices to apply the payment to, this is known as _____ method.

Question #24 (2 points)

Was the payment from Shari's mother posted real time or in batch mode to the sales system? _____ How do you know? _____

Question #25 (2 points)

Using your background in AIS, indicate the menus for recording the following transactions. Use this type of format for your answer: **Transactions ==> Sales ==> Sales Batches**

Kim receives payments on accounts receivable:

Kim issues a credit memo on an accounts receivable:

Question #26 (2 points)

What is the current balance in the cash account? _____

Question #27(2 points)

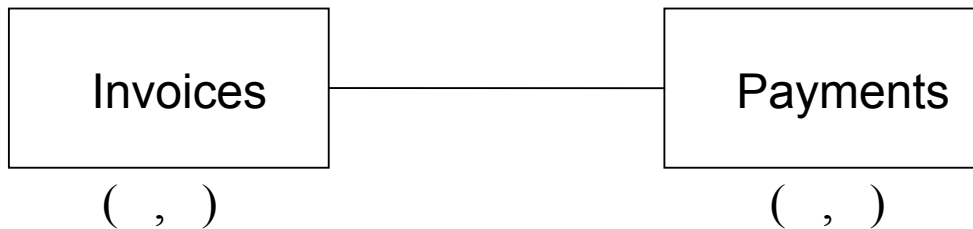
What are the default payment terms for KPL? _____ Does KPL give Kim's any early payment incentives? _____

Question #28(2 points)

Suppose Kim wanted to edit a check before she printed and posted the batch. Using your knowledge of AIS, write out the menu options she could use to edit a check (use format in #25)

Question #29 (2 points)

Using your knowledge of business processes in general, draw the cardinalities (minimum and maximum) between invoice and payment events.



Question #30 (1 point)

A remittance advice is used to speed up data entry for cash collections. It is known as a _____ document in accounting.

Question #31 (3 points)

Balance of Inv. Stock Status report \$ _____ Inv. GL accounts Total (Floral + Gifts) \$ _____

Balance of A/R Aging \$ _____ AR GL account \$ _____

Balance of A/P Aging \$ _____ AP GL account \$ _____

Question #32 (4 points)

Show the two adjusting journal entries for February and related computations below. Remember to write debit first then credit.

Adjusting Entry 1:

Computations:

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Adjusting Entry 2:

Computations:

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Question #33 (3 points)

What is Kim's Flowers Net Income for February 2005? _____ Does this seem reasonable for her first month in business? _____ Why or why not? (be specific) _____