



Vendor: Oracle

Exam Code: 1Z0-519

Exam Name: Oracle EBS R12.1 Inventory Essentials

Version: DEMO

1. Oracle Inventory interacts with other Oracle applications by sharing information.

Which two pieces of information does Oracle Inventory receive from the Order

Management application? (Choose two.)

- A. UOM information IS
- B. shipping information
- C. on-hand information
- D. ATP supply information
- E. reservations information

Answer: B,E

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

- A. theABC classisan Item attribute.
- B. There can be only three classes A, B, and C.
- C. anABC class must be assigned to at least one ABC group.
- D. ABC classes can be used to groupItems for planning purposes.
- E. ABC classes can be used to identifythe value groupings to which your Items belong.

Answer: C,D,E

3. You are moving items from locator A to locator B within the same Inventory organization.

Which two types of inventory transactions are required? (Choose two.)

- A. Move Order
- B. Locator transfer
- C. Subinventory transfer
- D. WIP component Issue
- E. Miscellaneous Receipt
- F. WIP assembly completion
- G. Interorganization transfer direct

Answer: A,C

4. What two conditions prevent you from reserving the Inventory? (Choose two.)

- A. The inventory module is installed as Shared.
- B. The items have a nonreservable material status.
- C. TheInventory is in a Standard Cost inventory organization.
- D. TheInventory is in an Average Cost inventory organization.
- E. The reservation will cause the on-hand quantity to be negative.

Answer: B,E

5. XYZ Is a Chemicalmanufacturing company. On a daily basis, it produces 100 kilos of Item A from a single production batch.

100 kilos of itemAmanufactured 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 asco products.
- 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

6.Which three statements are true about ABC Analysis and cycle count Classes? (Choose three.)

- A. The hit/miss% for the Class overrides the hit/miss%ofthe cycle count header.
- B. The hit/miss% for the cycle count header overrides the hit/miss%ofthe Class.
- C. An ABC Analysis can be compiled for a sub inventory that is defined as a non-quantity-tracked sub inventory.
- D. An ABC Analysis can be compiled for nonasset (expensesubinventories for which quantities are tracked).
- E. In ABC Analysis, a quantity variance must always be submitted for approval, regardless of the tolerance levels
- F. Positive and negative tolerances can be entered for each class, which will override the tolerance at the cycle count header level

Answer: A,D,F

7.Your client has inventory organizations that belong to different operating units. All Items are manufactured in one operating unit and shipped to distribution warehouses that belong to other operating units. On an exception basis, transfers may be arranged between distribution warehouses in different operating units.

All transfers between operating units are at the shipping organization's standard cost plus a transfer charge percentage.

Identify three inventory setup steps that are required for allowing the receiving inventory organization to correctly process receipts from inventory organizations belonging to another operating unit. (Choose three.)

- A. Define an Intercompany Price List.
- B. Define the correct Unit of Measure conversions for Dual UOM.
- C. Define Intercompany Relations for each pair of operating units.
- D. Define a separate Item Master Organization for each operating unit.
- E. Define Receiving Options for each inventory organization in each operating unit.
- F. Define Shipping Networks for each pair of shipping and receiving inventory organizations.
- G. Ensure that the Receiving Options are uniform for all inventory organizations in each operating unit.

Answer: C,E,F

8.Which two functional areas have default category sets? (Choose two.)

- A. Planning, Engineering, Costing
- B. Purchasing, Payables, Inventory
- C. Inventory, Purchasing, Bill of Materials
- D. Order Management, Inventory, Purchasing
- E. Inventory, Bill of Materials, Work in Process
- F. Planning, Order Management, General Ledger
- G. Order Management, Inventory, Work in Process

Answer: A,D

9.Your customer is planning to close the accounting period in Inventory. Before closing the period, the customer would like to view the total number of pending transactions in one form. Which form would provide this information?

- A. Pending Status
- B. View Material Transactions
- C. Find Pending Transactions
- D. Transaction Open Interface
- E. Inventory Accounting Period

Answer: E

10.What are the prerequisites for performing an accurate ABC Compile for Inventory Items using the Current on-hand value as the compile criterion?

- A. Items costed only
- B. Items with on-hand quantity only
- C. Either items with on-hand quantity or items costed
- D. Both items with on-hand quantity and items costed

Answer: D