Vendor: Oracle

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QUESTION 1

Which product offering enables non-exclusive relationships between multiple projects and tasks with contracts and contract lines? (Choose the best answer.)

A. Project Contract-based costing

B. Project Contract-based billing

C. Project Contract Collection Center

D. Contract Team Connect

Correct Answer: B

Reference http://www.oracle.com/us/products/applications/fusion/fusion-proj-port-mang-solut-brief-173079.pdf (Page 2)
Flexible Contract-Based Billing Traditional contract and billing systems enforce a rigid relationship between a project and a funding agreement, which can constrain project setup and execution. Oracle Fusion Project Portfolio Management provides a highly flexible approach to project contract-based billing via a non-exclusive relationship between multiple projects and tasks with contracts and contract lines. This means that you will have full control over defining contracts, rates and limits, and when and how to recognize revenue and generate invoices while segregating the planning and execution of your projects.

QUESTION 2

Shift is one of the key elements in defining project and resource calendars.

Which two additional key elements are required to define the project and resource calendars? (Choose two.)

A. Schedule Exceptions

B. Workday Patterns

C. Time off

D. Expenditure Type

E. Accounting Calendar

Correct Answer: AB

Shift is one of the key elements in defining project and resource calendars. Two additional key elements that are required to define the project and resource calendars are: Schedule Exceptions: These are dates or periods that override the regular workday patterns and shifts of a calendar. They can be used to define holidays, vacations, or other special events that affect the availability of resources or projects. Workday Patterns: These are patterns of working and nonworking days that repeat over a period of time. They can be used to define the standard working days and hours for a calendar. Time off, expenditure type, and accounting calendar are not key elements in defining project and resource calendars. Time off is an attribute of a resource assignment that reduces the availability of a resource. Expenditure type is a classification of costs that determines how they are processed and accounted. Accounting calendar is a calendar that defines the accounting periods and dates for transactions. Reference: https://docs.oracle.com/en/cloud/saas/project-portfolio-management/20c/oapfm/manage-projectresources.html#OAPFM2356131

QUESTION 3

You are implementing Project Portfolio Management (PPM) for a professional services firm. The firm rents multiple buildings for its operations. At the end of each month, they review the rent expense for the month and want to allocate the rental cost to all the projects and tasks that are executed by associates in each of the buildings. The source amounts must be proportionally allocated to the tasks based on the raw costs of the tasks from the previous month. Considering that all these costs are in General Ledger, what three allocation setups should you complete in PPM? (Choose three.)

A. Allocate rental costs once each accounting period by using the "full" allocation method.

B. Allocate to all eligible tasks and prorate the allocation by the total actual raw cost accrued for each task during the previous accounting period.

C. Define allocation basis by using Actual Amounts with a project-to-date amount class.

D. Define allocation basis by using Actual Amounts with a period-to-date amount class.

E. Allocate rental costs once each accounting period by using the "spread evenly" allocation method.

Correct Answer: ABD

To allocate the rental cost to the projects and tasks based on the raw costs of the tasks from the previous month, you need to do the following:

Allocate rental costs once each accounting period by using the "full" allocation method. This method allocates the entire source amount to the target tasks in one run.

Allocate to all eligible tasks and prorate the allocation by the total actual raw cost accrued for each task during the previous accounting period. This ensures that the source amount is proportionally allocated to the tasks based on their relative

raw costs.

Define allocation basis by using Actual Amounts with a period-to-date amount class. This allows you to use the actual raw costs of the tasks as the basis for allocation and to use the amounts from the previous accounting period. Reference:

https://docs.oracle.com/en/cloud/saas/project-portfolio-management/20c/oapfm/manage-project-costs.html#OAPFM2355951

QUESTION 4

You recently made some changes to a project contract and the current status of the contract is Under Amendment. Identify the correct sequence of activities that can take place on that contract. (Choose the best answer.)

A. On Hold > Pending Acceptance > Active

B. On Hold > Pending Approval > Active

C. Pending Approval > Pending Acceptance > Active

D. Pending Acceptance > Pending Approval > Active

Correct Answer: C

QUESTION 5

Which three are valid password complexity criteria while setting up password policies? (Choose three.)

A. Complex: At least 8 characters, 1 uppercase, and 1 number

B. Very Complex: At least 8 characters, 1 uppercase, 1 number, and 2 special characters

C. Very Complex: At least 6 characters, 1 uppercase, 1 number, and 1 special character

D. Very Complex: At least 8 characters, 1 uppercase, 1 number, and 1 special character

E. Simple: At least 8 characters and 1 number

Correct Answer: ABD

Password complexity criteria are criteria that determine how strong or secure a password must be for a user account. Password complexity criteria can include requirements such as minimum length, uppercase letters, lowercase letters, numbers, special characters, etc. Three of the valid password complexity criteria while setting up password policies are: Complex: At least 8 characters, 1 uppercase, and 1 number Very Complex: At least 8 characters, 1 uppercase, 1 number, and 2 special characters Very Complex: At least 8 characters, 1 uppercase, 1 number, and 1 special character Simple: At least 8 characters and 1 number is not a valid password complexity criterion while setting up password policies, as this criterion does not meet the minimum security standards for Oracle Cloud applications. Very Complex: At least 6 characters, 1 uppercase, 1 number, and 1 special character is also not a valid password complexity criterion while setting up password policies, as this criterion does not meet the minimum length requirement of 8 characters for Oracle Cloud applications. Reference: https://docs.oracle.com/en/cloud/saas/project-portfolio-management/20c/oapfm/set-up-project-financialmanagement.html#OAPFM2356271

QUESTION 6

Which three can be tracked as Status tracking for Project Invoice Approval Notifications? (Choose three.)

A. Person assigned for approval

B. Prior actions

C. Pre-approval activities

D. Date-wise updates to the document

E. Persons with whom it is still pending approval

Correct Answer: ABE

Status tracking is a feature that allows you to track the progress and history of project invoice approval notifications. Status tracking provides information such as who approved or rejected the invoice, when and why they took the action, who is currently assigned to approve or reject the invoice, etc. Three of the information that can be tracked as status tracking for project invoice approval notifications are: Person assigned for approval: This shows the name of the person who is currently assigned to approve or reject the invoice notification. Prior actions: This shows the list of actions that have been taken on the invoice notification by previous approvers or rejectors, such as approve, reject, request

information, etc. Persons with whom it is still pending approval: This shows the list of persons who are still in the approval chain for the invoice notification and have not taken any action yet. Pre-approval activities and date-wise updates to the document are not information that can be tracked as status tracking for project invoice approval notifications. Pre-approval activities are tasks that need to be performed before submitting an invoice for approval, such as validating or transferring the invoice. Date-wise updates to the document are changes that are made to the invoice document after it has been submitted for approval, such as adjusting or reversing the invoice. Reference: https://docs.oracle.com/en/cloud/saas/project-portfoliomanagement/20c/oapfm/manage-project-invoices.html#OAPFM2356291

QUESTION 7

Which two statements are true about the cross-charge method, Borrowed and Lent?

A. This method creates accounting entries that move an amount equal to the transfer price between the provider and receiver organizations within a legal entity.

B. Costs or revenue are shared based on transfer price rules with this method.

C. You must set up the contract business unit to use this method.

D. This method creates a formal internal invoice.

Correct Answer: AB

Ref: https://docs.oracle.com/en/cloud/saas/project-portfolio-management/19b/oapjc/process-project-cost-transactions.html#OAPJC284872 What\\'s a borrowed and lent processing method?

A method of processing cross-charge transactions that generates accounting entries to share revenue or transfer costs from the provider organization to the receiver organization within a legal entity. An internal invoice isn\\'t created but costs

or revenue are shared based on the transfer price rules. This method provides a financial view of the performance of an organization.

QUESTION 8

Your customer wants to perform billing based on the Percent Spent invoice method. Identify two setups that are required in project contracts for calculating invoice amounts as per their requirement. (Choose two.)

A. billing events

B. bill plan

C. expenditure items

D. billing controls

E. invoice method

Correct Answer: BD

Ref: https://docs.oracle.com/en/cloud/saas/project-portfolio-management/19b/oapjb/create-customer-contract.html#OAPJB70183 Bill Plan ?Create a bill plan within a contract that uses the invoice method you require. Assign the bill plan to

one or more contract lines. A set of instructions on a contract that define how to invoice a customer. Multiple contract lines on a contract can use the same or different bill plans. Invoice Method is used in creating Bill Plan ?not a separate

setup.

Billing Controls ?Contract feature that controls the types of transactions, dates, and amounts a customer may be invoiced for and revenue can be recognized for a contract or contract line. Define billing controls at the contract or contract line

level.

Topic-Creating a Contract for Percent Spent Invoice and Revenue Methods: Worked Example

This example describes a scenario where transactions for a contract line need to be invoiced and the revenue recognized using the percent spent method. What are the revenue and invoice method classifications?Percent Spent What is the

billing extension calculation level for the contract line and project association?Project level

Summary of the Tasks

Create a contract, create the percent spent contract lines, create the bill plan, create the revenue plan.

Prerequisites

Create a project.

Create the project plan for percent spent revenue. Specify the plan type on the percent spent billing extension.

Create an approved cost budget.

Create cost and burden rates.

Enter labor and expense transactions for the project.

Collect costs for the transactions.

Configuration Steps

Creating the Contract

Creating the Percent Spent Contract Lines

Creating the Bill Plan-A set of instructions on a contract that define how to invoice a customer. Multiple contract lines on a contract can use the same or different bill plans.

Creating the Revenue Plan-Common set of instructions for recognizing revenue within a contract. Multiple contract lines on a contract can use the same or different revenue plans.

Invoice method classifications determine how transactions are invoiced. The invoice method determines how invoice amounts are derived. Enter an invoice method on a bill plan, which you create for a contract and assign to contract lines to

provide a set of instructions for creating an invoice. Create billing controls for a contract or contract line to define the valid transaction dates, billing resources, and amount limits for transactions associated with the contract.

Generate invoices to calculate the invoice amounts for a contract. The following figure illustrates the components of a

project and a contract that determine invoice amounts, and the relationships between the components.
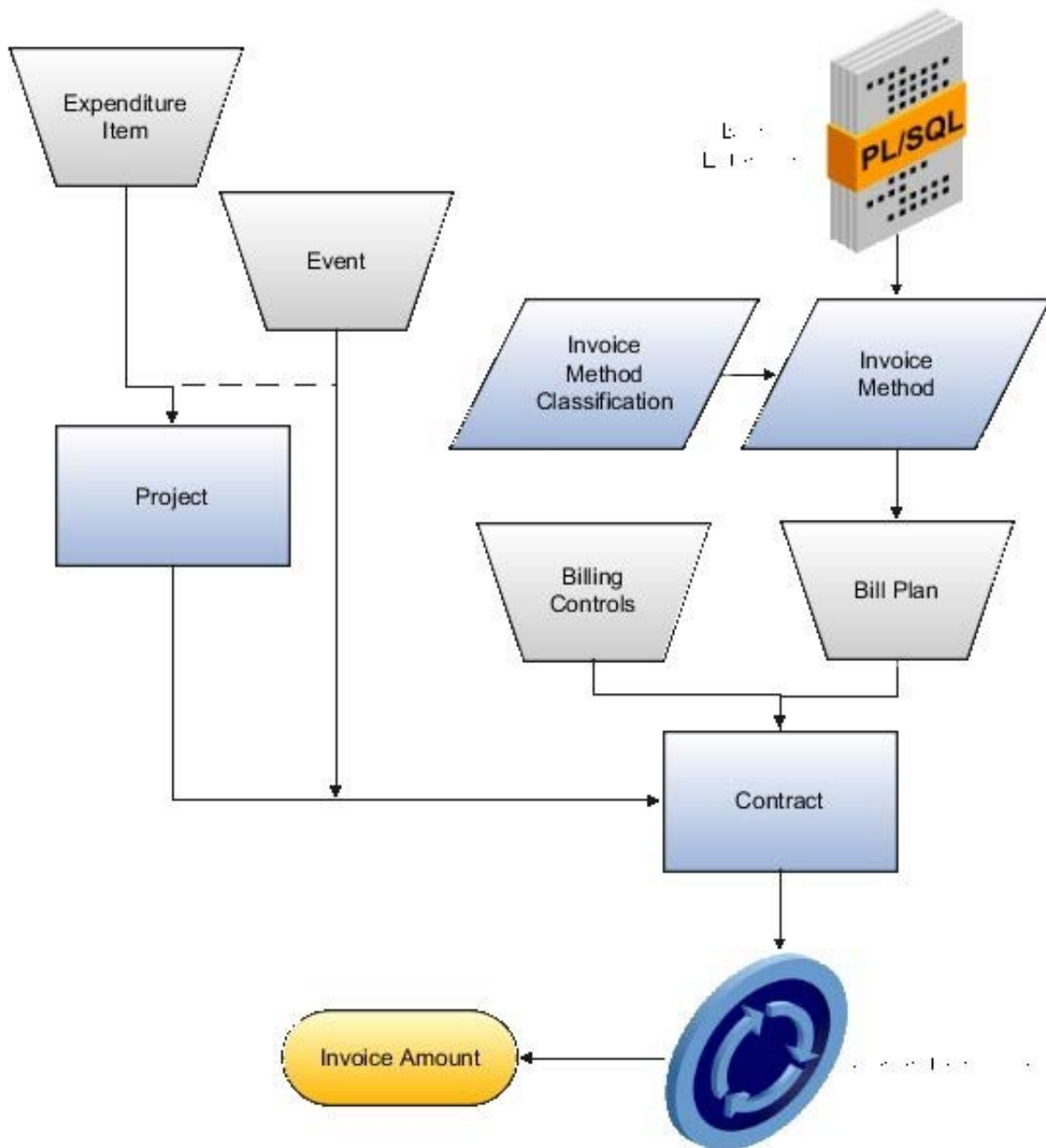
Project and contract components used to determine invoice amounts and generate invoices.

QUESTION 9

A consulting services company is currently working on a business transformation project for your client that spans over 10 months. The total contract amount is 250000 USD. They have generated a revenue of 25000 USD and an Invoice of 10000 USD at the end of the first period.

The accounting entry for revenue is:

| Dr Unbilled Receivables | 25000 |
| Cr Revenue | 25000 |

and accounting entry for invoice is:

| Dr Account Receivable | 10000 |
| Cr Deferred Revenue | 10000 |

What will be the accounting entry when you reclassify the billing offset balances in the first period?

A. Dr Deferred Revenue 10000Cr Unbilled Receivables 10000

B. Dr Accounts Receivables 10000Cr Unbilled Receivables 10000

C. Dr Unbilled Receivables 10000Cr Accounts Receivables 10000

D. Dr Accounts Receivables 10000Cr Revenue 10000

Correct Answer: B

When you reclassify the billing offset balances in the first period, the accounting entry is:

Dr Accounts Receivables 10000-Cr Unbilled Receivables 10000 This entry reduces the unbilled receivables balance and increases the accounts receivables balance by the invoice amount. This is because the invoice has been created and

sent to the customer, and the billing offset account is no longer needed. Reference:

https://docs.oracle.com/en/cloud/saas/project-portfolio-management/20c/oapfm/manage-project-invoices.html#OAPFM2356091

QUESTION 10

Which product offering enables you to collaboratively plan and deliver projects by leveraging intuitive and integrated scheduling tools?

A. Resource Management

B. Project Control

C. Project Management

D. Project Costing

Correct Answer: C

Project Management is the product offering that enables you to collaboratively plan and deliver projects by leveraging intuitive and integrated scheduling tools. Project Management allows you to create and manage project plans, tasks, deliverables, issues, milestones, gates, etc. using various methods and sources. You can also monitor and control

project progress and performance using dashboards and reports. Resource Management is the product offering that enables you to optimize the utilization and allocation of resources for projects and tasks. Resource Management allows you to create and manage resource requests, assignments, pools, calendars, etc. using various criteria and sources. You can also monitor and analyze resource availability and demand using dashboards and reports. Project Control is the product offering that enables you to simplify the planning, budgeting, and forecasting capabilities for projects and tasks. Project Control allows you to create and manage project budgets, forecasts, financial plans, etc. using various methods and sources. You can also monitor and control project costs and variances using dashboards and reports. Project Costing is the product offering that enables you to capture and process project costs from various sources and applications. Project Costing allows you to create and manage project transactions, expenditures, assets, etc. using various rules and options. You can also generate project costing and accounting entries using dashboards and reports. Reference: https://docs.oracle.com/en/cloud/saas/project-portfolio-management/20c/oapfm/overview-project-financial-management.html#OAPFM2356301

QUESTION 11

Identify the valid approval group type applicable to Oracle Project Financial Management Cloud. (Choose the best answer.)

A. Position

B. Dynamic

C. Static

D. Flexfield

E. Job

Correct Answer: C

Ref: https://docs.oracle.com/en/cloud/saas/applications-common/19b/facia/define-approval-management.html#FACIA3124477 Topic Approval Groups

Each approval group includes a set of users that you configure to act on tasks in a certain pattern. Tasks can be defined to get routed to an approval group instead of an individual user. You can nest approval groups within approval groups.

You have two options for defining the group:

Static: Select the specific users to include in the group. Dynamic: Provide the logic to use to determine the users in the group.

QUESTION 12

You want to export your project plan to Oracle Project Financial Management Cloud after initial scheduling is complete in Microsoft Projects. Identify three conditions that must be met for exporting milestone tasks. (Choose three.)

A. only one labor resource assignment with 100 effort

B. lowest-level tasks set up with non-zero duration

C. lowest-level tasks set up with zero duration

D. only one labor resource assignment with 0 effort

E. percent work complete values of 0 or 100 percent

Correct Answer: CDE

Ref: https://docs.oracle.com/en/cloud/saas/project-portfolio-management/19a/oapex/define-project-management-configuration.html#OAPEX1357147 Topic-Microsoft Project Prevalidation: Explained The following table describes Prevalidation

rules for tasks and resource assignments.

Level

Rule

Lowest-level tasks

One labor and multiple expense resources are allowed for a lowest-level task. Remove other resources.

Summary tasks

Only one labor resource with zero allocation is allowed for a summary task. Remove all other resources.

Milestone tasks

No subtasks are allowed under milestone tasks. Milestones must be lowest-level tasks.

Milestone tasks

Milestone tasks must have zero duration.

Milestone tasks

Only one labor resource, with zero effort, is allowed for a milestone task. Remove all other resources.

When exporting milestone tasks, ensure that the tasks:

Are lowest-levels task with zero duration, that is, the same start and finish dates. Have only one labor resource assignment with zero effort. Have percent work complete values of 0 or 100 percent. Any other values are set to zero before

export.