

### Question 1

Where are depreciation expenses recorded in a database created using an REA modeling approach?

- As a resource.
- As an event.
- As an agent.
- Depreciation expenses would not be modeled.

Answer: <https://biology-forums.com/index.php?topic=1915184>

### Question 2

Which type of control is associated with making sure an organization's control environment is stable?

- general
- application
- detective
- preventive

Answer: <https://biology-forums.com/index.php?topic=1914726>

### Question 3

Melissa is a staff accountant for Quality Paper Company, which has strict corporate policies on appropriate use of corporate resources. The first week of March, Melissa saw Kent, the branch manager putting printer paper and toner into his briefcase on his way out the door. This situation best reflects a weakness in which aspect of internal environment, as discussed in the COSO Enterprise Risk Management Framework?

- Integrity and ethical values.
- Risk management philosophy.
- Restrict access to assets.
- Methods of assigning authority and responsibility.

Answer: <https://biology-forums.com/index.php?topic=1914746>

### Question 4

In which transaction cycle would information for retiring long-term debt be most likely to pass between internal and external accounting information systems?

- the revenue cycle
- the expenditure cycle
- the human resources / payroll cycle
- the financing cycle

Answer: <https://biology-forums.com/index.php?topic=1914488>

### Question 5

An employee receives a reimbursement check prepared in the company's disbursement process. Which one of the following diagrams represents this activity?

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- 
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Answer: <https://biology-forums.com/index.php?topic=1914571>

### Question 6

Which of the following statements is false regarding REA diagrams?

- Each organization will have its own unique REA diagram.
- An REA diagram for a given organization will change over time.
- Data modeling and REA diagram development involve complex and repetitive processes.
- Redrawing an REA diagram several times during development is uncommon.

Answer: <https://biology-forums.com/index.php?topic=1915128>

### Question 7

Involving accountants in executive compensation plans is often especially helpful

- in keeping track of the executive compensation plan.
- in identifying the appropriate metrics to use when linking compensation to performance.
- in reducing the total amount of compensation paid to executives.
- in suggesting the appropriate amount of compensation executives should be paid.

Answer: <https://biology-forums.com/index.php?topic=1915047>

### Question 8

In which tool is a prioritized list of projects contained?

- The project development plan.
- The implementation plan.
- The master plan.
- The program evaluation and review technique plan.

Answer: <https://biology-forums.com/index.php?topic=1915207>

### Question 9

REA models are usually depicted in which diagramming form?

- Entity-relationship diagrams.
- Economics-relationship diagrams.
- Entity-resource diagrams.
- Stock-flow diagrams.

Answer: <https://biology-forums.com/index.php?topic=1915110>

### Question 10

Checking the quantity of inventory available before accepting a sales order is a good practice for all of the reasons except to

- determine which items may need to be back ordered.
- verify the accuracy of the perpetual inventory records.
- inform the customer about availability and delivery times.
- update inventory records to reduce the quantity available by the number of items ordered.

Answer: <https://biology-forums.com/index.php?topic=1914950>

### Question 11

Identify the important steps for drawing a Business Process Diagram (BPD). Select one step from your list and why it could be the most important one to consider when preparing a BPD. Support your choice with an example.

Answer: <https://biology-forums.com/index.php?topic=1914578>

### Question 12

Identify the primary reason that it is important for a firm to identify the AIS improvements likely to yield the greatest return.

- because business strategy directly influences AIS, but not information technology
- because most organizations have limited resources
- because a firm never wants to waste time addressing issues that are not urgent
- because it is expensive to improve accounting information systems

Answer: <https://biology-forums.com/index.php?topic=1914502>

### Question 13

Source data automation is often effective in reducing

- unintentional errors.
- intentional errors.
- accuracy.
- theft.

Answer: <https://biology-forums.com/index.php?topic=1915061>

### Question 14

An organization that sells digital products, such as access to view online videos, does not need an inventory table in its database.

- true
- false

Answer: <https://biology-forums.com/index.php?topic=1915172>

### Question 15

Identify a useful tool for monitoring accounts receivable.

- ERP exception report
- accounts receivable aging report
- accounts receivable tolerance report
- customer credit limit report

Answer: <https://biology-forums.com/index.php?topic=1914952>

### Question 16

\_\_\_\_\_ costs are expenses associated with quality assurance activities.

- Prevention
- Inspection
- Internal failure
- External failure

Answer: <https://biology-forums.com/index.php?topic=1915032>

### Question 17

\_\_\_\_\_ and \_\_\_\_\_ are approaches to evaluating vendor proposals that do not incorporate dollar estimates of costs or benefits.

- Benchmark problem; point scoring
- Point scoring; requirements costing
- Requirements costing; benchmark problem
- Point scoring; prototyping

Answer: <https://biology-forums.com/index.php?topic=1915254>

### Question 18

Prescott Dolls sells porcelain dolls exclusively at antique shows. Prescott Dolls purchases inventory from individuals at garage sales, flea markets, antique malls, and estate sales. Each time Dahlia Prescott (the owner) makes a purchase, she records the person's name, address, date, specific items purchased and price paid, and total amount spent. Later at home, Dahlia cleans, researches and prices the inventory for sale to customers. She assigns an inventory number to each item and records the "asking" price. Dahlia buys price tags and display supplies from a company that sells at flea market and antique shows. All inventory and supplies purchases are immediately paid for using cash or with company checks from a bank account in Prescott Doll's name. Cash received from customer sales are also deposited in this account. Three times a year, Dahlia rents a booth at antique shows. A deposit is always required, with the balance due at the start of the show. Dahlia records the deposit and final payment, along with the show organizer's name and address, in the same worksheet on which purchases of inventory and supplies are recorded.

Draw an REA diagram for Prescott Dolls, related to purchasing inventory and supplies, renting booths, and paying for all items.

Answer: <https://biology-forums.com/index.php?topic=1915130>

### Question 19

Identify the statement below that is false with regards to effective coding practices.

- Codes should allow for growth.
- Codes should be consistent with intended use.
- Codes should be customized for each division of an organization.
- Codes should be as simple as possible.

Answer: <https://biology-forums.com/index.php?topic=1914527>

### Question 20

The primary key for M:N relationship tables

- is a single attribute.
- always consists of two attributes.
- is the primary key of the most important entity linked to that relationship.
- does not exist. Many-to-many relationship tables only use foreign keys.

Answer: <https://biology-forums.com/index.php?topic=1915144>