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Question: 1

What is the purpose of the Employee/category validation setup?

- A - To apply validation rules on categories for purchase requisition issued from the employee
- B - To prevent an employee from reporting on non-authorized categories on a given project
- C - To suggest or control what categories employees may use in project journals
- D - To specify the categories where revenue can be accrued when you run the Post revenue script

Answer: C

Question: 2

The item CL-100-B is frequently consumed in projects you set up. On which of the following can project category be setup when CL-100-B is sold or purchased from Project?

- A - On the item group
- B - On the item
- C - In the Project parameters
- D - On the setup tab in the Projects form

Answer: B

Question: 3

On a time and material project, the hotel expenses are to be invoiced directly to the customer. However, the travel agency that books the hotel has a standard charge of 3% for administering all travel arrangements. This extra fee should also be invoiced to the customer. Which of the following will guarantee that this happens for every hotel transaction?

- A - Specify a sales percentage on the line property for the transaction
- B - In the expense journal, add a new category called 'Extra' and apply the amount
- C - On the hotel category, set the sales price method to misc. percentage and 3%
- D - Before invoicing add a total misc. charge to the invoice

Answer: C

Question: 4

You have finished a project, and are about to start a new one. The last project was very successful, and you decide to work with the same team of employees on the new project. What are the three ways of setting up the validation rules to apply to the new project?

- A - Locate the individual employees in the Employee table and link them to the new project.
- B - Copy the old project by using the Copy wizard and include the employee/project validation setup in the new project
- C - Create a new validation group where you link the employees to the new project
- D - Select the Validation employees check box on the Setup tab of the new project

Answer: A, B, C

Question: 5

Cost Templates are used in which of the following projects?

- A - Summary projects
- B - Time and material projects
- C - Fixed-price projects

D - Internal projects

Answer: C

Question: 6

Which of the following describes when the use of project periods is mandatory?

- A - When estimating the capacities of employees
- B - In connection with the project estimate function on fixed price projects
- C - When they are used as delimiters in the statistics
- D - When transferring transactions to General ledger

Answer: B

Question: 7

All employees working on a fixed-price project need to enter their hour consumption. This also includes possible overtime. How can you configure the system to make sure that overtime payment is calculated for the employees?

- A - They must enter an hour category with a sales price model set to misc. charges amount.
- B - They double up their default hour cost specified in the hour journal.
- C - The employees' manager must use the adjustment functionality to change the cost price.
- D - They change the line property on the overtime hours to one which has a cost percentage set up.

Answer: D

Question: 8

Which of the following is an advantage of using category groups?

- A - They make it possible to connect employees to several categories in one action
- B - They make it possible to define the posting rule on the group
- C - They help define cost and sales prices for similar categories
- D - They help define alternative approval procedures for groups and categories

Answer: B

Question: 9

The Project manager wants to track travel expenses and who is generating them on all projects. How should the system be configured to achieve this?

- A - By setting the Employee option on the travel category to Mandatory.
- B - By setting up a validation rule that only employees can enter travel costs.
- C - By setting up a journal approval step that prohibits posting if the employee ID has not been specified.
- D - By setting up a specific cost journal for the employee exclusively for travel expenses.

Answer: A

Question: 10

Which of the following is a purpose of sorting fields?

- A - To sort the parent-child structure
- B - To group certain projects
- C - To divide fixed-price projects and invoice projects

D - To determine whether transactions can be invoiced

Answer: B

Question: 11

What are the three specific internal project types in Microsoft Dynamics AX?

- A - Time, Cost, Investment
- B - Time, Revenue, Cost
- C - Fixed-Price, Time and Material, Invoice
- D - Sales, Product development, Research and Development

Answer: A

Question: 12

Which of the following describes why cost templates are used?

- A - To define which categories to include in the calculation of a completion percentage
- B - To define the ledger integration of a completion percentage
- C - To set the mark-up percentage on different category groups
- D - To divide the WIP transactions in General ledger

Answer: A

Question: 13

Which of the following is caused by creating the project directly from the project quotation?

- A - Journals can automatically be created by using the transactions from the quotation.
- B - A forecast can be created directly from the lines in the project quotation.
- C - Only a new project can be created from the quotation.
- D - Project quotations cannot be used to create new projects.

Answer: B

Question: 14

Which of the following is a prerequisite for using the scheduling function?

- A - Project stage must be set to Estimated
- B - A work center group and a work center must be set up
- C - An employee must be set up
- D - An activity must be set up

Answer: B

Question: 15

When the assessment principle is Completed percentage and Sales Value for a fixed price project, which value is posted to the Accrued revenue-Sales value account when the estimate control process is run?

- A - The actual sales profit amounts.
- B - The contract value multiplied by completion percentage.
- C - The actual invoiced amount reduced according to completion percentage.
- D - The actual invoiced amount minus the actual cost amount, adjusted according to completion percentage.

Answer: B

Question: 16

Which of the following is the purpose of the link type in scheduling?

- A - Link types determine how projects are to be linked to the customer.
- B - Link types determine how the scheduling routine schedules multiple tasks for a project if the tasks are interdependent.
- C - The link type determines which work center is to be scheduled in case the primary work center does not have available capacity.
- D - The link type determines which type of chart is to be linked to the capacity display.

Answer: B

Question: 17

Which of the following is the function of the periodic script Accrue revenue?

- A - To periodically post revenue accruals on time and material projects in progress.
- B - To reverse revenue accruals posting of completed internal projects.
- C - To reverse and generate revenue accrual posting on time and material projects when the original posting has to be changed.
- D - To periodically post revenue accruals on fixed-price projects.

Answer: A

Question: 18

The company wants to use only one forecast model for all its projects. How can this be accomplished?

- A - Specify the default model on the project parameters.
- B - Specify the default forecast model on the project group.
- C - This cannot be done. Each project must have its own forecast model.
- D - The default forecast model is set up in the general ledger parameters.

Answer: A

Question: 19

After the initial project forecast is made, it is determined that the project will be pushed back three months. How can the project manager update the forecast without deleting the existing forecast?

- A - You cannot accomplish this. After the forecast has been generated it cannot be changed without being deleted and recreated.
- B - Create a forecast line with a negative amount to reverse the existing forecast and then create a new line with the correct date.
- C - Use the Edit forecast and increase the date by three months.
- D - Use the date adjustment periodic script.

Answer: C

Question: 20

Which of the following is a way to charge items to a journal directly from the project screen?

- A - The Transaction functionality
- B - Item consumption journal in Project
- C - Expense journal in Project

D - Item requirements function

Answer: D

Question: 21

On a time and material project all revenue transactions apart from royalty are to be accrued. How can you make sure that royalty is not accrued when you post it from the fee journal?

- A - You enter the royalty amount as a credit amount by entering a minus in front of the amount.
- B - In the validation setup on the project itself, you specify which categories are not to be included in the accrual calculation.
- C - You create a new fee journal and, on the General tab under Posting, specify that revenue entered in this journal cannot be accrued.
- D - On a line property you specify that it cannot be accrued, and then apply this line property for the fee transaction in question.

Answer: D

Question: 22

Which of the following project types refer to an Estimate project?

- A - Internal projects
- B - Fixed-price projects
- C - Time and material projects
- D - Invoice projects

Answer: B

Question: 23

A project manager is generating a P&L report for the project and wants to see reporting detailed on the project and all sub-projects. Which of the following is the correct value to be entered into the level field to accomplish this?

- A - 0
- B - 1
- C - 2
- D - It depends on the amount of sub-levels included in the project.

Answer: D

Question: 24

The project manager is running a time and material project and wants to obtain a quick view of how the project is currently performing compared to the forecast budget without printing a report. Which of the following would accomplish this?

- A - Run the statistics inquiry and use the actual vs. budget functionality.
- B - This cannot be done because forecasts are only used for fixed price projects.
- C - Comparisons to forecasts can only be done at the end of the project after all projects have been registered and invoiced.
- D - Run the periodic job forecast budget comparison.

Answer: A

Question: 25

Which of the following describes when an item consumption journal in Project is used?

- A - When invoicing items to a customer on a time and material project.
- B - When invoicing items to a customer on a fixed-price project.
- C - When item consumption does not to affect the project financially.
- D - When items are to be consumed to an invoice project.

Answer: A

Question: 26

Which internal project type is designed to create no ledger postings?

- A - Time
- B - Cost
- C - Investment
- D - Internal with WIP

Answer: A

Question: 27

What can the periodic script Post costs be used for?

- A - To invoice the invoice proposals in the period of the costs.
- B - To credit a temporary revenue to profit and loss accounts and debit a WIP account on both Time and Material and Internal projects with WIP.
- C - To credit a temporary revenue to the balance and debit invoice revenue to profit and loss accounts on only Time and Material projects with WIP.
- D - To post and invoice registered sales orders.

Answer: B

Question: 28

The internal Research and Development department of a company is planning a new product launch. The complexity and extensive lead-time requires that the company accrue costs in the balance sheet as WIP. Which type of project would you set up to achieve this?

- A - A fixed-price project that uses the completed percentage method.
- B - An internal project connected to a WIP project.
- C - A time and material project connected to a WIP project.
- D - An internal project in a project group set up to handle WIP.

Answer: D

Question: 29

When forecasting hours for a project, the project manager is not sure of the specific hours that will be worked by each member of his team, but he can estimate the total hours that will be worked on the project. How can the manager obtain an accurate representation of labor cost in the forecast?

- A - This is not a problem because employee is not a required field on hour forecasts.
- B - Set up a generic employee with a blended cost price to simulate the average cost and use that to forecast hours.
- C - Create the forecast with any employee and change the cost price to an estimate of what the average cost price per employee would be.
- D - This cannot be done because employee is a required field on hour forecast and cost price cannot be modified on the forecast.

Answer: B

Question: 30

When is the Accrued Revenue account in ledger posting used on time and material projects?

- A - When the cost amount exceeds the invoiced amount.
- B - When all invoicing is performed by using on-account transactions.
- C - When cost amount and invoiced amount are posted in different periods.
- D - When cost amount and invoiced amount are posted in the same period.

Answer: C

Question: 31

What is the standard cube for the project module in the On-Line Analytical Processing (OLAP) tool?

- A - ProjectTransaction
- B - CustomerProject
- C - ProjectHour
- D - ProjectCost

Answer: C

Question: 32

A fixed-price installation project exists between your company and a customer the West Coast Technical College (WCTC). During the project the WCTC requests that you provide additional spare parts. The purchase of these spare parts falls outside the scope of the original project and you must charge the customer for these items. Which of the following describes how can you create a sales order with which to invoice the customer for the extra items?

- A - You can do this anyway, regardless of the project structure and related types
- B - Only on a child project of the type time and material
- C - This is impossible, you cannot create a sales order for a fixed-price project
- D - You can create a sales order from the fixed price project however you must make sure that the line property for the order lines is chargeable.

Answer: B

Question: 33

Which of the following is a difference between operations scheduling and job scheduling?

- A - Job scheduling will schedule only one project, whereas operations scheduling will schedule all open projects.
- B - Job scheduling uses the capacity of the individual work center, whereas operations scheduling uses the capacity of the work center group.
- C - Job scheduling considers the capacity of the work center whereas operations scheduling is not concerned with capacity.
- D - Job scheduling automatically puts the project that it is scheduling for first in line and moves other jobs back, whereas operations scheduling will not move the other jobs that are scheduled.

Answer: B

Question: 34

A transaction has been recorded on a project. But the transaction text is incorrect. The

transaction text must be updated without creating a new ledger transaction. Which of the following describes how this can be done?

- A - Find the voucher transaction and edit the transaction field directly and save with <Ctrl+S>.
- B - Run the invoice proposal and change the transaction text before invoice updating.
- C - Use the copy journal functionality to reverse the journal with the incorrect transaction text.
- D - Clear the Always create adjustment transactions parameter in Project parameters and run the periodic script Adjustment.

Answer: D

Question: 35

When you are working on a fixed-price project, what must be done to have the item tax group automatically populated for on-account invoices?

- A - Specify the item tax group for On-account tax in Project parameters
- B - The tax cannot be calculated on a fixed-price project.
- C - Specify the on-account payments by selecting the check box.
- D - It shows automatically when the on-account proposal is created.

Answer: A

Question: 36

You have made an agreement with your customer that an external vendor will be performing some installation work for a project you have with the customer. You have agreed that this work must be directly invoiced to the customer. Which of the following will accomplish this?

- A - By specifying a chargeable line property when you post the vendor invoice to the project.
- B - Only by recording the invoice directly through the Invoice journal in Accounts payable.
- C - By using the Invoice approval journal in Accounts payable.
- D - By running the invoice proposal and including vendor invoices.

Answer: A

Question: 37

Which of the following is a difference between invoicing a fixed-price project and invoicing a time & material project?

- A - There is no difference, both are invoiced as costs occur on the project.
- B - Fixed price projects are invoiced as milestones are reached with an agreed upon contract, whereas time and material projects are invoiced as costs and consumption occur.
- C - There is no difference, both project types are invoiced based on a milestone and a percentage of the total cost.
- D - Expenses are never charged to a fixed price project.

Answer: B

Question: 38

A customer has complained that they should not be charged for the acquisition of equipment for use with a project. Which of the following describes how to change the line property for the transaction so that the customer is not charged?

- A - The line property cannot be changed.
- B - It can be changed from the invoice proposal.
- C - By using the adjustment functionality.

D - By changing the default line property on the project.

Answer: C

Question: 39

Your company invoices in USD and your customer's company currency is DEM. In order to avoid problems with currency fluctuations you agree on a fixed currency exchange rate for invoices. How do you set this up in Microsoft Dynamics AX?

- A - Specify a fixed rate agreement on the invoice project
- B - Specify a fixed rate agreement on the project
- C - Set up a fixed exchange rate on the sales order
- D - Specify which rate to use when you create the invoice proposal

Answer: A

Question: 40

How can you make sure that an employee can only register categories on certain projects, when users want to access the projects from the Enterprise portal?

- A - By assigning the employee permissions to the Enterprise portal.
- B - By using the Project list per employee from Project.
- C - By activating the validation rules available in the Project module.
- D - By setting the project stage to Estimate on the projects in question.

Answer: C

Question: 41

What situation would require the revenue transactions?

- A - An addition must be made to the contract amount on fixed-price projects.
- B - Crediting transactions on fixed-price projects.
- C - When entering expense-independent income on a time and material project.
- D - When offsetting on-account transactions.

Answer: C

Question: 42

The project manager wants all the hours registered to a project to use the end date of the project period as the transaction date. Which of the following describes how the system can be configured to guarantee that this can be accomplished each time?

- A - Apply a project period for the employee and open it for posting.
- B - Set the voucher date in the journal name to Project period end date.
- C - Create separate journals for the employee for every period of time.
- D - Apply a calendar for the employee to control his working and reporting time.

Answer: B

Question: 43

After you create an invoice proposal, it was discovered that there was an error made entering one of the transactions on the invoice proposal that must be corrected before you send the invoice. How can this be done?

- A - Create a credit note and then make the adjustment and invoice again.

- B - You can make the change directly on the invoice proposal.
- C - Create a journal, reverse the transaction, create the new correct transaction and then invoice again.
- D - Delete the proposal, make the adjustments, and create a new proposal before invoicing.

Answer: D

Question: 44

Which of the following is a purpose for an invoice project?

- A - It contains important customer information that is required for correctly issuing invoices to that customer.
- B - It controls what types of transactions are used for invoice proposals for a project.
- C - It is where all project transactions are registered for a project.
- D - It controls how item consumption is registered to a project.

Answer: A

Question: 45

The Offset transactions check box for on-account transactions is used for which of the following?

- A - Fixed-price projects that have been invoiced at a greater amount than agreed
- B - A counter-transaction to an invoiced advance payment on a time and material project
- C - Crediting transactions on fixed-price projects
- D - Offsetting forecasted expenses on time and material projects

Answer: B

Question: 46

When can cost estimate lines be edited in a project Estimate calculation on fixed price projects?

- A - When the cost template is set to manual calculation.
- B - They cannot be edited because estimates always result from reported transactions.
- C - When you use the Adjustment feature.
- D - At any time until the Estimate period and corresponding WIP is posted.

Answer: D

Question: 47

A fixed-price project has reached its final stage. What process should be performed to prepare for the closing of the project?

- A - Reverse the original estimate before posting a final WIP
- B - Run a last period estimate with elimination
- C - Post all journals, and set the project stage to Finished
- D - Reverse the previous period estimate and post the final transactions

Answer: B

Question: 48

Which of the following is required to let a user change the completion percentage manually?

- A - Calculation is set to Manual on the cost template.
- B - Nothing - it is always possible to change the completion percentage.
- C - The estimate project is set to Allow change.

D - The project group is set to completion percentage.

Answer: A

Question: 49

Which of the following is the main difference between Time and Material projects with WIP and Time and Material Projects with Accruals?

- A - T&M projects with WIP post costs to P&L accounts initially whereas T&M projects with WIP post costs and accrued sales value in balance accounts.
- B - Both post costs to balance accounts, but T&M projects with accruals post accrued sales value in P&L accounts.
- C - T&M projects with WIP post costs to balance accounts whereas T&M projects with Accruals post costs and accrued sales value to P&L accounts.
- D - Both projects post to P&L accounts, but T&M projects with accruals post accrued sales value in balance accounts.

Answer: C

Question: 50

Which of the following determines the time interval for calculating estimates?

- A - A period code set up on the main fixed-price project.
- B - A period code set up on the estimate project.
- C - A manual time entry when you run the estimates.
- D - The ledger period set up in General ledger.

Answer: B

Question: 51

Which of the following describes what happens during the elimination process on fixed price projects?

- A - Previous accruals are reversed before posting new WIP.
- B - Costs and revenue are recognized by moving the estimated amounts from balance accounts to profit and loss.
- C - All previous estimate lines are removed before creating the new estimate lines.
- D - Incorrectly estimated lines are removed before updating.

Answer: B

Question: 52

Which of the following projects would benefit from using an internal project with WIP?

- A - A long term IT development project over several years.
- B - A time project tracking holiday hours.
- C - A two day internal sales training seminar.
- D - A week long office improvement project.

Answer: A

Question: 53

WIP has already been posted for the prior period on a fixed price project. A vendor invoice relating to that period has been received after the WIP posting date and therefore has not been included in the percentage of completion calculation. The expense will have a significant affect

therefore it has to be included in the prior period calculation. How can this be achieved?

- A - Reverse the WIP and create a new estimate for the period.
- B - Change the estimate lines manually and recalculate the WIP.
- C - Run a new estimate period in order to include the transactions.
- D - This is performed automatically.

Answer: A

Question: 54

A new estimate period must be created on a fixed-price project with the assessment principle completed percentage. The project is not yet completed, and everything has gone according to budget since the last period. Which cost to complete method must be selected?

- A - As previous estimate: to have the previous estimate serve as a basis where new transactions will provide the new completion percentage.
- B - Set the Cost to complete to zero in order to get the completion percentage to reach 100%, because everything went according to plan.
- C - Forecast: to have the previous forecast estimate serve as a basis for new estimates, where new transactions will be deducted to calculate the new completion percentage.
- D - Total: Set the value in the total column to the amount of the previous estimate, and deduct the actual consumed cost in the remainder column.

Answer: D

Question: 55

Which of the following will move costs from balance accounts to P&L accounts on a Time and Material project with WIP?

- A - The Post costs script.
- B - Costs automatically post to P&L accounts when they are first posted. You do not need to do this.
- C - When an invoice proposal is posted.
- D - When an on-account invoice is posted.

Answer: A, C

Question: 56

Which of the following is a characteristic of the assessment principle Completed contract?

- A - An accurate measure of contribution margin is recognized at the end of the project.
- B - During the project, costs can be recognized in the profit and loss without using WIP.
- C - An accurate measure of contribution margin is recognized at the end of every control period.
- D - The contribution margin is recognized by every ledger period regardless of actual invoicing.

Answer: A

Question: 57

Which of the following describes what is meant by the assessment principle Completed Percentage?

- A - On-account transactions have to match milestones in the project.
- B - All invoices are posted to profit and loss accounts during the project.
- C - No invoicing is possible until the project is marked as Finished.
- D - Revenue is recognized during the project.

Answer: D

Question: 58

Which of the following is a prerequisite for enabling the Estimate system on a project?

- A - The project is in a project group referencing an estimate project.
- B - The project has a reference to an estimate project.
- C - The invoice project has a reference to an item tax group.
- D - The project is a time and material project.

Answer: B

Question: 59

Which of the following is a characteristic of the assessment principle Completed Percentage?

- A - An accurate measure of contribution margin is recognized at the end of the project.
- B - During the project, revenue and costs are posted directly to the profit and loss without using WIP.
- C - The recognized revenue matches the activity level of the costs incurred.
- D - On-account transactions are used to create an accurate image of project progress.

Answer: C

Question: 60

What is the purpose of the estimate process on fixed-price projects?

- A - To correct ledger postings after having adjusted transactions on the project
- B - To adjust the forecasts according to actual project progress
- C - To periodically update work in process and/or accruals in order to obtain the correct results reflected in ledger accounts according to the assessment principle
- D - To periodically clear ledger accounts of any work in process and accruals generated

Answer: C

Question: 61

Which of the following project types use the assessment principle Completed percentage?

- A - Internal projects
- B - WIP projects
- C - Fixed-price projects
- D - Time and material projects

Answer: C

Question: 62

Which of the following describes why cost templates are mandatory when you post WIP on fixed-price projects?

- A - Cost templates define which categories are included in the completion percentage calculation.
- B - Cost templates specify posting profiles of WIP accounts.
- C - Determine the estimate method of the fixed-price project.
- D - Cost templates specify the posting of invoices to profit & loss or balance.

Answer: A

