

Module 4: Purchase Order Management

3. Which purchase document must you use to receive an item of various (or equal) amounts over the course of the year?
- Purchase Quote
 - Purchase Order
 - Blanket Purchase Order
 - Purchase Invoice
4. Which two criteria are mandatory for setting purchase line discounts and alternative purchase prices?
- Item and vendor
 - Item and unit of measure
 - Item and order date
 - Item and unit of measure
 - Item and minimum quantity purchased
5. What happens if you process a purchase document in a foreign currency, and there are invoice discounts, but the discounts are not defined for the foreign currency?

Test Your Knowledge Solutions

Module Review and Takeaways

1. Why should you select the Ext. Doc No. Mandatory check box in Purchases & Payables Setup?

MODEL ANSWER:

To prevent users from posting purchase documents (orders, invoices, and credit memos) as invoiced without an external document number in the document header (in the Vendor Invoice No. field in purchase orders and invoices, and in the Vendor Cr. Memo No. field in purchase credit memos).

2. Where do you define how discounts are posted to the general ledger?

MODEL ANSWER:

In the Discount Posting field in Purchases & Payables Setup.

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5. What happens if you process a purchase document in a foreign currency, and there are invoice discounts, but the discounts are not defined for the foreign currency?

MODEL ANSWER:

If a foreign currency is used on the purchase document, and an invoice discount is defined for the local currency on the Vend. Invoice Discounts page, but not for the foreign currency, the program calculates the discount by using the LCY invoice discount terms and the exchange rate as of the posting date on the purchase document.

