

**DIPLOMA IN BUSINESS PROCESS
OUTSOURCING - F & A PROGRAMME**

00497

Term-End Examination

December, 2010

**BPOI-003 : PROCURE TO PAY (P2P) —
ACCOUNTS PAYABLE**

Time : 3 hours

Maximum Marks : 100

Note : Section-I, Questions 1 to 10 are compulsory.

*Section-II, has 8 questions and you have to answer
any six questions.*

*SECTION-III, has 6 questions and you have to answer
4 questions of which Question 19 is compulsory.*

SECTION-I

All Questions are compulsory in this section :

1. The P2P cycle is divided into 4 main stags namely 2
_____, _____, _____, and
_____.
2. _____ is the team that receives an approval 0.5
travel request from the employee and makes the
travel related reservations
3. _____ are measurements taken on an 0.5
activity to measure its quality.
4. The measure of how many units of works are 0.5
completed within a given time is _____.

5. Duplicate payments can happen due to poor controls in _____ , _____ , as well as _____ . 1.5

State whether the following statements are *True* or *false*.

6. Document imaging system stores physical invoice why ? 1
7. Work flow increases the process efficiency. 1
8. After the buyer returns the goods back to the vendor, the vendor may issue a credit note to the buyer. 1
9. Two way match is the process of comparing the contents of PO and invoice to clear the invoice for payment. 1
10. Invoice needs to be put on hold if the quantity of goods invoiced is less than the quantity mentioned on the GRN. 1

SECTION-II

Answer any six questions in this section.

11. What are the metrics that are used to measure the effectiveness of invoice query (invoice on hold) process by the client manager ? 5
12. Differentiate between the following payment rundate, payment date and pay through date with suitable examples ? 5
13. Explain what is EFT. (Electronic Fund Transfer) and the way the EFT works. 5
14. What are the important things kept in mind while processing the invoice ? 5
15. Pass the journal entries for. 5
 - (a) Vendor supplies the goods / services but does not send the invoice yet. Let the purchase stock was for Rs. 50,000/-
 - (b) Payment is made to the vendor by cheque. The vendor has supplied the goods worth the Rs. 50,000/-
16. What is the importance of T and E to business ! 5
17. What are the data that a purchase order usually contains ? 5
18. State the controls used in the vendor set up process ? Why do we need to have these controls ? 5

SECTION-III

Question No. 19 is compulsory. Answer any three from the rest :

19. Under what circumstances does an invoice processing team put an invoice on hold ? 15
20. List the reason why corporations outsource a part of "Procure to Pay" processes ? Also list the benefits in outsourcing P2P process. 15
21. Explain the use of the following source documents in the procure to pay processes 15
 - (a) Purchase requisition
 - (b) Credit note
 - (c) Goods received note
22. Indicate some metrics that are used to measure accuracy Turnaround Time (TAT) and productivity in invoice processing stage. 15
23. Describe the steps in travel and expense process briefly and provide last 5 examples of the kind of expenses that are reimbursed to its employees. Through T & E ? 15
24. Describe some of the best practices used by the procure to pay teams to improve the process in terms of increasing productivity accuracy and cover the turnaround time of the transactions. 15