


## National University of Computer and Emerging Sciences, Lahore Campus

	Course Name:	Enterprise Information System	Course Code:	CS 422
	Program:	CS	Semester:	Spring 2020
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	Section:	ALL	Page(s):	1
	Exam Type:	Take Home Quiz		

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**Section: A**

Note: Please submit the word document typed answers.

This question tests your understanding of the information needed to trace a sale through a multistep ERP sales cycle: sales order, inventory sourcing, delivery, billing, and payment. Assume that an order has been placed with your company and entered into your ERP system. The following events then take place: (2 x 8)

Question	Answer
The system automatically checks the customer's credit and finds it to be acceptable. The order is recorded for the delivery date requested.	<p>Events: (a) Check credit limit &amp; (b) Record sales order</p> <p>Information: for event (a) nothing new information will be recorded, But event (b): Item, item quantity, Price, discount, Update credit are recorded.</p> <p>Wealth: will remains same for event (a) but with event (b) it increases accounts receivable s, and increases sales (revenue)</p> <p>Company's Obligation: for event (a) check if the line of credit devoted to customer has been exceeded or not and for event (b) company is obliged to ship goods.</p> <p>Outsider's Obligation: for event (a) Check if customer debt to company surpasses or exceeds the line of credit and for event (b) outsiders are obliged to pay up for goods when the receive them.</p>
The system schedules the production of the goods. (There is not enough inventories to ship from stock)	<p>Information: Inventory amount, item quantity, production time, available time, priority</p> <p>Wealth: no change</p> <p>Company's Obligation: make room for production and allocate the resources to production</p> <p>Outsider's Obligation: they have no obligation here</p>

The system schedules raw material orders from the vendors to produce the goods ordered.	<p>Information: Raw material quantity, cost</p> <p>Wealth: nothing changes</p> <p>Company's Obligation: no new obligation</p> <p>Outsider's Obligation: vendors must ship the ordered raw material to company.</p>
The raw materials are received and stored.	<p>Information: Raw material item, Quantity received, Inventory, raw material cost</p> <p>Wealth: though increases materials inventory but also records an obligation for company to pay up the vendor</p> <p>Company's Obligation: record obligation to pay the vendor</p> <p>Outsider's Obligation: no changes</p>
The goods are produced and reserved for shipment to the customer.	<p>Information: Raw material and inventory</p> <p>Wealth: It decreases the raw materials (which is being used in production) but also increases the finished goods.</p> <p>Company's Obligation: reserved goods for their customers.</p> <p>Outsider's Obligation: no obligation</p>
The system schedules the delivery, and an invoice is printed and included with the shipment. The goods are then put on the delivery truck.	<p>Date, Shipping document, invoice</p> <p>Wealth: it record physical movement of goods internally.</p> <p>Company's Obligation: un-reserve goods in system</p> <p>Outsider's obligation: no changes</p>
Shipping notifies Accounting of the shipment's details.	<p>Information: Inventory, account receipt</p> <p>Wealth: Reduces the inventory on hand and increases cost of inventory sold</p> <p>Company's Obligation: no change</p> <p>Outsider's Obligation: no change</p>

A month later, the customer sends in payment, which is recorded in accounting.	<p>Information: Credit limit, account record, Cash</p> <p>Wealth: increases cash, decreases the receivable from customer</p> <p>Company's obligation: no changes</p> <p>Outsider's Obligation: Obligation to pay is discharged (meaning it reduced to zero)</p>
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For each of these events, list the information that must be recorded in the common database. You do not need to know how to use a database to do this, nor do you need to understand bookkeeping. For example, for the credit-check step, think about what information is needed to perform a credit check on a given customer.

At each step, did the wealth of the company increase or decrease? At each step, how did the company's obligations to outside entities change? At each step, how did the obligations of outside entities to the company change? Justify each of your answer in one line or maximum two.