**Case Studies**

1. An insurance company offers several products lines, including homeowner’s and auto insurance to a policyholder who already has homeover’s insurance with the company. To provide this service, enhancements must be made:

* The Policyholder logical file that is maintained by both the Homeowner’s Insurance application and the Auto Insurance application will have two fields added to it: Multipolicy Discount Indicator and Discount Amount.
* Processing logic must be changed in the Auto Insurance application. During the nightly batch processing of new auto policies, the Policyholder has homeowner’s insurance with the company. If so, the two new field in the policyholder logical file with be updated. In addition, the confirmation report that is produced from the batch process will be changed to include a message that the discount was applied.
* The Homeowner’s Insurance application must also be changed. During the nightly batch process of cancelled homeowner’s ploices, the Policyholder has been receiving the mutipolicy Discuont Indicator will be set to “C” for “Cancelled”.
* The nightly batch process in the Auto Insurance application cation must also be changed to check each record in the Policyholder logical file for cancelled homeowner’s insurance. If the Multipolicy Discount Indicator is a “C” it will be changed to an “N”, the Discount Amount will be set to zero, the new auto insurance premium will be calculated, and a letter outlining the changes will be produced and mailed to the policyholder.

Identify the new and changed functions of the Homeowner’s Insurance and Auto Insurance applications by choosing the correct options below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name Of Possible Function Types** | **Identify the function Used** | | | | | |
| **ILF** | **ELF** | **EI** | **EO** | **EQ** | **N/A** |
| **Ploicyholder logical file** | Yes |  |  |  |  |  |
| **New Auto Policy** | Yes |  | Yes |  |  |  |
| **New Auto Policy Confirmation Report** | Yes |  |  |  | Yes |  |
| **Cancel Homeowner’s Policy** | Yes |  | Yes |  |  |  |
| **Policyholder Letter** | Yes |  |  | Yes |  |  |

1. A new file is to be passed from the Accounts Payable (AP) application to the banking application at the close of every business day. This file contains the payment date required, payment amount, PO number, Vendor name, and vendor billing street address, city, state, and Zip Code. This banking application must now be enhanced to process this incoming file and to generate the appropriate checks.

The Banking application will process the incoming file from the AP application and save into two user-maintained logical files: Checking Account and Disbursements. The Checking Account logical file previously had 2 RET’s and 19 DET’s. This change will require the addition of the PO number to the Checking Account logical file. All other attributes were previously included. The Disbursements logical file will not require any changes because of this enhancement.

The Current process to generate checks to pay invoices is to be modified. Checks now will be generated with the PO. Previously, Checks contained the following information: preprinted name and address for the company, preprinted check numbers, payment date, payment amount, payee (Same as vendor’s name), and payee street address, city, state, and Zip Code. These checks reference only the Checking Account logical file and is updated to indicate payment as part of the check generation elementary process.

A Printed report will be generated from the Checking Account logical file if checks were not produced because of an inadequate balance. The report of Insufficient Funds will contain the following attributes: insufficient funds for payment date, payee, PO number, payment amount, total number of payees, and total payment amount (total attributes are calculated when the report is produced).

Identify the complexity of the enhanced functions for the Banking application by choosing the correct options below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name Of Possible Function Types** | **Identify the function Used** | | | |
| **Low** | **Average** | **High** | **N/A** |
| **Payement file from AP** |  |  |  | Yes |
| **Checking Account logical file** |  |  |  | Yes |
| **Disbursement logical file** |  |  |  | Yes |
| **Generate Checks** |  | Y |  |  |
| **Report of insufficient Funds** | Y |  |  |  |