



Exam Content and Outline

The outline below reflects the subject areas/domains tested on the CAPA certification exam. The percentage of exam items relative to each area/domain is noted below as well.

Domain 1 – Relationships and Responsibilities (8%)

01- Management Responsibilities (4%)

- 01 – Organizational Mission and Philosophy
- 02 – Department Mission Statement
- 03 – Department Policies
- 04 – Department Procedures
- 05 – Roles, Responsibilities, and Training

02- Customer Relations/Partnerships (2%)

- 01 – Customer Relationships

03- Staff Motivation and Morale (2%)

Domain 2 – Processing Functions (30%)

01- Invoice Handling (15%)

- 01 – Source Documents
- 02 – Invoice or Statement Validity
- 03 – Problem Invoices
- 04 – Debit Balance Review and Recovery
- 05 – Vendor Statement Reconciliation
- 06 – Requests for Payment
- 07 – Policy Compliance
- 08 – Vendor Refunds
- 09 – Recurring Payments

02- Matching (3%)

- 01 – Requirements and Rules
- 02 – Matching Functions

03- Procurement Card (4%)

- 01 – Communications
- 02 – P-Card Program Compliance
- 03 – Reconciliation and Resolution
- 04 – Record Retention
- 05 – Processing and Verification
- 06 – Governmental Tax Compliance

04- Payment Processing (8%)

- 01 – Payment Types
- 02 – Frequency
- 03 – Cash Requirements
- 04 – Checks
- 05 – Internal Control and Signatures
- 06 – Electronic Payment File
- 07 – Distribution
- 08 – Exceptions
- 09 – Stop Payments and Re-Issues
- 10 – Reports
- 11 – Positive Pay

Domain 3 – Travel and Entertainment (12%)

01- Governmental Guidelines (4%)

- 01 – Interpret Guidelines

- 02 – Expense Types
- 03 – Reportable Tax Items
- 04 – Travel and Entertainment Expense Fraud
- 02- Travel Card Administration and Management (2%)**
 - 01 – Definition of Travel Cards
 - 02 – Guidelines for Using Travel Cards
 - 03 – Communication and Training
 - 04 – Opportunities for Cost Savings and Benefits
 - 05 – Best Practices for Travel and Entertainment
- 03- Expense Reporting (4%)**
 - 01 – General Expense Reporting Process
- 04 – Automation Technology and Software (2%)**
 - 01 – Manual T&E Processing
 - 02 – Dynamics of Travel Software
 - 03 – Classification of Travel Software

- Domain 4 – Controls (12%)**
- 01- Vendor Master Files (5%)**
 - 01 – Establish Rules for Vendor Master Files
 - 02 – Maintain Vendor Master Files
 - 03 – Obtain Governmental Regulatory Forms (W-9, W-8, GST/HST)
 - 04 – Research for Possible Duplicate Records in the Vendor Master File
 - 05 – Archive and Purge Vendor Files
 - 06 – Vendor Reports
 - 07 – Establish Document Controls and Record Retention
- 02- Cash Management (3%)**
 - 01 – Follow Float Guidelines
 - 02 – Follow Guidelines for Letters of Credit
 - 03 – Follow Rules for Petty Cash
 - 04 – Void Stale Dated Checks
 - 05 – Follow Processes for Electronic Payment Options
- 03- Audits (1%)**
 - 01 – Evaluate Compliance with Internal Procedures and Control
 - 02 – Audit Types
 - 03 - Establish Criteria for Performing Recovery Audit Reviews
- 04- Fraud (3%)**
 - 01 – Identify Areas of Potential Fraud
 - 02 – Assess Risk for Areas of Fraud
 - 03 – Establish and Promote
 - 04 – Follow Standards for Check Security Features
 - 05 – Promote Electronic Payment Initiatives
 - 06 – General Domain Knowledge

- Domain 5 – Tax and Regulatory Issues (20%)**
- 01- Sales and Use Tax (3%)**
 - 01 – Sales and Use Tax Defined
 - 02 – Nexus or Sufficient Physical Presence
 - 03 – Self Assessment
 - 04 – Determining Whether an Item is Taxable
 - 05 – Tax Overages
 - 06 – Calculating the Tax Due

- 07 – Tax Exemptions
- 02- Form 1099 Reporting (5%)**
 - 01 – Form 1099 Defined
 - 02 – Types of Form 1099
 - 03 – Year-End Processing
 - 04 – Procurement Card (p-card) Payments
 - 05 – B-Notice Requirements
 - 06 – Other Form 1099 Topics
- 03- Form 1042 Reporting (1%)**
 - 01 – Form 1042 Defined
 - 02 – Year-End Processing
 - 03 – Amounts Subject to Reporting on Form 1042-S
- 04- Independent Contractors (4%)**
 - 01 – What is an Independent Contractor?
 - 02 – Filing Status
 - 03 – Form W-9
 - 04 – Compliance with Government Regulations
- 05- Escheatment (2%)**
 - 01 – Escheatment Defined
 - 02 – Administering the Escheatment Process
- 06- Value Added Tax (VAT) (1%)**
 - 01 – Value Added Tax Defined
- 07- Canadian Goods and Services Tax (GST) (1%)**
 - 01 – Overview
- 08 – Minority and Women-Owned Businesses (1%)**
 - 01 – Overview
- 09 – Sarbanes-Oxley (2%)**
 - 01 – Overview
 - 02 – Applying Section 404
- Domain 6 – Technology (12%)**
 - 01 – Processing Software (2%)**
 - 01 – AP Automation
 - 02 – Paper Invoice Management and OCR
 - 03 – Stages of AP Automation
 - 04 – Critical Success Factors and Benefits of AP Automation
 - 05 – Utilizing Technology to Drive Efficiency and Control
 - 02 – Imaging and Data Capture (4%)**
 - 01 – Prepare Documents for Scanning
 - 02 – Scan Documents
 - 03 – Index Documents
 - 04 – Verify Image of Documents
 - 05 – Destroy or Retain Paper Documents per Company Policy
 - 03 – Workflow (1%)**
 - 01 – Define Business Rules
 - 02 – Define Roles
 - 03 – Create Workflow
 - 04 – Electronic Invoicing (3%)**
 - 01 – Benefits
 - 02 – Challenges
 - 03 – Detecting Fraud

04 – Supporting Information

05 – Procure-to-Pay and Automation (2%)

01 – Introduction

Domain 7 – Other Topics (6%)

01- Operational Analysis (1%)

01 – Determine Benchmarking Criteria

02 – Develop Internal Metrics

03 – Gather Data for Internal Analysis

04 – Compare Internal Metrics to Benchmark Results

05 – Identify Process Improvements Based Upon Metrics and Benchmark Reviews

02- Disaster Recovery (2%)

01 – Assess Potential Risks of Business Interruption

02 – Prioritize Operational Tasks

03 – Incorporate the AP Plan into the Economy Plan

04 – Records Management

03- Accounting (3%)

01 – Identify, Document, and Communicate Accounting Terminology and Abbreviations

02 – Accounting’s Fiscal Calendar

03 – Preparing Accruals – Variations and Accounting Impact

04 – Reconcile Cash and Payables

05 – Post Invoices to the General Ledger

06 – Review Outstanding Payables

07 – Correct Journal Entries

08 – Understand and Apply Accounting Principles Impacting Financial Statements



Study Questions

1. Which of the following best describes a traditional P-Card?
 - a. A credit card issued to an employee, for specified low-dollar transactions.
 - b. A credit card used particularly in travel as both a convenience and cost saver.
 - c. A credit card restricted to expenses such as gas, vehicle maintenance, and parking.
 - d. A processing card used for automated Purchase order issues.

2. All of the following steps are included in good customer relations EXCEPT:
 - a. Promptly return all calls
 - b. Ensure vendors understand the terms of sale
 - c. Maintain open discussions with the vendor
 - d. Maximize backlogs to create inquiries

3. EFT stands for:
 - a. Electronic Funds Transfer
 - b. Electronic Finance Transfer
 - c. Enterprise Funds Transfer
 - d. Electronic Funds Tax

4. EDI stands for:
 - a. Electronic Detection Interchange
 - b. Electronic Data Interchange
 - c. Electronic Data Imaging
 - d. Electronic Department Interchange

5. When submitted on a travel report, which of the following is normally a non-reimbursed expense?
 - a. Lodging
 - b. Rental car
 - c. First/Business class air travel
 - d. Phone usage charges

6. An example of reportable income on IRS Form 1099-MISC is:
 - a. Distributions from profit sharing
 - b. Purchases of office equipment
 - c. Employee income
 - d. Rents

7. What is the definition of Electronic Commerce?
 - a. Mapping of data fields within general communications lines.
 - b. Software and technical support furnished electronically.
 - c. Trading partner agreements in an administratively frictionless process.
 - d. Medium for business communications that interchange across internal and external systems.

8. What is the most commonly used box on IRS Form 1099-MISC?
- 01 Rent
 - 03 Other Income
 - 05 Fishing Boat Proceeds
 - 07 Non-Employees Compensation
9. P-Cards typically have which of the following limitations?
- Credit usage and number of transactions.
 - Average amount of transaction and credit usage.
 - Number of transactions per month and average amount of transaction.
 - Transaction type of dollar amount.
10. P-Cards are generally used for which of the following types of purchases?
- Inventory
 - Subscriptions
 - Relocation
 - Cash advances

Answers (KEY): Reference to Page Numbers in the Accounts Payable Guide for Associates and Subject Areas (Domain/Sub-domain [D/SD]).

QUESTION	KEY	PAGE(S)	D/SD
1.	A	02.03-1	0203
2.	D	01.02-1	0102
3.	A	02.04-1	0204
4.	B	06.04-1	0604
5.	C	03.01-2	0301
6.	D	05.02-1	0502
7.	D	06.05-1	0605
8.	D	05.02-1	0502
9.	D	02.03-2	0203
10.	B	02.03-2	0203



Study Guide

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1. Studying for the Exam

1.1. Studying and Concentration

Think of the times when you were "lost" in something you enjoyed: a sport, playing music, a good game, a movie. These are examples of when you experienced total concentration.

Even though we all have the ability to concentrate, sometimes:

- Our minds wander from one thing to another; our worries sidetrack us;
- The material we are studying may seem "boring", difficult, and/or not interesting.

When this happens, it is best to focus on what you can control while studying. The approaches listed below may help with your focus and assist you to make the best use of your time.

1.2. What Can Be Controlled within your Study Process

- Know how many weeks/months you have to study for the test. Make a calendar and identify how much material will need to be studied on a daily/weekly basis to ensure you are ready on test day.
- Set up a dedicated space, which should include your own chair, table, lighting, and environment.
- Avoid your cell phone or telephone.
- Put up a sign to avoid disturbances or interruptions.
- You may use music for "background", but do not let it be a distraction.
- Before you begin studying, take a few minutes to focus. Summarize a few objectives, gather what you will need, and think of a general strategy of accomplishment.
- Create an incentive, if necessary, for successfully completing a task, such as calling a friend, a food-treat, a walk, etc.
- Change the subject you study every one to two hours for variety. And, if possible, vary your study activities – alternate reading with more active learning exercises.

1.3. Using Memory Effectively

1. **Acronyms and Acrostics:** (for information involving key words)

An acronym is an invented combination of letters. Each letter is a cue to an idea you need to remember. Example: BRASS is an acronym for how to shoot a rifle--Breath, Relax, Aim, Sight, and Squeeze.

An acrostic is an invented sentence where the first letter of each word is a cue to an idea you need to remember. Example: EVERY GOOD BOY DESERVES FUN is an acrostic to remember the order of G-clef notes on sheet music--E, G, B, D, F.

2. **Rhyme-Keys:** (for ordered or unordered lists)

First, memorize key words that can be associated with numbers. For instance, bun with one; shoe with two, tree with three, door with four, hive with five, etc.

Next, create an image of the items you need to remember with key words. For example, if you had to remember the four basic food groups-- dairy products; meat, fish, and poultry; grains; and fruit and vegetables--imagine cheese on a bun, livestock, a sack of grain, and a room stocked with fruits and vegetables.

3. **The Image-Name Technique:** (for remembering names)

Simply invent any relationship between the name and the physical characteristics of the person. For example, if you had to remember Shirley Temple's name, you might ingrain the name in memory by noticing that she has "curly" (rhymes with Shirley) hair around her temples.

1.4. Additional Study Methods

The methods below will provide you with an accurate perception of how well you know the material. It will force you to think about the material, rather than just look it over.

- Take notes and review them frequently, so the material is "fresh." As you are reading your text or reviewing your notes, generate and write down questions about the material.
- Imagine you are teaching the course. What questions would you ask on the exam?
- Keep track of any terms you need to know.
- Write each question or term on the back of an index card.
 1. On the front of each index card, write an answer or an explanation for the question or term on the back.
 2. Use your notes and text for a reference but put the answer or explanation in your own words whenever possible.
 3. Shuffle the index cards (so you can't figure out any answers based on their location in the deck).
 4. Look at the card on the top of the deck. Try to answer the question or explain the term.
 - If you know it, great; then put it on the bottom of the deck.
 - If you don't know it, look at the answer, and put it a few cards down in the deck (so you'll come back to it soon).
 5. Proceed through the deck of cards until you know all of the information.

1.5. Additional Tips

- Carry your cards with you everywhere.
- Take advantage of any extra time you have to study the exam material.
- If you think you know an answer, but can't put it into words, you probably don't know it well enough.
- Being able to explain the information is the only way to be sure that you know the material; it is also the best way to prevent test anxiety.
- Study with a colleague or study group. You can share ideas and help each other out with concepts. In addition, you can use each other to make sure that you're explaining your answers adequately.

2. Test Preparation Process

- Create study checklists and identify all of the material that will be included in the exam. This checklist will enable you to break your studying into organized, manageable "chunks", which should allow for a comprehensive review plan with minimal anxiety.
- Create summary notes and "maps." Briefly map out the important ideas of the material and the relationships of these ideas. Summary notes should display lists and hierarchies of ideas. Creativity and a visual framework will help you recall these ideas.
- Create flashcards for definitions and lists that you need to have memorized--put topics on one side of the card, answers on the other. Flashcards will enable you to test your ability to recognize important information, but also your ability to retrieve information from scratch.

2.1. Test Preparation and Avoidance of Test Taking Anxiety

- Develop good study habits and strategies. Manage your time and find ways to deal with procrastination and distractions.
- Organize study materials.
- Take a systematic approach to build a strategy and to prevent being overwhelmed.
 - The strategy should focus on new or unfamiliar material.

2.2. Test Preparation to Reduce Anxiety

- Approach the exam with confidence and use whatever strategies you can to personalize success. Suggestions are visualization, logic, talking to your self, practice, and/or teamwork.
- View the exam as an opportunity to show how much you've studied and to receive a reward for the studying you've done.
- Be prepared! Learn your material thoroughly and organize the materials you will need for the test.
- Know your test taking day, time and location: write it down and keep it with you
- Allow yourself plenty of time – especially for the things you need to do before the test – and get to the testing site a little early,
- Avoid thinking you need to cram just before.
- Strive for a relaxed state of concentration. Avoid speaking with any fellow students who distract your preparation, express negativity, or are not prepared.
- Get a good night's sleep the night before the exam.

3. During the Exam

If you find yourself tensing and getting anxious during the test:

- Relax; you are in control. Take slow, deep breaths.
- Pause; think about the next step and keep on task, step by step.
- Use positive reinforcement for yourself.
- Focus on doing your best.
- Realize that anxiety can be a "habit" and that it takes practice to use it as a tool to succeed.

3.1. Test Taking Tips

- Read the directions carefully, you will have 15 minutes to complete the tutorial before the exam begins.
- Know how long you will have to complete the test:
 - CAPP's will have 3 hours
 - CAPA's will have 1 ½ hours
- If you go "blank", mark the question for later review and go on to the next question.
- Answer easy questions first. Easy questions will build confidence, score points, and mentally orient you to vocabulary and concepts.
- Then, answer difficult questions. With objective tests, first eliminate those answers you know to be wrong, are likely to be wrong, or ones that don't seem to fit.
- Resist the urge to leave as soon as you have completed all the items.
- Review your test to make sure that you have answered all questions. Change answers to questions if you originally misread them or if you have encountered information elsewhere in the test that indicates that your first choice is incorrect.

- Don't panic when others start leaving the test area, remember they could be taking a different exam. There's no reward for being the first one done.

3.2. Multiple Choice Tests

- All questions on the exams are multiple-choice questions. They include a phrase or question followed by four possible answers.
- There are no questions with
 - all of the above
 - none of the above
 - never
- If you have time to go through the exam a second time, you may pick up cues for answers from the first reading, or become more comfortable in the testing situation.
- If time allows, review both questions and answers. It is possible you will have incorrectly read questions the first time.
- Treat each option as a true-false question, and choose the "truest."

3.3. Strategies to answer difficult questions

- Eliminate options you know to be incorrect.
- Question any option that grammatically does not fit with the stem.
- Question any option that is very unfamiliar to you.
- Question any option that contains a negative or absolute word.
- Try substituting a qualified term for the absolute one, like frequently for always; or typical for every, to see if you can eliminate it.
- "Look alike options" - Probably one is correct; choose the best but eliminate choices that mean the same thing, and thus cancel each other out.
- Double negatives - Create the equivalent positive statement and consider.
- EXCEPT – for example “All of the following items are good choices for an exam
- EXCEPT:” look for the exception to the group or category.

References

Divine, James H., and David W. Kylene. **How to Beat Test Anxiety and Score Higher on Your Exams.** Woodbury, New York: Barron's Educational Series, Inc., 1979.

How to Beat Test Anxiety and Score Higher on Your Exams begins by helping students to understand how they experience test anxiety before helping them take steps to reduce it. Suggestions on how to reduce test anxiety include replacing negative self-statements with self-affirming statements, and learning how to relax. The second half of the book focuses on developing test-taking skills, especially those required for multiple choice questions.

Fleet, Joan, Fiona Goodchild, and Richard Zajchowski. **Successful Learning.** London, Ontario: University of Western Ontario, 1987.

Successful Learning is an introduction to study skills, an earlier version of Learning for Success. There is an inventory at the beginning to help students identify their strengths and weaknesses followed by chapters on time management, essay writing, science problem solving, exam preparation, and others. The authors encourage students to be strategic, to study "smarter not harder."

Hanau, Laia. **The Study Game.** New York: Barnes & Noble Books, 1979.

The Study Game is well titled because the author approaches studying as if it were a game which students can learn how to win. It covers reading for information, conveying that information, consolidating information for exams, and writing exams. The language is informal, frequently using point form rather than complete sentences, and the text accompanied by sketches, arrows, and circled major points. Students who like mind-mapping and take non-linear notes, will find this book helpful.

Jones, Bill, and Roy Johnson. **Making the Grade.** Manchester, UK: Manchester University Press, 1990.

In two volumes, Making the Grade shows how to improve study skills. Volume I examines input, learning new information, and Volume II examines output, presenting ideas in papers and exams. The books are organized in brief segments with prescribed rest and reflection. There are anecdotes to illustrate points and to help students deepen their understanding of their own experience.

MacFarlane, Polly, and Sandra Hodson. **Studying Effectively and Efficiently: An Integrated System.** Toronto: University of Toronto, 1983.

Studying Effectively and Efficiently: An Integrated System provides a brief introduction (46 pages) to study skills. Topics include concentration, time scheduling, listening and lecture note taking, reading and learning from textbooks, writing papers, and preparing for exams. The book contains a brief, clear explanation of the mechanisms of learning and memory.

Pauk, Walter. **How to Study in College.** Boston: Houghton Mifflin Company, 1984.

How to Study in College is a book that covers a wide range of study skills, from improving memory to answering specific types of exam questions. It is particularly strong in dealing with reading and note taking skills, not surprising considering that the author is a researcher in reading. The book is well organized with a thorough table of contents and index. Each chapter has a self-test to promote learning and remembering.

Richardson, Frank C. **Coping With Exam Anxiety.** Editor. Arlene Young. Athabasca, Alberta: Athabasca University, 1990.

This book uses an informational learning approach to help students understand and reduce their exam anxiety. The book will help students understand the extent to which their difficulty with exams is due to preparation or anxiety. For many students, reading the book and doing the exercises will be sufficient to reduce their anxiety. Others may also wish to seek the help of a counselor. Athabasca University Students can obtain the book, free of charge, from the Athabasca University Students Association (AUSA).