



## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 4 December 2025. Morning Paper.

Time Allowed: 3 hours.

**This paper has two sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying (50) marks. Answer ALL questions. Marks allocated to each question are indicated at the end of the question.**

#### SECTION I (50 MARKS)

1. Which of the following statements is the **BEST** response when an interviewee says 'I do not remember' when dealing with resistance in an interview?
  - A. End the interview immediately since the interviewee is non-cooperative
  - B. Repeat the question in a louder tone to show the seriousness of the interview
  - C. It is okay, it has been a while
  - D. Warn the employee that failure to remember will be taken as admission(1 mark)
2. Which one of the following statements is **NOT ACCURATE** in regards to note taking during an interview?
  - A. Interview notes should always be taken verbatim
  - B. Interviewer should maintain eye contact instead of taking too many notes
  - C. Taking key points notes is more effective than electronic recording of interview
  - D. Notes should focus on the pertinent information(1 mark)
3. Which of the following statements is an **ACCURATE** statement regarding the conduct of interviewers during a fraud examination interview?
  - A. An interviewer should prepare a predetermined list of questions to ask during the interview
  - B. To ensure consistency, interviewers may place two subjects in separate rooms and ask the same questions at the same time
  - C. The interview location should be somewhere the subject feels comfortable and secure
  - D. If there is concern the interviewee may leave, the room should be locked to prevent them from exiting before the interview end(1 mark)
4. Which of the following statements is **ACCURATE** in regards to using deception during interviewing?
  - A. It is acceptable for interviewers to use deception by assuring confidentiality to encourage cooperation
  - B. Deception should never be used in a manner that might cause an innocent person to confess
  - C. The use of deception during interviews is always unlawful and categorically forbidden
  - D. It is acceptable for interviewers to use deception by suggesting that leniency will be granted if the subject confesses(1 mark)
5. The purpose of the interview is established at what phase of the interview?
  - A. Introduction phase
  - B. Information gathering phase
  - C. Assessment phase
  - D. Admission seeking phase(1 mark)

6. Which of the following types of questions should **NOT** be asked during the information-gathering phase of a fraud examination interview?

- A. Assessment questions aimed at judging credibility of the respondent
- B. Closed questions intended to obtain specific factual details
- C. Leading questions that aim to get a positive response
- D. Open questions aimed at eliciting a narrative response

(1 mark)

7. Which of the following words should a fraud examiner **AVOID** during the introductory phase of interviewing?

- A. Inquiry
- B. Investigation
- C. Review
- D. Shortage

(1 mark)

8. Which one of the following statements is **NOT** a recommended practice during the introductory phase of a fraud examination interview?

- A. Avoid beginning the interview with confrontational or accusatory questions
- B. State only the general purpose of the interview rather than disclosing specific allegations
- C. The interviewer may begin with a few minutes of ritualistic conversation to put the interviewee at ease
- D. Nodding or shaking the head is acceptable when getting commitment from respondent

(1 mark)

9. Which of the following statements **BEST** explains the major reason for conducting a forensic audit?

- A. To prevent further losses
- B. To recover losses
- C. To collect evidence to prove or disapprove an allegation
- D. To improve internal controls

(1 mark)

10. Internal fraud is **MOSTLY** discovered through \_\_\_\_\_.

- A. internal audit
- B. management reviews
- C. automated transaction monitoring
- D. tips

(1 mark)

11. Which one of the following questions should be avoided during the information gathering phase of a fraud examination?

- A. Please tell me about your role in the accounting department
- B. Didn't you know that you weren't supposed to transfer the funds
- C. What date were the transactions completed?
- D. Was there any formal communication on effecting these changes

(1 mark)

12. Which one of the following statements is **NOT** an objective of closing questions in a fraud investigation?

- A. To determine the trustworthiness of the witness
- B. To leave the interview on a positive note
- C. To verify the accuracy of the information provided
- D. To obtain any final details or clarifications

(1 mark)

13. Which one of the following statements describe the function of a fraud examination in relation to the results of the investigation?

- A. Testifying to the findings
- B. Documenting the evidence
- C. Supporting fraud detection and prevention efforts
- D. Making a presentation

(1 mark)

14. Which one of the following statements is **ACCURATE** in regard to how the fraud examiner should respond to an engagement without predication?

- A. The fraud examiner should investigate
- B. The fraud examiner should inform the party that commissioned the investigation, that there is no need to investigate
- C. Conduct a fraud risk assessment
- D. Assume fraud has occurred and begin gathering evidence

(1 mark)

15. The type of witness that should generally be interviewed first during a fraud examination is \_\_\_\_\_.  
A. primary suspect  
B. an accomplice  
C. neutral witness  
D. corroborative witnesses (1 mark)

16. While using the fraud theory approach, which one of the following statements is recommended when creating a fraud hypothesis?  
A. Assume the least damaging explanation to the organisation  
B. Avoid making assumptions until evidence collection is completed  
C. Interview the suspect before creating a hypothesis  
D. Base the hypothesis on the worst-case scenario (1 mark)

17. Which one of the following conclusions is appropriate if a fraud examiner cannot confirm a hypothesis?  
A. Amend and retest the hypothesis based on known facts  
B. Conclude that there is no fraud  
C. Shift responsibility to management for decision-making  
D. Re-open the case with a new fraud examiner (1 mark)

18. Which one of the following statements is **ACCURATE** regarding court records?  
A. Criminal filings are generally accessible to the public  
B. Juvenile records are generally open for public searching  
C. Court records are usually kept by a single national database administrator  
D. Criminal convictions are generally accessible for public search (1 mark)

19. Which one of the following statements is **NOT** accurate in regard to conditions that must be satisfied before moving from assessment questions to an admission-seeking interview?  
A. The fraud examiner should have sufficient evidence that reasonably indicates the subject's involvement in wrongdoing  
B. The fraud examiner has reasonably completed other investigative steps and gathered evidence from other sources  
C. The fraud examiner has suspicion that the respondent is being deceptive  
D. The interviewer feels he/she can reasonably control place, time and subject matter of the interview (1 mark)

20. The following are purposes of admission seeking interview, **EXCEPT** to \_\_\_\_\_.  
A. convince a confessor to sign a written statement  
B. determine who is innocent and who is guilty  
C. differentiate culpable and innocent suspects  
D. obtain a valid confession (1 mark)

21. Which one of the following statements is **NOT** a legally acceptable basis for obtaining an individual's credit record from a third-party credit reporting agency without the individual's consent?  
A. When the information is required to evaluate the individual's application for credit  
B. When the information is needed as part of entering into a contractual relationship with the individual  
C. When such information is necessary to serve public interest  
D. When the individual is under investigation for suspicion for fraud (1 mark)

22. Which one of the following factors requires particular attention when performing data analysis in the course of a fraud examination?  
A. Identification of unusual trends or recurring patterns  
B. Understanding how concealment may distort the data  
C. Reviewing totals within groups of similar transactions  
D. Addressing data entry errors such as unreadable or corrupted characters (1 mark)

23. Which one of the following statements is the **BEST** response when an interviewee says 'I am too busy' when dealing with resistance in an interview?  
A. Explain that the interview will be short and you need their help  
B. Ignore the comment and proceed to with the interview  
C. Apologise for the inconvenience and end the interview  
D. Remind them that the interview is mandatory (1 mark)

24. Which one of the following data testing techniques is **MOST** appropriate in fraud risk areas?  
A. Random sampling  
B. Repetitive testing  
C. Adhoc testing  
D. Continuous monitoring (1 mark)

25. Under which of the following circumstances can a fraud examiner accuse an innocent person of fraud without falling into legal pitfalls?  
A. When the accusation is made in front of colleagues to demonstrate the organisation's commitment to fighting fraud  
B. When the examiner has sufficient information evidence and raises the accusation is not raised in the presence of a third party  
C. When the suspect exhibits behavioural indicators of dishonesty or refuse to answer questions  
D. When management directs the examiner to confront the employee based on its belief that the individual is responsible (1 mark)

26. Which one of the following methods is **NOT** recommended for making a direct accusation in admission seeking interviews?  
A. Making the accusation in form of a statement followed by a question  
B. Using words that show the legal seriousness of the offence  
C. Phrasing the accusation as if guilt has already been established  
D. Using words that reduce the moral seriousness of the offence (1 mark)

27. Which one of the following statements is **NOT** a rationalisation technique in an admission-seeking interview?  
A. Portraying the misconduct as morally acceptable  
B. Attributing the conduct to family genuine financial difficulties  
C. Making an appeal, that the conduct was for greater need than self  
D. Showing the conduct had immaterial impact on the organisation (1 mark)

28. The primary purpose of preparing a chain of custody memorandum is to \_\_\_\_\_.  
A. document relevant evidence  
B. provide senior management with a summary of the investigation's key findings regarding evidence  
C. maintain the authenticity of the document  
D. establish the chain of events (1 mark)

29. An assignment designed to collect evidence that could be used in court of law is known as \_\_\_\_\_.  
A. forensic fraud audit  
B. fraud audit  
C. special audit  
D. internal audit (1 mark)

30. Which one of the following statements is **NOT** accurate regarding the type of information that should be included in the recommendations section of a fraud investigation report?  
A. Recommendation on what action should be taken against the suspect  
B. Recommendation on areas that require further investigations  
C. Recommendation on the preventive controls to be put in place  
D. Recommendation on the detective controls to be put in place (1 mark)

31. Which one of the following documents is **NOT** a computer-generated files that can be good sources of digital evidence?  
A. Metadata  
B. Files hidden through stenography  
C. An email  
D. Event logs (1 mark)

32. Which one of the following reasons would make an organisation stop destruction of documents as per the document retention policy?  
A. Litigation purposes  
B. Audit requirements  
C. Industry requirements  
D. Document management schedule (1 mark)

33. Which one of the following terms **BEST** refers to the use of historical data, combined with advanced techniques such as machine learning, to identify patterns and build models that help forecast future outcomes?  
A. Deep learning  
B. Descriptive analytics  
C. Robotic process automation  
D. Predictive analytics (1 mark)

34. Which one of the following statements is **NOT** a recommended method of diffusing alibis in an admission seeking interview?  
A. Referring to a witness's inconsistent statements  
B. Discussing other witnesses  
C. Displaying incriminating evidence  
D. Discussing the consequences if the interviewee refuses to cooperate (1 mark)

35. Which one of the following elements of conversation insist that interviewer needs help?  
A. Persuasion  
B. Ritual  
C. Therapy  
D. Expression (1 mark)

36. Which one of the following inhibitors of communication can **BEST** be avoided by assuring the interviewee that information will be kept confidential as possible?  
A. Repression  
B. Loss of status  
C. Trauma  
D. Disapproval (1 mark)

37. Which one of the following statements refers to the **BEST** method of avoiding ego threat in an admission seeking interview?  
A. Reducing moral seriousness of the conduct  
B. Being polite when conducting the interview  
C. Applying therapy  
D. Depersonalising the victim (1 mark)

38. Which one of the following is **NOT** forensic accounting assignment?  
A. A workplace asset misappropriation investigation  
B. A business valuation  
C. Calculation of economic losses  
D. Bankruptcy accounting (1 mark)

39. Which one of the following statements is **ACCURATE** in regard to a fraud response plan?  
A. It describes offenses and sanctions for employee conduct related to fraud  
B. It outlines procedures for detecting and preventing fraud after it has occurred  
C. It sets out policies and procedures of handling suspicions or allegations of fraud in a consistent and organised manner  
D. It is designed to ensure that evidence is collected and preserved in a legally sound manner (1 mark)

40. Which one of the following statements **BEST** explains what should be recorded in the fraud incident log?  
A. All suspicions of fraud that are currently under investigation  
B. All suspicions of fraud where investigations have been completed  
C. All suspicions of fraud that have not been investigated  
D. All suspicions of fraud, regardless of whether they are under investigation, completed, or not pursued (1 mark)

41. Which one of the following statements should a fraud examiner look at when creating the behavioral profile of a suspect for the purposes of tracing illicit transactions?  
A. The subject's spending habits  
B. The subject's income  
C. The subject's major expenditure  
D. The subject's acquired assets (1 mark)

42. Which one of the following statements **BEST** describes the primary objective of a forensic audit?  
A. To provide reasonable assurance that financial statements are free from material misstatement  
B. To collect evidence to prove or disapprove an allegation  
C. To identify weaknesses in internal controls and recommend corrective measures  
D. To collect evidence to prove an allegation (1 mark)

43. Which one of the following statements would **NOT** be a typical responsibility of a forensic accountant involved in litigation?  
A. Preparation of management accounts reports  
B. Testifying in court as an expert witness  
C. Gathering evidence for court purposes  
D. Assisting in fraud detection and prevention (1 mark)

44. Which one of the following engagements is **MOST** suitable for an organisation undergoing bankruptcy restructuring?  
A. External audit  
B. Fraud examination  
C. Forensic audit  
D. Forensic accounting (1 mark)

45. Which one of the following engagements should an organisation conduct when unusual financial transactions indicate possible fraud?  
A. Compliance audit  
B. Forensic audit  
C. Fraud audit  
D. Internal controls review (1 mark)

46. Which one of the following statements is **NOT** an example of closing question in an interview?  
A. Is there something else you would like to let me know  
B. I hope the interview was fair  
C. I believe you would not mind helping with more information later  
D. I believe you had a good reason for taking the money (1 mark)

47. Which one of the following data analysis phase is associated with determining predication?  
A. Preparation phase  
B. Planning phase  
C. Testing and analysis  
D. Response phase (1 mark)

48. Which one of the following methods is used to identify words indicative of fraud in employee's communications?  
A. Data analysis  
B. Benford analysis  
C. Horizontal analysis  
D. Textual analytics (1 mark)

49. Which one of the following data can Benford law be applied to identify unusual patterns?  
A. Telephone numbers  
B. Vendors invoice amounts  
C. Sales invoice numbers  
D. Bank account numbers (1 mark)

50. Which one of the following statements is **NOT** accurate in regard to electronic evidence?  
A. Electronic evidence can be altered or destroyed more easily than physical items  
B. If integrity of electronic evidence has been violated it can be restored with digital advanced forensic tools  
C. If electronic evidence has been overwritten it cannot be recovered even with forensic tools  
D. If electronic evidence has deleted it can be recovered using forensic tools (1 mark)

## SECTION II (50 MARKS)

51. (a) In regard to interviewing suspects, explain **TWO** objectives of each of the following questions:

(i) Introductory questions. (4 marks)

(ii) Closing questions. (4 marks)

(b) Explain **THREE** methods of reduce the moral seriousness of an offence during an interview. (6 marks)

(c) Analyse **THREE** examples of a weak denial in an admission seeking interview. (6 marks)

**(Total: 20 marks)**

52. Describe **THREE** phases of data analysis, including the steps in each phase. **(Total: 15 marks)**

53. Examine **FIVE** standards of an investigation report. **(Total: 10 marks)**

54. Identify **FIVE** pieces of information that must be obtained from a suspect after an admission of the offence. **(Total: 5 marks)**

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 21 August 2025. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions. This paper has two sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying (50) marks. Marks allocated to each question are indicated at the end of the question.

#### SECTION I (50 MARKS)

1. Which one of the following statements is **NOT ACCURATE** in regard to handling a potential interviewee's resistance?  
A. Emphasise that his assistance is needed  
B. Explain that the interview will not be difficult  
C. Explain that the interview will not be too long  
D. Insist that the interview must be conducted because it is very important (1 mark)
  
2. Which one of the following statements in regard to recording interviews is **MOST ACCURATE**?  
A. There is no jurisdiction that prohibit the electronic recording of employee interviews.  
B. Fraud examiners are always permitted to record interviews undercover  
C. Fraud examiners should document all the individual interview recordings  
D. Electronic recording can inhibit effective flow of communication (1 mark)
  
3. Which one of the following statements is **ACCURATE** in regard to obtaining additional information at the close of an interview? Interviewer should ask \_\_\_\_\_.  
A. open questions at the closing of the interview  
B. closed questions at the closing of the interview  
C. leading questions at the closing of the interview  
D. alternative questions (1 mark)
  
4. Which one of the following statements is **NOT** accurate in regard to evaluating witness's deception during an interview?  
A. The interviewer should not accuse the witness of deception even when it is obvious that they are lying  
B. An interviewer can draw a conclusion from a single obvious sign of deception  
C. An interviewer should not draw a conclusion from a single behavior even if it is obvious that they are lying  
D. An interviewer should not document an interview of a deceitful witness (1 mark)

5. In an interview, \_\_\_\_\_ helps to establish good interpersonal relationship that enhance sense of security.  
A. demonstrating interest  
B. maintaining good attitude  
C. rapport  
D. being impartial (1 mark)

6. Which one of the following questions should be asked extensively during information gathering phase of an interviewer?  
A. Closed questions designed to give a specific answer  
B. Leading questions that aim to get a positive response  
C. Assessment questions aimed at evaluating the interviewee's response  
D. None of the above (1 mark)

7. Which one of the following statements is **ACCURATE** in regard to questions in a fraud investigation interview?  
Interviewer should \_\_\_\_\_.  
A. not ask sensitive questions because it demonstrate bad attitude  
B. ask soft questions throughout the interview to avoid condemnation  
C. not ask direct accusatory question to avoid condemnation  
D. not ask open questions during an admission seeking interview until they obtain an admission (1 mark)

8. Which one of the following statements is **ACCURATE** in regard to planning an interview?  
A. Obtain sufficient evidence to establish a subject's culpability before conducting an interview  
B. Gather all available evidentiary documents and bring them to the interview  
C. Obtain enough information to establish a subject's involvement before conducting an interview  
D. Select unfamiliar and uncomfortable venue to demonstrate seriousness of the interview (1 mark)

9. Which one of the following conditions does **NOT** affect the behavioral clues that might show signs of deception?  
A. Mental illness  
B. Drugs and alcohol  
C. Cultural differences  
D. Interviewee's intelligence (1 mark)

10. In interview situations, \_\_\_\_\_ questions consist of unrelated matters and should be avoided in interviews.  
A. complex  
B. closed  
C. alternative questions  
D. double negative questions (1 mark)

11. The objective of introductory questions in a fraud investigation is to establish \_\_\_\_\_.  
A. the detailed purpose of the interview  
B. the general purpose of the interview  
C. credibility of the interviewee  
D. the specific purpose of the interview (1 mark)

12. Which one of the following statements is **NOT** a responsibility for forensic auditor or a fraud examiner in fraud examination or forensic audit?

- A. Testifying in court
- B. Assisting in the detection and prevention of fraud
- C. Assisting the organisation in responding to evidence of fraud
- D. Report writing

(1 mark)

13. Almond Jonson, a fraud examiner collects a computer hard drive as potential evidence in an investigation. He creates a record to memorise the chain of custody. Which one of the following items is not a standard requirement of chain of custody?

- A. Documenting the value of the item
- B. Where the item is maintained
- C. When the item was received
- D. From whom the item was received

(1 mark)

14. The following are primary types of evidence that forensic auditors may collect when conducting a forensic audit, **EXCEPT** \_\_\_\_\_.

- A. testimonial evidence
- B. documentary evidence
- C. digital evidence
- D. inculpatory evidence

(1 mark)

15. The first process of fraud investigation involves \_\_\_\_\_.  
A. developing a fraud theory  
B. establishing predication  
C. assembling investigation team  
D. developing a response plan

(1 mark)

16. Which one of the following statements is **NOT** accurate in regard to how management generally should respond to discovery of fraudulent activity?

- A. Conduct an assessment
- B. Preserve relevant documents
- C. Conduct an investigation
- D. Identify who should be notified

(1 mark)

17. The **LEAST** effective method of obtaining consent to examine a suspect's bank records is to obtain \_\_\_\_\_.  
A. a court order  
B. the suspect's consent  
C. the suspects' written consent  
D. a search warrant

(1 mark)

18. Which one of the following defenses would **BEST** support a law enforcement officer against an allegation of entrapment?

- A. The officer acted on the basis of suspicion of fraud
- B. The officer acted on the basis of a reliable information

C. The officer acted on the basis of routine procedure  
D. The officer action was not on malice (1 mark)

19. The following statements are accurate in regard to an admission seeking interview, **EXCEPT**, the interviewer should \_\_\_\_\_.  
A. be informal  
B. be firm  
C. avoid repression threat  
D. be very sympathetic and avoid condemnation (1 mark)

20. Which one of the following statements is **NOT** accurate in regard to writing of forensic audit reports? The forensic auditor should \_\_\_\_\_.  
A. not affix blame and presume the suspect is innocent until proven guilty  
B. affix blame as they still presume innocence until proven guilty  
C. conclude that suspect committed the offence if the facts can support the conclusion  
D. not express an opinion of guilt or innocence (1 mark)

21. Which one of the following statements is **ACCURATE** in regard to a loan as a source of funds of a suspect? Investigator should include \_\_\_\_\_.  
A. loan disbursement amount as a source of funds  
B. loan ledger amount as a source of funds  
C. the principal loan proceeds as a source of funds  
D. loan application amount as a source of funds (1 mark)

22. Which one of the following activities describes the phases associated with obtaining data for analysis?  
A. Preparation phase  
B. Planning phase  
C. Testing and analysis  
D. Response phase (1 mark)

23. The following are psychological forces of communication, **EXCEPT** \_\_\_\_\_.  
A. Competing demand for time  
B. Expression  
C. Fulfilling expectation  
D. Persuasion (1 mark)

24. Which one of the following statements is **NOT** a method of diffusing alibis?  
A. Responding to the suspects questions  
B. Showing the suspect incriminating evidence  
C. Discussing other witnesses  
D. None of the above (1 mark)

25. Which one of the following digital components can be a good source of digital evidence?  
A. Databases  
B. Events logs  
C. Harddrive  
D. Word documents (1 mark)

26. Which one of the following statements is **ACCURATE** in regard to the recommendation section of an investigation report? The recommendation section should include \_\_\_\_\_.  
A. the summary of the evidence  
B. advise on actions to be taken based on the evidence collected  
C. other areas that require further investigation  
D. what legal action should be taken (1 mark)

27. Which one of the following statements is **ACCURATE** in regard to preparing a machine for analysis? A fraud examiner \_\_\_\_\_.  
A. should not collect evidence from a running machine but rather do a hard shut down  
B. cannot collect evidence of temporary files directly from a running machine  
C. should do graceful shut down of temporary files that might be sources of evidence  
D. should always do graceful shut of the computer to protect the integrity of the data (1 mark)

28. Which one of the following statements **BEST** describe the methods of interrupting denials?  
A. Warning the suspects about the deception  
B. Reasoning with the suspect  
C. Trying to reason with the suspect  
D. Asking an alternative question (1 mark)

29. Which one of the following analytics methods is used to look for words that are indicative of rationalisation or commit fraud?  
A. Vertical analysis  
B. Benford analysis  
C. Horizontal analysis  
D. None of the above (1 mark)

30. Which one of the following numbers is an example of natural numbers?  
A. Telephone numbers  
B. Customers bank deposit amounts  
C. Sales invoice numbers  
D. Bank account numbers (1 mark)

31. Which one of the following statements is **ACCURATE** in regard to conducting an interview in the presence of a third party? The interviewer should \_\_\_\_\_.  
A. not conduct the interview in the presence of a third party  
B. conduct the interview only with presence of a colleague  
C. not allow an interviewee's representative in the interview  
D. not conduct the interview in the presence of a third party under any circumstances (1 mark)

32. Which one of the following statements **BEST** describe why an interviewer should ask a question where the answer can either be yes or no?  
A. To confirm already known facts  
B. To confirm specific facts  
C. To stimulate a conversation  
D. To control the desired answer (1 mark)

33. Which one of the following statements is **ACCURATE** in regard to fraud issues and fraud allegations?  
A. Fraud allegations are predication that fraud has occurred  
B. Fraud issues are the facts in issue being investigated  
C. Fraud allegations and issues are the facts in issue being investigated  
D. Fraud issues involve discovery of evidence and fraud evidence collected (1 mark)

34. Which one of the following statements is **ACCURATE** in regard to the methodology of forensic audit? Forensic audit is a methodology of resolving fraud \_\_\_\_\_.  
A. allegations from inception to disposition  
B. issues from inception to disposition  
C. allegations from inception  
D. evidence from inception to disposition (1 mark)

35. Which one of the following statements is **ACCURATE** in regard to how management should respond to evidence of fraud?  
A. Ask the investigator's opinion on what action should be taken  
B. Preserve relevant documents  
C. Identify who should be informed  
D. Respond in accordance with the fraud response plan policy (1 mark)

36. Which one of the following statements is **ACCURATE** in regard to forensic audits and fraud examination?  
A. The objective of forensic audit and fraud examination is not the same  
B. Forensic audit is a special audit conducted to determine if fraud has occurred  
C. One of the functions of a forensic audit is to establish compliance with organisation's policies  
D. The objective of forensic audit and fraud examination is collect evidence to prove or disapprove an allegation (1 mark)

37. Which one of the following types of evidence describes a written statement provided by an expert witness?  
A. Testimonial evidence  
B. Exhibit evidence  
C. Expert opinion  
D. circumstantial evidence (1 mark)

38. Which one of the following statements is **ACCURATE** in regard to forensic audits engagements?  
A. A forensic audit should be conducted only on the basis of any suspicion  
B. The objective of a forensic audit is only one, to collect evidence to prove or disapprove the alleged offence  
C. A forensic audit has several objectives based on the terms of reference  
D. The objective of a forensic audit is to collect evidence to prove an allegation of fraud (1 mark)

39. Which one of the following statements is **ACCURATE** in regard to objective of forensic audit and forensic accounting?  
A. The objective of all forensic audits is to collect evidence that can be used in a court of law  
B. The objective of all forensic accounting is to collect evidence that can be used in a court of law

C. The objective of all forensic audits is to collect evidence to prove that an offence was committed  
D. The objective of all forensic accounting is to collect evidence that can be used to express an opinion  
(1 mark)

40. The following engagement objectives is used to collect evidence to prove or disapprove an allegation, **EXCEPT**

A. Forensic fraud audit  
B. Special audit  
C. Fraud examination  
D. Fraud investigation  
(1 mark)

41. Which one of the following statements is **NOT** functions of forensic accounting for court purposes?

A. Assisting in fraud prevention  
B. Testifying in court as an expert witness  
C. Collecting evidence to prove an alleged accounting related fraud  
D. Collecting evidence to prove or disapprove an alleged accounting related fraud  
(1 mark)

42. Which one of the following statements is **INCORRECT** with regard to forensic accountants?

A. Do not need to have good knowledge of laws related to fraud but rather good knowledge of company law  
B. Must have good knowledge of anti- fraud controls  
C. Have good investigation reporting skills  
D. Must have good interviewing skills  
(1 mark)

43. Which one of the following audits **BEST** describes the assignment an organisation should conduct ~~after~~ determining that fraud has occurred?

A. Fraud audit  
B. Forensic audit  
C. Special audit  
D. Surprise audit  
(1 mark)

44. An appropriate assignment that should be conducted by a major potential investor is known as \_\_\_\_\_.

A. forensic accounting  
B. forensic audit  
C. external audit  
D. financial accounting  
(1 mark)

45. Which one of the following assessments **BEST** describes the assignment an organisation should conduct after identifying red flags of fraud?

A. Fraud audit  
B. Forensic audit  
C. Special audit  
D. Internal controls review  
(1 mark)

46. Which one of the following tasks **BEST** describes an assignment an organisation should conduct on area evaluated as a high fraud risk?

A. Fraud audit  
B. Forensic audit  
C. Special audit  
D. Process review  
(1 mark)

47. The following are functions of a forensic audit, **EXCEPT** \_\_\_\_\_.

- A. resolving fraud issues
- B. resolving fraud allegations
- C. documenting findings
- D. litigation support

(1 mark)

48. Which one of the following techniques should an interviewer **NOT** apply when trying to obtain an admission?

- A. Give the suspect a justification for their misconduct
- B. Directly accuse the suspect for fraud
- C. Directly accusing the suspect of engaging in an illegal offence
- D. Directly accusing the suspect of engaging in an immoral behaviour

(1 mark)

49. Which one of the following statements is **NOT ACCURATE** in regard to integrity of digital evidence?

- A. Digital evidence can be altered or destroyed more easily than tangible information
- B. If integrity of digital evidence has been violated, it can be restored with digital forensic tools
- C. If integrity of digital evidence has been violated it cannot be restored with digital forensic tools
- D. Digital evidence must be properly authenticated to conform the integrity of the evidence

(1 mark)

50. Which one of the following search strings will yield the **BEST** result using a basic search engine to search for mortgage fraud?

- A. Mortgage-fraud
- B. "Mortgage fraud"
- C. \*Mortgage fraud
- D. Mortgage OR fraud

(1 mark)

## SECTION II (50 MARKS)

51. Explain the following in regard to forensic audit/fraud examination:

- (a) **FIVE** objectives of a forensic audit/fraud examination engagement. (5 marks)
- (b) **FIVE** functions of a forensic audit/fraud examination. (5 marks)
- (c) Forensic audit engagement. (5 marks)
- (d) **FIVE** differences between a forensic audit report and an expert witness report/statement. (5 marks)

**(Total: 20 marks)**

52. Explain the following admission seeking interview techniques:

- (a) How to distinguish an innocent and a guilty person in an admission seeking interview. (5 marks)
- (b) How to reason with a suspect during admission seeking interview. (5 marks)
- (c) How to avoid trying to reason with a suspect during an admission seeking interview. (5 marks)

**(Total: 15 marks)**

53. (a) Explain **THREE** social psychological barriers of communication that must be avoided in interviews. (6 marks)

(b) Explain **TWO** social psychological forces of communication that need to be applied in interviews. (4 marks)

**(Total: 10 marks)**

54. Identify **FIVE** characteristics of a suspect's signs of deception during an admission seeking interview. (Total: 5 marks)

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## **CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)**

### **MODULE TWO**

#### **PLANNING AND CONDUCTING FORMAL INVESTIGATIONS**

##### **PILOT PAPER**

**MARCH 2025.**

**Time Allowed: 3 hours.**

**Answer ALL questions. This paper has two Sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying fifty (50) marks. Marks allocated to each question are indicated at the end of the question.**

#### **SECTION I (50 MARKS)**

1. Which one of the following statements is **ACCURATE** in regard to accuracy in forensic audit report writing?
  - A. The credibility of a forensic audit report can only be affected by material inaccuracies
  - B. The credibility of an examination report cannot be affected by immaterial inaccuracies
  - C. The credibility of an examination report can be affected by both material and immaterial inaccuracies
  - D. The credibility of an examination report cannot affect the admissibility of the documented evidence

(1 mark)

**ANSWER: C**

2. Which one of the following statements is **NOT** correct in regard to the difference and similarities of forensic audit and fraud investigations?
  - A. Forensic audit or fraud investigations are identical because the purpose of both assignments is to collect evidence to prove or disapprove an allegation
  - B. The terms forensic audit, fraud investigations, or examinations can be used inter-changeably because the objectives of the assignments are the same
  - C. Forensic audit differs from fraud investigations because forensic audit is a type of a special audit conducted to collect more information and details, while fraud investigations are conducted to collect evidence that can be used in a court of law
  - D. An auditor cannot conduct a good fraud forensic audit without a formal training and experience in fraud investigation

(1 mark)

**ANSWER: C**

3. Which one of the following statement is **NOT** accurate in regard to fraud and corruption investigations interviews?
  - A. Most of the fraud and corruption activities are off the book, therefore the investigator may have to get information from people
  - B. In most fraud and corruption cases information and evidence is not in the books but with the people
  - C. Most of the fraud and corruption cases the investigator may have to get physical evidence from the suspect
  - D. None of the above

(1 mark)

**ANSWER: D**

4. Which one of the following statements **BEST** describe the effects of a double-negative question in fraud investigations interviews?
  - A. The response to a double-negative question is usually the desired one
  - B. A double-negative question is usually effective in eliciting information
  - C. A double-negative question is usually effective in obtaining an admission
  - D. Double negative questions is always straight forward

(1 mark)

**ANSWER: A**

5. Which one of the following statements is **ACCURATE** in regard to the contents of the introduction/ background section of a forensic audit report?

- A. The introduction/background section should include all the objectives of the forensic audit
- B. The introduction/background section should include the main objective of the audit, which is to prove or disapprove the allegations
- C. The introduction/background section should include a summary of the findings of the forensic audit
- D. The introduction/background section should include the scope of the audit

(1 mark)

**ANSWER: B**

6. Which one of the following statements is **ACCURATE** in regard to closing questions?

- A. The interviewer should ask closed questions extensively in closing questions
- B. The interviewer should ask open-ended questions extensively in closing questions
- C. The interviewer should ask narrative questions extensively in closing questions
- D. The interviewer should ask hypothetical questions extensively in closing questions

(1 mark)

**ANSWER: A**

7. Which one of the following statements is **MOST** accurate in regard to a professional fraud investigation interview?

- A. The interviewer should be formal and firm
- B. The interviewer should record the interview to ensure that he does not forget any important information provided during the interview
- C. The interviewer should be informal but firm
- D. The interviewer should be formal and friendly

(1 mark)

**ANSWER: C**

8. Which one of the following statements **BEST** describes the method of tracing illicit funds by comparing a suspect's major expenditures, and assets acquired with the suspect's known legitimate sources of funds?

- A. Expenditures method
- B. Bank deposit analysis method
- C. Net worth analysis method
- D. Asset method

(1 mark)

**ANSWER: C**

9. Which one of the following statements is **NOT** accurate in regard to mechanics of an interview?

- A. The Interviewer should avoid taking a lot of notes during an interview
- B. The interviewer should not record the interviewee without their consent
- C. The interviewer should document the interview as soon as possible after the interview
- D. None of the above

(1 mark)

**ANSWER: D**

10. Which one of the following is an element of conversation that the interviewer must apply during a structured conversation interview?

- A. Sympathetic understanding
- B. Recognition
- C. Rationalisation
- D. Information exchange

(1 mark)

**ANSWER: D**

11. Which one of the following statements is **ACCURATE** in regard to seizing a computer for forensic examination?

- A. When a forensic investigator is seizing a running computer, he should be concerned about the integrity of the data which might be affected by the way the computer is shut down
- B. When a forensic investigator is seizing a running computer, he should be concerned about the confidentiality of the data which might be affected by the way the computer is shut down
- C. When a forensic investigator is seizing a running computer, he should be concerned about the security of the data which might be affected by the way the computer is shut down
- D. None of the above

(1 mark)

**ANSWER: A**

12. Which one of the following statements is **NOT** one of the explanations a suspect is likely to give in regard to questionable sources of income?

- A. That the extra funds are gifts from his friends and relatives living abroad
- B. That the extra funds are from an inheritance
- C. That the extra funds are proceeds of sale of family property
- D. That the extra funds are gifts by suppliers and contractors

(1 mark)

**ANSWER: D**

13. Which one of the following statements is **ACCURATE** in regard to the investigator's ability to accurately observe behavioral clues of an intelligent suspect?

- A. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because they are confident in misleading the investigator by using professional jargon
- B. It is easy for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because he/she would experience a lot of inner tension when caught in their fraudulent activities
- C. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect who have experience in engaging in fraudulent activities, because they are familiar with such interviews and therefore they cannot experience stress during interviews
- D. None of the above

(1 mark)

**ANSWER: B**

14. Which one of the following methods **BEST** describe circumstantial evidence to prove illicit funds that has caused the net worth to increase?

- A. The expenditures method
- B. The Assets method
- C. Net worth analysis method
- D. None of the above

(1 mark)

**ANSWER: B**

15. Which one of the following **BEST** describes the interviewing technique where the interviewer appeals to interviewee by indicating that what they did was for greater good?

- A. Sympathetic understanding
- B. Altruism
- C. Recognition
- D. Relationships

(1 mark)

**ANSWER: B**

16. Which one of the following statements is **ACCURATE** in regard to preparing an organisation for a formal fraud investigation?

- A. Inform all the managers in the organisation that a fraud investigation has been commissioned and they are expected to cooperate with the investigators
- B. Do not inform legal counsel at the beginning of the investigation, but can call upon him/her if faced with complex legal issues
- C. Inform management and employees to make sure you get cooperation from everyone whose assistance may be required
- D. None of the above

(1 mark)

**ANSWER: D**

17. Which one of the following statements is **ACCURATE** in regard to limitation of conducting a public database search online?

- A. Information from online databases can fully be relied on in terms of accuracy and currency
- B. Online public records searches are not limited in the area they cover, therefore the fraud examiners do not need to search multiple jurisdictions
- C. Online coverage of public records is similar in all jurisdiction
- D. None of the above

(1 mark)

**ANSWER: D**

18. Diana, a Certified Fraud Examiner, is conducting an admission-seeking interview of Don, a fraud suspect. Diana asks Don: "Didn't you know that taking the organisation's money without permission is wrong?" Which one of the following **BEST** describes this type of question?

- A. Controlled ANSWER: technique
- B. Alternative question
- C. Accusatory question
- D. None of the above

(1 mark)

**ANSWER: D**

19. Which one of the following statements is **ACCURATE** in regard to data mining?

- A. Data mining is an effective method of collecting digital evidence.
- B. Data mining is the art of searching large volumes of data for patterns
- C. Data mining can be used to modify raw data into understandable patterns
- D. None of the above

(1 mark)

**ANSWER: D**

20. Which one of the following statements is **ACCURATE** in regard to the volatility of digital evidence?

- A. Digital evidence is not as volatile as tangible evidence because data cannot be altered or destroyed easily like tangible documents
- B. Once the integrity of digital evidence has been violated through alteration or destruction, it can be easily restored using special forensic tools
- C. Admissibility of digital evidence is more stringent than that of tangible evidence
- D. None of the above

(1 mark)

**ANSWER: D**

21. Which one of the following statements is **NOT** accurate in regard to audit, investigations or forensic audit?

- A. Audits are conducted on a regular basis while forensic audits or fraud examinations are conducted on the basis of sufficient predication
- B. Audits are general examination of financial data, while forensic audits and fraud investigations are conducted to resolve specific allegations
- C. The objective of a forensic audit or fraud examination is to affix blame, while the objective of an audit is to express an opinion
- D. The presumption of a forensic audit or fraud examination is proof, to prove the allegations of fraud, while that of an audit is professional skepticism

(1 mark)

**ANSWER: D**

22. Which one of the following is a data analysis tool that can be effective in conducting money laundering investigations?

- A. Link Analysis
- B. Benford Law
- C. Textual Analysis
- D. Link Diagram

(1 mark)

**ANSWER: A**

23. Which one of the following questions **BEST** describes the first question an interviewer should ask after the introduction of an admission seeking interview?

- A. Accusatory question
- B. Alternative question
- C. Assessment question
- D. Open ended question

(1 mark)

**ANSWER: A**

24. Which one of the following is the fraud examiner's primary concern data analysis phase?

- A. To protect disclosure of the evidence
- B. To Protect the availability of evidence
- C. To Protect the confidentiality of the evidence
- D. None of the above

(1 mark)

**ANSWER: D**

25. Which one of the following statements is a good example of an accusatory question?

- A. You are the payables accountant right?
- B. Did you take the money because you wanted extra money or you had an emergency?
- C. Didn't you know that what you were doing is not right?
- D. None of the above

(1 mark)

**ANSWER: D**

26. When a fraud examiner is documenting the findings of a fraud investigation, the fraud examiner **CANNOT** express an opinion on which of the following areas?

- A. Whether the entity's financial transactions were recorded in accordance with accounting standards
- B. The effectiveness of the organisation's internal controls
- C. The responsibility for the suspect on the alleged matters
- D. The liability of the suspect

(1 mark)

**ANSWER: D**

27. Which one of the following is **NOT** an objective of conducting textual analytics in fraud investigation?

- A. To identify red flags of employees through their communications
- B. To reveal patterns, sentiments, and red flags of fraud
- C. To use unstructured data to identify red flags of fraud
- D. To detect any deficiencies in the internal control system

(1 mark)

**ANSWER: D**

28. Which one of the following statements is **NOT** accurate in regard to the introductory phase of a forensic audit interview?

- A. In a forensic audit interview, it is the responsibility of the interviewer to establish rapport
- B. In a forensic audit interview it is the responsibility for the interviewer to establish the specific purpose of the interview
- C. In a forensic audit interview it is the responsibility for the interviewer to establish the purpose of the interview in general but not the specifics
- D. In a forensic audit interview, it is the responsibility for the interviewer to make sure that they get commitment for assistance from the suspect

(1 mark)

**ANSWER: B**

29. Which one of the following statements is **NOT** accurate in regard to forensic audits?

- A. Every forensic audit should begin with the assumption that the case will end in court
- B. Forensic audit is a methodology of resolving fraud issues from inception to disposition
- C. A forensic audit should be approached from the perspective, that fraud has occurred, and collect evidence to prove the allegations
- D. The conclusion of a forensic audit, should be clear as to whether the suspect committed the offence or not

(1 mark)

**ANSWER: C**

30. A public officer is accused of engaging in bribery in the course of his duty. During an admission-seeking interview of the officer, the investigator states: "This is a big organisation with a lot of resources. The funds you took are not significant and would not affect the finances of the organisation Is that right?" This interviewing technique is known as:

- A. Diffusing Alibi
- B. Depersonalisation
- C. Altruistic appeals
- D. Rationalisation

(1 mark)

**ANSWER: B**

31. Pollyne is a Certified Fraud Examiner. She conducted an admission-seeking interview of Peace, a fraud suspect. Pollyne helps Peace to justify her fraudulent activities by establishing a theme that she did not get a promotion that she well deserved and that is why she engaged in the fraudulent activity out of frustration. Peace refused to accept this theory. How should purity proceed?

- A. Ask another question
- B. Ask an open-ended question
- C. Ask an alternative question
- D. Introduce another reason

(1 mark)

**ANSWER: D**

32. Which one of the following is the **BEST** method of acquiring digital evidence for investigation purposes?

- A. Imaging the hard drive to acquire the data in its original form, i.e. date stamps
- B. Printing the evidence record
- C. Acquiring the digital evidence from the suspect
- D. None of the above

(1 mark)

**ANSWER: A**

33. Which one of the following statements refers to a common method used by fraudsters to conceal illegally acquired assets?

- A. Placing assets in probate
- B. Selling the assets
- C. Transferring assets
- D. All the above

(1 mark)

**ANSWER: C**

34. Which one of the following pieces of information should an interviewer not obtain from a suspect?

- A. The approximate date when Stacie received the loan
- B. Any items acquired with proceeds of the loan
- C. Excuses that she did not know that the loan was a bribe
- D. Moral excuses why she received the offer

(1 mark)

**ANSWER: C**

35. Which one of the following statement is **ACCURATE** in regard to a well-written fraud investigation report?

- A. The report should include technical professional language to demonstrate the investigator's expertise on the subject matter
- B. The report must be partial to ensure emphasis of the evidence to prove the allegations
- C. The report should not mention individuals
- D. The report must be impartial, based on the facts, whether they prove or disapprove the allegations

(1 mark)

**ANSWER: D**

36. Link Analysis is particularly useful when investigating which type of fraud scheme?

- A. Bribery
- B. Cash Skimming
- C. Fraudulent payments to shell companies
- D. Embezzlement

(1 mark)

**ANSWER: C**

37. Which one of the following loan amounts should an investigator use to establish the amount of loan received?

- A. Loan proceeds
- B. Book loan amount
- C. Principal and interest amount
- D. Principal loan

(1 mark)

**ANSWER: A**

38. Which one of the following statements is a step in the planning phase of the data analysis process?

- A. Normalising and cleansing data
- B. Identifying relevant data
- C. Verifying data
- D. Determining predication

(1 mark)

**ANSWER: D**

39. It is general knowledge that when fraud suspects decide to confess, they tend to do one of the following as a way of releasing inner tension of their guilt and dishonest actions. Which one of the following statements **BEST** describe that tendency?

- A. Provide a lower estimate of the amount of funds defrauded
- B. Provide accurate number of incidences
- C. Provide exact number of other individuals involved
- D. Provide an accurate estimate of the amount of funds defrauded

(1 mark)

**ANSWER: A**

40. During an admission-seeking interview Ted accuses a suspect of committing fraud. The suspect denies the accusation. Which one of the following methods should Ted **NOT** do to interrupt the denials?

- A. Reason with the suspect
- B. Discuss the inconsistent statements made by the suspect
- C. Try to reason with the suspect
- D. Make an accusatory statement followed by an accusatory question

(1 mark)

**ANSWER: C**

41. Which one of the following is **NOT** one of those computer-generated files?

- A. Application logs
- B. Events logs
- C. System logs
- D. Word documents

(1 mark)

**ANSWER: D**

42. Which one of the following statements is **ACCURATE** in regard to fraud investigation reports?

- A. The conclusion part of the report should include the summary of the evidence
- B. The conclusion part of the report should include the recommendations on actions to be taken based on the evidence collected
- C. The recommendation part of the report should include recommendation on the actions to be taken based on the evidence collected
- D. The scope section of the investigation should include all the terms of reference

(1 mark)

**ANSWER: A**

43. Which one of the following is **NOT** a step a fraud examiner should consider before starting to conduct a computer investigation?

- A. Whether there is a need to notify law enforcement
- B. Running through the data to look for evidence
- C. If there is need to engage an outside digital forensic expert
- D. None of the above

(1 mark)

**ANSWER: B**

44. Which one of the following statements is **ACCURATE** in regard to volatility of digital evidence?

- A. Integrity of digital evidence if violated through manipulation or destruction can be restored using forensic tools
- B. Digital evidence is more volatile than tangible evidence because data can be easily altered and destroyed
- C. Failure to preserve the integrity of the digital evidence could result to evidence being inadmissible in a court of law
- D. Tangible evidence is more volatile than digital evidence because data cannot be easily altered and destroyed

(1 mark)

**ANSWER: B**

45. Which one of the following statements is **NOT** a reaction expected from a culpable person when directly accused by an interviewer?

- A. Weak denials
- B. Responding to the questions with a question
- C. Over respectful
- D. Be very angry when directly accused

(1 mark)

**ANSWER: D**

46. Which one of the following terminologies would be indicative of pressure to commit fraud?

- A. Deadline
- B. Deserve
- C. Write off
- D. None of the above

(1 mark)

**ANSWER: A**

47. Which one of the following statements is an example of natural number that can be used by Benford law?

- A. Telephone numbers
- B. Vendors invoice numbers
- C. Sales invoice numbers
- D. All the above

(1 mark)

**ANSWER: B**

48. Which one of the following terminologies is indicative of rationalisation to commit fraud that can be identified by textual analytics?

- A. Override
- B. Write off
- C. Entitled
- D. All the above

(1 mark)

**ANSWER: C**

49. Violet is an accountant at ABC Corp. She is a fraud suspect, and is scheduled for an admission-seeking interview. She arrived at the interview with his manager, and insisted that she wants the manager to be present in the interview. What should the interviewer do under the circumstances?

- A. The interviewer should not conduct the interview
- B. The interviewer should conduct the interview
- C. The interviewer should not allow the manager into the interview
- D. The interviewer should allow the manager into the interview

(1 mark)

**ANSWER: A**

50. Which one of the following statements is **ACCURATE** in regard to closed questions in investigations professional interviews?

- A. They are worded in a way that the respondent can ANSWER: “yes” or “no”.
- B. They are worded in a way that the witness be able to make an admission
- C. They are worded in a way that the witness will be able to provide more information
- D. They are worded in a way that will maintain goodwill

(1 mark)

**ANSWER: A**

## **SECTION II (50 MARKS)**

51. Explain contents of the following sections of a fraud investigation report:

- (a) Introduction. (5 marks)
- (b) Scope. (5 marks)
- (c) Recommendation. (5 marks)
- (d) Conclusion. (5 marks)

**(Total: 20 marks)**

52. Citing relevant example in each case, identify **FIVE** questions that are used during information gathering interview. **(Total: 15 marks)**

53. Explain **FIVE** differences between a “forensic audit” and “an audit”. **(Total: 10 marks)**

54. Identify **FIVE** characteristics of a good interview. **(Total: 5 marks)**

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

FRIDAY: 25 April 2025. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions. This paper has two sections. SECTION I consists of fifty (50) Multiple Choice Questions carrying fifty (50) marks. SECTION II has four (4) structured questions carrying (50) marks. Marks allocated to each question are indicated at the end of the question.

#### SECTION I (50 MARKS)

1. Which one of the following statements is **ACCURATE** in regard to closed questions?
  - A. Closed questions and leading questions are the same because that they are aimed at confirming facts
  - B. Closed questions deal with specifics, like amounts and time
  - C. Closed questions should be asked extensively during information gathering
  - D. Closed questions are asked in a way that the answer can only be yes(1 mark)
  
2. Which one of the following statements is **NOT** accurate in regard to forensic audit and forensic accounting?
  - A. Forensic accounting engagements requires team members with advanced accounting knowledge and skills
  - B. Forensic audits are conducted with assumption that it will end up in court
  - C. Not all forensic accounting engagements are conducted for court purposes
  - D. Some forensic accounting engagements are conducted for court purposes(1 mark)
  
3. Which one of the following statements is **NOT** accurate in regard to forensic fraud audit interviews?
  - A. Forensic audit interview is a method of collecting information and evidence
  - B. Forensic audit interviews should be conducted on the basis of sufficient predication
  - C. Forensic audit interviews should start by interviewing neutral witnesses
  - D. The purpose of a forensic audit interview is to conclude if fraud occurred or not(1 mark)
  
4. Which one of the following questions **BEST** describes a question that stimulates communication?
  - A. Open ended question
  - B. Narrative questions
  - C. Leading question
  - D. Closed questions(1 mark)
  
5. Which one of the following statements is **ACCURATE** in regard to the functions of a fraud investigation or a forensic audit?
  - A. Producing documents in court
  - B. Primary responsibility for fraud detection and prevention of fraud
  - C. Determining the suspect's liability
  - D. Determining the suspect's responsibility for the alleged offence(1 mark)

6. Which one of the following statements is **ACCURATE** in regard to the conclusion of forensic audit report?

- A. The forensic auditor must conclude if fraud occurred or not
- B. The forensic auditor should avoid mentioning individual's names in the report
- C. The forensic auditor should support their conclusion by sufficient information
- D. The forensic auditor must conclude that that fraud occurred

(1 mark)

7. Which one of the following statements is **ACCURATE** in regard to when an interviewer should ask an open question during the closing of an interview?

- A. The interviewer should ask open questions to request for additional information
- B. The interviewer should ask open questions to maintain goodwill
- C. The interviewer should ask open questions to confirm acts
- D. The interviewer should ask open questions to get commitment for assistance

(1 mark)

8. Which one of the following questions is the **BEST** to ask for purposes of maintaining goodwill with the interviewee?

- A. "I believe the interview was fair," "is that so?"
- B. "I believe the interview was not hard," "is that so?"
- C. "I believe you enjoyed the interview," "is that so?"
- D. "I believe you are fine now," "is that ok?"

(1 mark)

9. Which one of the following statements **BEST** describes the method of tracing illicit funds by examining the suspect's books and records?

- A. Direct method
- B. Bank deposit analysis method
- C. Indirect method
- D. Asset method

(1 mark)

10. Which one of the following statements is **ACCURATE** in regard to the interviewer taking written down questions to an interview of a witness?

- A. The interviewer will display bad attitude because of the past pacing of questioning
- B. The interviewer will look organised
- C. The interview will be successful because the interviewer will not forget important points
- D. The interviewer will display good attitude because he will be asking predetermined relevant questions

(1 mark)

11. Which one of the following statements **BEST** describes information exchange by an interviewer during an admission seeking interview?

- A. "I have evidence that you committed the offence"
- B. "I can try to imagine how bad you are feeling about what happened"
- C. "What reason did you have for engaging in such a misconduct"
- D. "I hope you are remorseful about what you did"

(1 mark)

12. Which one of the following statements is **ACCURATE** in regard to how management should respond to suspicion of fraudulent activities?

- A. Conducting an inquiry
- B. Assemble an investigation team
- C. Identify who is responsible
- D. Commission an investigation immediately

(1 mark)

13. Which one of the following statements is **NOT** one of the primary types of evidence that fraud examiners might collect during an investigation?  
A. Testimonial evidence  
B. Exhibits evidence  
C. Digital evidence  
D. Incriminating evidence (1 mark)

14. Which one of the following statements is **ACCURATE** in regard to the interview of a professional suspect of fraud?  
A. It is very hard for a professional suspect to make an admission  
B. It is not possible for a professional suspect to make an admission even if the interviewer is skilled in conducting admission seeking interviews  
C. Professional suspects feel very vulnerable when caught and are likely to make an admission to a skilled interviewer  
D. A professional who is guilty is likely to make very strong denials when directly accused (1 mark)

15. Which one of the following terminologies **BEST** describes the interviewing technique that appeals to the suspect to admit to fraudulent activity for a bigger reason than self-interest?  
A. Rationalisation  
B. Altruism  
C. Extrinsic rewards  
D. Depersonalisation (1 mark)

16. Which one of the following statements is **ACCURATE** in regard to public online database as a source of information?  
A. Information from online databases can fully be relied on in terms of accuracy and currency  
B. Online public records searches are not limited in the area they cover, therefore the fraud examiners do not need to search multiple jurisdictions  
C. Online coverage of public records is similar in all jurisdictions  
D. They contain a wide range of resources such as scholarly articles, research papers and e-books (1 mark)

17. Which one of the following questions should an interviewer **NOT** ask during admission seeking interview until the suspect has made a confession?  
A. Accusatory question  
B. Open question  
C. Alternative question  
D. None of the above (1 mark)

18. Which one of the following statements is **NOT** accurate in regard to digital evidence?  
A. Digital evidence must be properly authenticated to be admissible in a court of law  
B. Unlike tangible evidence, there is no requirement for the digital evidence to be authenticated  
C. Imaging the hard drive and obtaining a copy of the data helps to preserve the integrity of the data  
D. Printing a digital file may affect the integrity of the data (1 mark)

19. Which one of the following statements is **NOT** accurate in regard to presumption of audit and forensic audit?  
A. Presumption of audit is to assume that something is wrong  
B. Presumption of forensic audit is proof  
C. Presumption of an audit is to collect audit evidence to relax the skepticism  
D. Presumption of an audit is final to all parties (1 mark)

20. Data analysis tools that can be effective in demonstrating evidence of shell companies is known as \_\_\_\_\_.  
A. link analysis  
B. benford law  
C. textual analysis  
D. link diagram (1 mark)

21. Which one of the following statements **BEST** describes the statement that should follow after the introduction of an admission seeking interview?  
A. Accusatory statement  
B. Benchmark statement  
C. Controlled answer statement  
D. Open ended question (1 mark)

22. A fraud examiner's greatest concern in digital forensics is to \_\_\_\_\_.  
A. protect disclosure of the evidence  
B. protect the availability of evidence  
C. protect the confidentiality of the evidence  
D. protect unavailability of evidence (1 mark)

23. Which one of the following is a good example of a question that should be asked immediately after the introduction of a suspect interview?  
A. "You are the receivable accountant right?"  
B. "Did you take the money because you wanted extra money or you had an emergency?"  
C. "Didn't you know that what you were doing is not right?"  
D. "You took the money; why did you do that?" (1 mark)

24. Which one of the following statements **BEST** describes the conclusion section of a forensic audit or investigation report?  
A. I conclude that Mr. Jones made fraudulent disbursements and the basis of my conclusion is the following evidence, exhibits, circumstantial evidence and testimonial evidence  
B. I conclude that the organisation take disciplinary measures against Jones based on the evidence I collected  
C. I conclude that there is a likelihood that Mr. Jones made fraudulent disbursements based on the evidence I collected  
D. I found and conclude that the finance department made fraudulent disbursements (1 mark)

25. Which one of the following statements is **NOT** accurate in regard to the difference between data analysis and textual analytics in fraud investigation?  
A. Textual analytics use unstructured data  
B. Textual analytics use structured data  
C. Textual analytics identify words that are indicative of fraud  
D. None of the above (1 mark)

26. Which one of the following statements is **NOT** accurate in regard to the interviewer's responsibility during the introductory phase?  
A. The interviewer has the responsibility of setting the right tone of the interview  
B. The interviewer should be formal and firm to ensure the success of the interview  
C. The interviewer should make sure that they get commitment for assistance from the suspect  
D. The interviewer should not give the specific reason for the interview (1 mark)

27. Which one of the following statements is **ACCURATE** in regard to forensic audits perspective approach?  
A. A forensic audit should be approached from two perspectives, that fraud occurred or did not occur  
B. A forensic audit should be approached from the perspective that fraud occurred  
C. A forensic audit should be approached from the perspective that fraud did not occur  
D. A forensic audit should be prepared by any professional (1 mark)

28. Which one of the following statements describes diffusing alibis during an interview?  
A. Diffusing alibis involves interrupting denials  
B. Diffusing alibis involves rationalising the suspects misconduct  
C. Diffusing alibis involves making altruistic appeals to the suspect  
D. Diffusing alibis involves trying to reason with the suspect (1 mark)

29. Which one of the following statements is a common method fraudsters use to hide assets acquired with proceeds of corruption?  
A. Placing assets in probate  
B. Selling the assets  
C. Transferring assets  
D. None of the above (1 mark)

30. Which one of the following statements is **NOT** accurate in regard to what an interviewer can do to obtain an admission?  
A. The interviewer can allow the suspect to make excuses why they engaged in the misconduct  
B. The interviewer should show compassion when interviewing a suspect  
C. The interviewer should avoid condemnation by not making direct accusation  
D. The interviewer should not allow the suspect to say that they did not know what they did was wrong (1 mark)

31. Which one of the following statements is **NOT** accurate in regard to common mistakes that investigators make when writing reports?  
A. Expressing opinions by trying to interpret the facts  
B. Including facts that are not relevant to the facts in issue  
C. Including facts from unreliable sources  
D. Concluding that fraud occurred or did not occur (1 mark)

32. Which one of the following loan amounts should be used in developing a financial profile?  
A. Loan proceeds  
B. Book loan amount  
C. Principal loan  
D. Principal and interest amount (1 mark)

33. Which one of the following statements is **NOT** a step in the preparation phase of the data analysis process?  
A. Normalising and cleansing data  
B. Identifying relevant data  
C. Verifying data  
D. None of the above (1 mark)

34. Which one of the following terminologies is **NOT** a psychological barrier of communication?  
A. Competing  
B. Repression  
C. Persuasion  
D. Deduction (1 mark)

35. Which one of the following statements **BEST** describes “Trying to reason with the suspect” which an interviewer should avoid doing?  
A. Responding to the suspect's questions  
B. Showing the suspect incriminating evidence  
C. Discussing other witnesses  
D. Discussing previous inconsistent statements (1 mark)

36. Which one of the following logs is **NOT** a computer-generated file that can be used as evidence?  
A. Application logs  
B. Events logs  
C. System logs  
D. Word logs (1 mark)

37. Which one of the following statements is **ACCURATE** in regard to the conclusion of an investigation report?  
A. The conclusion part of the report should include the summary of the evidence  
B. The conclusion part of the report should include the recommendations on actions to be taken based on the evidence collected  
C. The conclusion part of the report should document other areas that require further investigation  
D. None of the above (1 mark)

38. Which one of the following statements is **ACCURATE** in regard to the circumstances that a fraud examiner can collect evidence from a running computer?  
A. A fraud examiner should not collect evidence from a running machine but rather do a hard shut down  
B. A fraud examiner can collect evidence of temporary files directly from a running machine  
C. A fraud examiner should do graceful shut down of temporary files that might be sources of evidence  
D. None of the above (1 mark)

39. Which one of the following questions does **NOT** describe a weak denial in response to an accusatory question?  
A. Why do you think I would do that?  
B. Do you have evidence?  
C. Who told you?  
D. Must it be me? (1 mark)

40. When an examiner is using textual analysis to look for words indicative of fraud, which one of the following words would be indicative of situational pressure to commit fraud?  
A. Deadline  
B. Deserve  
C. Targets  
D. All the above (1 mark)

41. Which one of the following statements is an example of numbers that can be applied on the Benford analysis?  
A. Telephone numbers  
B. Vendors invoice amounts  
C. Sales invoice numbers  
D. All the above (1 mark)

42. Which one of the following statements is **ACCURATE** in regard to conducting an interview in the presence of the interviewee's advocate?  
A. The interviewer should not conduct the interview  
B. The interviewer should conduct the interview  
C. The interviewer should not allow the advocate into the interview  
D. None of the above (1 mark)

43. Which one of the following statements is **ACCURATE** in regard to closed questions in closing questions?  
A. They are worded in a way that the respondent can answer "yes" or "no"  
B. They are worded in a way that the respondent can only answer "yes"  
C. They are worded in a way that the respondent can only answer "No"  
D. They are worded in a way that will help elicit more information (1 mark)

44. Which one of the following statements is **ACCURATE** in regard to fraud investigation?  
A. A method for collecting evidence to prove allegations  
B. It is a methodology for resolving fraud allegation from inception to disposition by proving the alleged facts  
C. It is a methodology for resolving fraud issues from inception to disposition  
D. None of the above (1 mark)

45. Which one of the following statements is **ACCURATE** in regard to the basis upon which a fraud examination is undertaken?  
A. Fraud examination is undertaken on the basis of sufficient suspicion that fraud has occurred  
B. Fraud examination is undertaken on the basis of sufficient evidence that fraud has occurred  
C. Fraud examination is undertaken on the basis of sufficient evidence that fraud did not occur  
D. Fraud examination is undertaken on the basis of sufficient evidence that fraud could have occurred or not occurred (1 mark)

46. Which one of the following statements is **NOT** accurate in regard to how management should respond to tips of fraudulent activities?  
A. Conduct an initial inquiry  
B. Preserve relevant documents  
C. Identify who should be informed  
D. Conduct an investigation as fast as possible (1 mark)

47. Which one of the following statements is **NOT** accurate in regard to considerations to take into account about the disposal of evidence following the conclusion of a forensic audit?  
A. The requirements in an organisation's document retention policy  
B. The personal information about suspects or witnesses documented in the evidence  
C. Legal issues related to litigation  
D. None of the above (1 mark)

48. Which one of the following statements is **NOT** a reason for observing signs of deception in interviewees?  
A. To warn the interviewee not to be deceitful  
B. To quickly conclude the interview  
C. To discard the information  
D. None of the above (1 mark)

49. Which one of the following types of evidence **BEST** describe a written statement provided by a witness?  
A. Testimonial evidence  
B. Exhibit evidence  
C. Real evidence  
D. Documentary evidence (1 mark)

50. Which one of the following statements is **NOT** accurate in regard to forensic audits engagements?  
A. A forensic auditor must have good understanding of the laws related to fraud and corruption to be able to identify what law has been violated  
B. A forensic auditor must have good knowledge of the rules of evidence  
C. A forensic auditor must have good interviewing skills  
D. A forensic auditor must have good knowledge of accounting and audit (1 mark)

## SECTION II (50 MARKS)

51. Explain the following in the context of forensic audit:  
(a) Expert report. (5 marks)  
(b) Objective of a forensic audit report. (5 marks)  
(c) Contents of a recommendation in a report. (5 marks)  
(d) Contents of a conclusion in a report. (5 marks)  
**(Total: 20 marks)**

52. Explain the following statements in regard to interviewing a suspect:  
(a) Two questions used in admission interviews. (6 marks)  
(b) Three techniques used during admission seeking interview. (9 marks)  
**(Total: 15 marks)**

53. Describe **FIVE** stages of digital forensic investigations. **(Total: 10 marks)**

54. Identify **FIVE** characteristics of a good forensic interviewer. **(Total: 5 marks)**

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 5 December 2024. Morning Paper.

Time Allowed: 3 hours.

This paper consists of one hundred (100) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated one (1) mark.

1. Which one of the following statements is **NOT** accurate in regard to fraud investigations report writing standards?
  - A. The report must be free of material inaccuracies
  - B. The report must be free of any inaccuracies
  - C. The investigator must know that defence side will discover the report and make note of any inaccuracies
  - D. Immaterial inaccuracies would affect the credibility of the investigation report (1 mark)
  
2. Which one of the following statement is **NOT** accurate in regard to forensic audit and fraud investigations assignments?
  - A. Forensic audit and fraud investigations are the same because, the purpose of both assignments is to collect evidence to prove or disapprove an allegation
  - B. The terms forensic audit and fraud investigations can be used inter-changeably because the objectives of the assignments are the same
  - C. Forensic audit is a type of a specialised audit conducted to collect more information and details, while fraud investigations are conducted to collect evidence that can be used in a court of law
  - D. An auditor cannot conduct a good fraud forensic audit without a formal training and experience in fraud investigation (1 mark)
  
3. Which one of the following statements is **NOT** accurate in regard to fraud and corruption professional interviews?
  - A. Most of the fraud and corrupt activities are off the book, therefore the investigator must have good interpersonal skill to elicit information
  - B. In most fraud and corruption cases information and evidence is not in the books, so the investigator has to get the information from witnesses
  - C. In fraud and corruption cases the investigator may have to get exhibits from the suspect
  - D. Professional interviewing is a question answer session (1 mark)
  
4. Which one of the following statements is **ACCURATE** in regard to response to double negative questions?
  - A. The response to a double-negative question usually is, "I did not know"
  - B. The response to a double-negative question is usually, "I had an emergency"
  - C. A double-negative question is usually effective in obtaining a benchmark admission
  - D. The response to a double-negative question is usually, "do you have evidence" (1 mark)

5. The background section of a forensic audit report should include \_\_\_\_\_.  
A. all the purposes of the forensic audit  
B. the main objective of the audit, which is to prove or disapprove the allegations  
C. a summary of the findings of the forensic audit  
D. the scope of the audit (1 mark)

6. Which one of the following statements is **ACCURATE** in regard to closing questions?  
A. The interviewer should ask closed questions more in closing questions  
B. The interviewer should ask open-ended questions extensively in closing questions  
C. The interviewer should ask narrative questions extensively in closing questions  
D. The interviewer should ask accusatory questions in closing questions (1 mark)

7. Which one of the following statements is **NOT** accurate in regard to the characteristics of a professional interviewer in fraud investigations?  
A. The interviewer should be formal but firm  
B. The interviewer should be a good listener  
C. The interviewer should be compassionate  
D. The interviewer should display good attitude (1 mark)

8. Which one of the following techniques is an effective method of tracing illicit funds by comparing a suspect's major expenditures and assets acquired with the suspect's unknown sources of funds?  
A. Expenditures method  
B. Bank deposit analysis method  
C. Net worth analysis method  
D. Asset method (1 mark)

9. Which one of the following statements is **NOT** accurate in regard to mechanics of a professional interview?  
A. The Interviewer should avoid having a colleague in the interview  
B. The interviewer should not record the interviewee without his/her consent  
C. The interviewer should document the interview as soon as possible after the interview  
D. The Interviewer should bring an assistant to the interview to take notes (1 mark)

10. Which one of the following actions is an element of conversation that makes the interview a structured conversation?  
A. Persuasion  
B. Recognition  
C. Information exchange  
D. Rationalisation (1 mark)

11. Which of the following statements is **ACCURATE** to the main concern of digital forensic investigations?  
A. When a forensic investigator is seizing a running computer, he should be concerned about the integrity  
B. When a forensic investigator is seizing a running computer, he should be concerned about the confidentiality of the data  
C. When a forensic investigator is seizing a running computer, he should be concerned about the security of the data  
D. When a forensic investigator is seizing a running computer, he should be concerned about the availability of the data (1 mark)

12. Which one of the following statements is **NOT** accurate in regard to a suspect's response when confronted with questions about unexplained income?  
A. The extra funds are gifts from his wealthy relatives  
B. The extra funds are from inheritance  
C. The extra funds are from the sale of a property  
D. The extra funds are gifts from suppliers and contractors (1 mark)

13. Which one of the following statements is **NOT** accurate in regard to ability to observe behavioral clues of professional suspect?  
A. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect like a finance officer  
B. It is easy for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because he/she would experience a lot of inner tension when caught in their fraudulent activities  
C. It is not hard for an interviewer to accurately, observe behavioral clues of an intelligent suspect who have experience in engaging in fraudulent activities, because they will still experience stress  
D. The ability to observe behavioral clues of an intelligent and non-intelligent individuals is not the same (1 mark)

14. Which one of the following methods is **NOT** used in tracing illicit funds indirectly?  
A. The expenditures method  
B. The Assets method  
C. Net worth analysis method  
D. Analysis of books and records (1 mark)

15. Which one of the following **BEST** describes the interviewing technique of making the suspect feel they did not act with selfish motives?  
A. Sympathetic understanding  
B. Altruism appeals  
C. Recognition  
D. Interrogation (1 mark)

16. Which one of the following statements is **ACCURATE** in relation to public database search online?  
A. Information from online databases cannot be completely relied on in terms of accuracy and currency  
B. Online public records searches are not limited in the area they cover therefore, the fraud examiners do not need to search multiple jurisdictions  
C. Online coverage of public records is similar in all jurisdiction  
D. None of the above (1 mark)

17. The following questions should be used on suspects, **EXCEPT** \_\_\_\_\_.  
A. leading questions  
B. alternative question  
C. accusatory question  
D. double negative question (1 mark)

18. Which one of the following terms describes the science of searching large volumes of data for patterns?  
A. Data mining  
B. Data analysis  
C. Data classification  
D. Data management (1 mark)

19. Which one of the following statements is **ACCURATE** in regard to digital evidence?

- A. Digital evidence is not as volatile as tangible evidence because data cannot be altered or destroyed easily like tangible documents
- B. Once the integrity of digital evidence has been violated through alteration or destruction, it can be easily restored using special forensic tools
- C. Admissibility of digital evidence is more stringent than that of tangible evidence
- D. Once the integrity of digital evidence has been violated through alteration or destruction, it cannot be restored using special forensic tools

(1 mark)

20. Which one of the following statements is **NOT** accurate in regard to audit and forensic audit?

- A. Audits are recurring
- B. Audits are general examination of financial data
- C. The objective of a forensic audit or fraud investigation is to affix blame
- D. The presumption of a forensic audit is to establish the guilt of the suspect

(1 mark)

21. Which one of the following is a data analysis tool that be effective in creating visual aid of complex transactions?

- A. Link Analysis
- B. Benford Law
- C. Textual Analysis
- D. Link Net Diagram

(1 mark)

22. Which one of the following **BEST** describes the first type of question to be asked in the introductory phase of suspect?

- A. Ritualistic questions
- B. Open questions
- C. Accusatory questions
- D. Leading questions

(1 mark)

23. Which one of the following statements is **MOST** accurate in regard to data analysis?

- A. To protect the availability of evidence
- B. To protect the confidentiality of the evidence
- C. To protect the integrity of the data
- D. To protect data against modification

(1 mark)

24. Which one of the following questions is a good example of a closed question?

- A. “You are the payroll accountant, is that right?”
- B. Did you take the money because you wanted extra money or you had an emergency?
- C. Didn’t you know that what you were doing is not right?
- D. You took the money without permission, why did you do that?

(1 mark)

25. Which one of the following statements is an example of a leading question?

- A. “You advanced yourself with the company’s money, why did you do that?”
- B. Did you detect misappropriation of funds scheme?
- C. Didn’t you know what you were doing was wrong?
- D. Did you take the money because you wanted extra money or you had big problem?

(1 mark)

26. A fraud examiner **CANNOT** express an opinion on \_\_\_\_\_.  
A. whether the entity's financial transactions were recorded in accordance with accounting standards  
B. the effectiveness of the organisation's internal controls  
C. the responsibility for the suspect in relation to the alleged matters  
D. the liability of the suspect in relation to the alleged matters (1 mark)

27. Which one of the statements following is **NOT** an objective of textual analytics?  
A. To identify red flags  
B. To reveal patterns  
C. To use unstructured data to identify red flags of fraud  
D. To use structured data to identify red flags of fraud (1 mark)

28. Which one of the following statements is **NOT** accurate in regard to the first phase of a forensic audit interview?  
A. In a forensic audit interview, it is the responsibility of the interviewer to establish rapport  
B. In a forensic audit interview, it is the responsibility for the interviewer to establish the specific purpose of the interview  
C. In a forensic audit interview, it is the responsibility for the interviewer to establish the purpose of the interview  
D. In a forensic audit interview, it is the responsibility for the interviewer to make sure that they get commitment (1 mark)

29. Which one of the following statements is **NOT** accurate in regard to forensic audits assignments?  
A. Every forensic audit should begin with the assumption that the case will end in court  
B. Forensic audit is a methodology of resolving fraud issues from inception to disposition  
C. A forensic audit should be approached from the perspective that fraud has occurred  
D. The forensic audit should be conclusive if fraud has occurred or not (1 mark)

30. "This is a big organisation with a lot of resources" This interviewing technique helps to achieve which one of the following?  
A. Diffusing Alibi and interrupt the suspect's excuses  
B. Reducing condemnation of the suspect  
C. Making altruistic appeals  
D. Give the suspect recognition (1 mark)

31. Which one of the following statements is the **BEST** method of acquiring digital evidence to maintain the integrity of the data?  
A. Imaging the hard drive  
B. Printing the evidence record  
C. Acquiring the digital evidence using forensic tools  
D. Imaging the files (1 mark)

32. Which one of the following statements is the **BEST** method of handling the additional information?  
A. Omit the information  
B. Destroy the old statement and write another one to include the information omitted  
C. Add another statement to the earlier statement  
D. Add the information on the old statement (1 mark)

33. Which one of the following statements is the most common method of hiding illegally acquired assets?  
A. Placing assets in a trust  
B. Selling the assets  
C. Transferring assets  
D. Under valuation of assets (1 mark)

34. Which one of the following pieces of information does a fraud examiner need **NOT** to obtain from the suspect in regard to a loan?  
A. The approximate date when the suspect received the loan  
B. Any items acquired with proceeds of the loan  
C. Excuses that she did not know that the loan was a bribe  
D. Excuses of why she accepted the offer (1 mark)

35. Which one of the following statements is **ACCURATE** in regard to a good fraud investigation report?  
A. The report should include expertise language  
B. The report must be partial to ensure emphasis of the evidence  
C. The report should not affix blame  
D. The report must be impartial (1 mark)

36. Link analysis is particularly useful when investigating which type of fraud scheme?  
A. Conflict of interest  
B. Cash skimming  
C. Money laundering  
D. Embezzlement (1 mark)

37. Which one of the following loan amounts should be included in the suspect's financial profile?  
A. Loan proceeds  
B. Book loan amount  
C. Principal and interest amount  
D. Principal loan (1 mark)

38. Which one of the following steps is **NOT** part of the preparation phase of data analysis?  
A. Normalising and cleansing data  
B. Identifying relevant data  
C. Verifying data  
D. Identifying potential frauds (1 mark)

39. Which one of the following statements is **ACCURATE** in regard to information usually provided an investigation subject?  
A. Provides very understated amount of funds misappropriated  
B. Provides accurate number of incidences  
C. Provides information about the other accomplices  
D. Provides an approximate amount of funds misappropriated (1 mark)

40. Which one of the following methods of interrupt the denials is **NOT** recommended in admission seeking interview?  
A. Reason with the suspect  
B. Discuss other witnesses  
C. Respond to the suspect questions  
D. Make a direct accusation (1 mark)

41. Which one of the following files is not generated by the user and can be good source of digital evidence?  
A. Application logs  
B. Database files  
C. Emails  
D. Word document (1 mark)

42. Which one of the following statements is **ACCURATE** in regard to contents of fraud investigation reports?  
A. The scope of the investigation should be specific to the allegations  
B. The conclusion part of the report should include the recommendations on actions to be taken  
C. The recommendation part of the report should include the response to the evidence collected  
D. The scope of the investigation should include all the fraudulent activities (1 mark)

43. Which one of the following statements is **NOT** a recommended step for preparing to conduct digital forensics?  
A. Consider if it necessary to notify law enforcement  
B. Acquire the digital evidence live to ensure data is not deleted  
C. Consider if there is need to engage an outside digital forensic expert  
D. Consider the digital forensic expert required for the engagement (1 mark)

44. Which one of the following statements is **NOT** accurate in regard to the nature of digital evidence as opposed to tangible?  
A. Integrity of digital evidence should be handled carefully because once destroyed cannot be restored and therefore not admissible in a court of law  
B. Digital evidence is more volatile than tangible evidence because data can be easily altered and destroyed  
C. Tangible evidence is more volatile than digital evidence because data cannot be easily altered and destroyed  
D. The integrity of the data will be questioned even because of the date stamp (1 mark)

45. Which one of the following statements is a reaction of an innocent person?  
A. Weak denials  
B. Responding to questions with a question  
C. Over respectful  
D. Gets very angry when directly accused (1 mark)

46. Which one of the following words retrieved through textual analytics is a red flag of pressure to commit fraud?  
A. Deadline  
B. Deserve  
C. Write off  
D. Entitled (1 mark)

47. Which one of the following statements is of natural number that can be analysed using the Benford law?  
A. Telephone numbers  
B. Customers deposit amounts  
C. Sales invoice numbers  
D. Check numbers (1 mark)

48. Textual analytics can be applied to identify words that are indicative of justification to commit fraud. Which one of the following is an example of such words?  
A. Override  
B. Write off  
C. Deserve  
D. Deadlines (1 mark)

49. Which one of the following statements is the **BEST** course of action if a suspect insists on having a representative during an interview?  
A. The interviewer should not conduct the interview  
B. The interviewer should conduct the interview  
C. The interviewer should not allow the representative into the interview  
D. The interviewer should allow the representative into the interview (1 mark)

50. Which one of the following types of questions should be used extensively to elicit information from witnesses?  
A. Narrative questions  
B. Leading questions  
C. Open ended questions  
D. Closed question (1 mark)

51. Which one of the following is **NOT** an excuse that should be included in a signed admission statement?  
A. “I did not mean to do it”  
B. “I didn’t do it”  
C. “I didn’t mean to cause any inconveniences”  
D. “I didn’t know it was wrong” (1 mark)

52. Which one of the following terms is **NOT** a characteristic of the means that a fraudster would be used to conceal assets?  
A. Accessibility  
B. Security  
C. Liquidity  
D. Transparency (1 mark)

53. Which one of the following statements **BEST** describes international cooperation in prosecution?  
A. A letter in which a judge in one country orders the government in another country to release a defendant from jail  
B. A formal request by the government of a country seeking information from a defendant residing in another country  
C. A formal request by the courts of one country seeking judicial assistance from the courts of another country  
D. A letter whereby a criminal defendant requests that the government release exculpatory information (1 mark)

54. A Certified Forensic Fraud Examiner is conducting an interview of an employee. The fraud examiner asks: " Why did you take the organisation funds without permission?" At what phase should this question be asked?  
A. Introduction phase  
B. Information gathering phase  
C. Admission seeking phase  
D. Assessment phase (1 mark)

55. Which one of the following pieces of information can an interviewer document in a suspect's written statement?  
A. Excuse that the conduct was a mistake  
B. Only the exact number of instances, dates and amounts involved  
C. That the suspect did not know that the conduct was wrong  
D. That the suspect had a good reason for engaging in the wrong conduct (1 mark)

56. Which one of the following statements is **NOT** a challenge of cloud digital forensics?  
A. Lack of frameworks and specialist tools  
B. Accessibility of information  
C. Lack of data control  
D. Security of the data (1 mark)

57. Which one of the following statements is **NOT** accurate in regard to employees' rights during investigations?  
A. Employees should be issued with a search policy before the organisation can conduct searches on employees' personal smart phones  
B. Employees have a right of privacy to information on their personal smart phones brought to workplace  
C. Generally, employees have reasonable expectation of privacy if they have not been informed of searches  
D. Employees have no right of privacy to information on their personal smart phones brought to workplace (1 mark)

58. Which one of the following statements is **NOT** accurate in regard to the types of files that a computer forensics expert typically can recover from computer systems?  
A. Computer forensics specialists can recover time and date information about files  
B. Computer forensics specialists can recover deleted documents  
C. Computer forensics specialists can recover information about websites visited  
D. Computer forensics specialists can recover overwritten documents (1 mark)

59. A forensic auditor is conducting textual analytics on an email message and runs a keyword search using the terms like override. These words are indicative of which one of the following fraud risk?  
A. Pressure  
B. Capability  
C. Opportunity  
D. Rationalisation (1 mark)

60. Which one of the following statements is **NOT** an example of a data analysis function that can be performed to detect fraud through an examination of the general ledger?  
A. Identify overstated salaries  
B. Analyse and confirm specific ledger accounts for legitimate transaction activity  
C. Calculate financial ratios  
D. Calculate budget and actual variances (1 mark)

61. Njenga Ltd. is a real estate company. The director noticed that the paint expenses have increased drastically from the previous year. The company had less business during the year. Which one of the following data analysis functions would be **MOST** useful in helping the director determine if cost of the paint is proportionate to the houses painted?

- A. Comparison analysis
- B. Data Analysis
- C. Correlation analysis
- D. Compliance verification

(1 mark)

62. An email message can be **BEST** categorised as \_\_\_\_\_.

- A. structured data
- B. unstructured data
- C. documentary data
- D. natural data

(1 mark)

63. Which one of the following steps is included in the preparation phase of the data analysis process?

- A. Determining examination objectives
- B. Obtaining data
- C. Determining whether predication exists
- D. Analysing data

(1 mark)

64. Which one of the following statements is a recommended method of dealing with difficult interviewees?

- A. Make it difficult for the witness to say “no”
- B. Make it difficult for the witness to say “yes”
- C. Disarm the witness by agreeing with his/her points where possible
- D. Reacting firmly to the witness hostile behavior

(1 mark)

65. Which one of the following statements **BEST** describes the social psychological inhibitor to communication where the respondent is unable to generalise a concrete experience?

- A. Inferential confusion
- B. Induction confusion
- C. Repression confusion
- D. Trauma confusion

(1 mark)

66. Which one of the following statements is an ideal time to ask admission-seeking questions?

- A. When the interviewer believes there is a reasonable possibility that the suspect committed the offence
- B. When all investigative steps and sources have not been exhausted
- C. When the time, place and subject matter discussed can be controlled by the suspect
- D. When all investigative steps and sources of information have been exhausted

(1 mark)

67. Which one of the following terms should an investigator avoid in fraud forensic reports?

- A. Clear and precise
- B. Being impartial
- C. Clear conclusions
- D. Opinions

(1 mark)

68. Which one of the following statements is **NOT** accurate in regard to Link Analysis tool and investigations?  
A. Link analysis summary can be presented in court as additional evidence  
B. Link analysis can be presented in court as demonstrative evidence  
C. Link analysis cannot be presented in court as real evidence  
D. Link analysis cannot be presented in court as direct evidence (1 mark)

69. Which one of the following statements is **NOT** a step of data analysis in the planning phase?  
A. Building a profile of potential frauds  
B. Establishing predication  
C. Verifying data  
D. Understanding the data (1 mark)

70. Which one of the following is a recommended method for obtaining bank records from a suspect after a confession?  
A. Obtain an oral authorisation for the release of the bank records  
B. Request the subject to bring the bank records to the investigator's office  
C. Obtain a written authorisation from the suspect to obtain the bank records  
D. Convince the suspect to surrender the banks statements (1 mark)

71. Which one of the following information is generally **NOT** available in developing background information for hiring purposes?  
A. Criminal court records searches  
B. Bankruptcy records searches  
C. Tax records  
D. Public records (1 mark)

72. Which one of the following statements is **NOT** a best practice for obtaining an admission?  
A. Avoid condemnation while conducting the interview of the suspect  
B. Maximise sympathy and avoid condemnation  
C. Minimise compassion and be objective  
D. Conduct the interview in an informal and firm manner (1 mark)

73. Which one of the following methods is **NOT** a recommended practice for organising evidence?  
A. Segregating documents by transaction  
B. Filing all the documents chronologically  
C. Filling the documents per event or transaction  
D. None of the above (1 mark)

74. A fraud examiner should forward a fraud case file to the prosecution when the investigator has collected  
A. relevant and admissible evidence  
B. good amount of evidence  
C. all the documents related to the facts in issue  
D. sufficient information from the witnesses (1 mark)

75. If a Certified Fraud Examiner is conducting an interview of a suspect and he becomes uncomfortable with the sensitive nature of the questions, which one of the following statements **BEST** describe what the interviewer should do to make sure the conversation goes on?

- A. Ask double positive questions
- B. Ask alternative questions
- C. Ask hypothetical questions
- D. Ask general questions at that point

(1 mark)

76. Which one of the following statements is **ACCURATE** in regard to closed questions in professional interviews?

- A. They are worded in a way that the respondent can answer “yes” or “no”
- B. They are worded in a way that the witness be able to make an admission
- C. They are worded in a way that the witness will be able to provide more information
- D. They are worded in a way that will maintain goodwill

(1 mark)

77. The terms induction and deduction are associated with which social psychological barrier that impede communication?

- A. Chronological confusion
- B. Inferential confusion
- C. Trauma confusion
- D. Hypothetical confusion

(1 mark)

78. Which one of the following is **NOT** an objective of introductory questions of a structured interview conversation?

- A. To establish the purpose of the interview
- B. To establish the credibility of the witness before proceeding with the interview
- C. To request for assistance
- D. To establish rapport

(1 mark)

79. Which one of the following files **BEST** describes the suspect file that is subject to investigation?

- A. Secondary file
- B. Primary file
- C. Subject file
- D. Suspect file

(1 mark)

80. Which one of the following statements is **NOT** accurate in regard to interviews practices?

- A. The interviewer should establish the objective of the interview
- B. The interviewer should ensure that he is able to control the interview
- C. The interviewer should not prepare a list of questions to be able to conduct the interview quickly without wasting time
- D. The interviewer should be informal

(1 mark)

81. Which one of the following statements is **NOT** accurate in regard to computer generated meta data?

- A. Metadata information can help determine who edited the document
- B. Metadata information can help determine when a document was created
- C. Metadata is a user created file which can be a good source of digital evidence
- D. Metadata is a computer-generated file which can be a good source of digital evidence

(1 mark)

82. Which one of the following statements is **ACCURATE** in regard to mutual legal assistance (MLA)?  
A. A formal request by the government of a country seeking information from a defendant residing in another country  
B. Mutual legal assistance can only be requested for criminal trials  
C. Mutual legal assistance is a legal requirement for countries that have entered into the mutual legal assistance therefore, legal assistance must be granted  
D. Mutual legal assistance can only be requested for both criminal and civil trials (1 mark)

83. Which one of the following is a method of using software to search for key words from unstructured data?  
A. Imaging the data  
B. Data analytics  
C. Textual analytics  
D. Data mining (1 mark)

84. Which one of the following witness should be interviewed just before the suspect?  
A. A person with information of the alleged offence, but is not a beneficiary of the offence  
B. A person who is directly or indirectly involved in the offence  
C. A person who has more detailed information about the alleged offence, and is not a beneficiary of the offence  
D. The main subject of the alleged offence (1 mark)

85. Which one of the following statements is **NOT** accurate in regard to closing questions in an interview?  
A. The purpose of closing questions is to observe any deceptive clues  
B. The purpose of closing questions is to confirm facts  
C. Closing questions are also designed to maintain goodwill  
D. The purpose of closing questions is to gather more information (1 mark)

86. Which one of the following statements is **NOT** a recommended procedure for protecting a fraud investigation's case information?  
A. Store all confidential documents in locked file cabinets or rooms  
B. Avoid discussing about the investigation in public or in any place where other employees could hear the communications  
C. Use of electronic means to transmit confidential case information  
D. Avoid sharing investigation results with the subjects (1 mark)

87. Which one of the following statements is **ACCURATE** in regard to the wording of leading closing questions?  
A. They are worded in a way that makes it difficult for the respondent to answer "yes" or "no"  
B. They are worded in a way that, the witness can only answer "yes" or "no"  
C. They are worded in a way that the respondent can only answer "yes"  
D. They are worded in a way that makes it difficult for the respondent to answer "no" (1 mark)

88. Which one of the following witness should be interviewed after all the other witnesses?  
A. A person with information of the alleged offence but is not a beneficiary of the offence  
B. A person who is directly or indirectly involved in the offence  
C. A person who has more detailed information about the alleged offence and is not a beneficiary of the offence  
D. The main suspect of the alleged offence (1 mark)

89. Which one of the following roles describes the function in data analysis software to join two files with same information to look for any exceptions?  
A. Multi-file processing function  
B. Data analysis  
C. Join function  
D. Textual analytics (1 mark)

90. Which one of the following statements is **ACCURATE** in regard to sources of information that can be obtained from court records?  
A. There are multiple databases that contain a comprehensive database of court documents from all court cases in every country  
B. In most countries, court records are not public records and require judicial authorisation to access  
C. When searching for records for a particular court case, a fraud examiner need only to search the central/federal court records as they serve as a repository for all cases heard at all court levels  
D. In most countries, reliable court records are best obtained from the court where the case was heard or filed (1 mark)

91. Which one of the following is a facilitator of communication that makes the interviewee not to perceive condemnation?  
A. Rationalisation  
B. Sympathetic understanding  
C. Altruism appeals  
D. Recognition (1 mark)

92. Which one of the following statements is a method of tracing illicit funds by comparing bank deposits with the suspect's known legitimate income when records and books are not available?  
A. Expenditures method  
B. Net worth analysis method  
C. Indirect bank analysis method  
D. Direct bank analysis method (1 mark)

93. Which one of the following statements is **NOT** a recommended mechanic of conducting an interview to ensure the accurate recording?  
A. The interviewer should avoid recording the interview to ensure the success of the interview  
B. The interviewer should record the interview to ensure the information accurately captured  
C. The interviewer should accord the interviewee privacy  
D. The interviewer should conduct one on one interview, to ensure the success of the interview (1 mark)

94. Which one of the following actions is **NOT** an element that must be observed during professional interviews?  
A. Therapy  
B. Expression of ideas and moods  
C. Information exchange  
D. Recognition (1 mark)

95. Which one of the following statements is **ACCURATE** in preserving computers for investigation?

- A. When a forensic investigator is seizing a running computer for investigations, he should not retrieve data from the computer under any circumstances
- B. When a forensic investigator is seizing a running computer, he should not use the graceful shut down process to protect the integrity of the data
- C. When a forensic investigator is seizing a running computer, he should use the hard shut down process to protect the integrity of the data
- D. When a forensic investigator is seizing a running computer for investigations, he should not retrieve any data at all

(1 mark)

96. Which one of the following statements is **ACCURATE** in regard to response by an interviewee to an alternative question?

- A. The interviewee is likely to make an unconscious admission in response to an alternative question
- B. An interviewee is unlikely to make a benchmark admission in response to an alternative question
- C. An Interviewee is unlikely to respond to the alternative question
- D. An Interviewee is unlikely to respond to any of the questions

(1 mark)

97. Which one of the following words should an interviewer avoid during a fraud investigation interview of a suspect?

- A. Investigations
- B. Review
- C. Enquiry
- D. Evaluation

(1 mark)

98. Which one of the following individual would be more suitable to be the lead investigator in a financial statement fraud investigation?

- A. The head of the investigation
- B. The chief executive officer
- C. The financial accountant
- D. The internal auditor

(1 mark)

99. Which one of the following statements is **NOT** accurate in regard to accusatory questions?

- A. Accusatory question should be asked after confirming facts with the suspect
- B. Accusatory question should be asked after the introduction phase
- C. Accusatory question should be asked to separate an innocent person from a guilty one
- D. Accusatory question should be asked after exhausting all other investigative steps

(1 mark)

100. Which one of the following statements is **ACCURATE** in regard to the approach of a forensic audit?

- A. Forensic audits should be approached from two perspectives to prove or disapprove the alleged facts in issue
- B. Forensic audits should be approached from one perspective to prove the alleged facts in issue
- C. Forensic audit is aimed at detailed information of the alleged facts in issue
- D. Forensic audit is a methodology of resolving fraud issues of inception to litigation

(1 mark)



## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 22 August 2024. Morning Paper.

Time Allowed: 3 hours.

This paper consists of one hundred (100) Multiple Choice Questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated one (1) mark.

1. Which one of the following statements is **NOT** accurate in regard to the introduction phase of an admission seeking interview?
  - A. The introduction phase sets the tone of the interview which can be positive or negative
  - B. The investigator should establish the purpose of the interview during the introduction phase
  - C. During the introduction phase of an admission seeking interview, the investigator should ask closed questions
  - D. During the introduction phase of an admission seeking interview, the investigator should ask alternative questions(1 mark)
2. Which one of the following is **ACCURATE** in regard to professional interviewing?
  - A. Professional interviewing is a question and answer session
  - B. The interviewer must observe the elements of conversation, avoid inhibitors of conversation and apply facilitators of communication to enable a successful interview
  - C. The interviewer must observe the interviewees' verbal sign of deception
  - D. The interviewer must be formal(1 mark)
3. Which one of the following is a method of tracing illicit funds by comparing major expenditure with a suspect's known legitimate income?
  - A. Bank deposit analysis method
  - B. Net worth analysis method
  - C. Asset method
  - D. Expenditure method(1 mark)
4. The following statements are recommended mechanics of interviewing, **EXCEPT** \_\_\_\_\_.
  - A. conducting one on one interview
  - B. recording the interview without the interviewees consent
  - C. displaying interest by maintaining eye contact
  - D. preparing questions in advance to ask during the interview(1 mark)
5. Which one of the following actions refers to an element of conversation that is essential in conducting interviews, to convince a witness that the interviewer need help?
  - A. Ritualistic
  - B. Building trust
  - C. Recognition
  - D. Information exchange(1 mark)

6. Which one of the following statements is **ACCURATE** in regard to preparing computers, for investigation?

- A. When a forensic investigator is seizing a running computer for examination, he can retrieve data from the computer directly via its normal interface if the evidence needed can easily be deleted
- B. When a forensic investigator is seizing a running computer, he should do a graceful shut down
- C. When a forensic investigator is seizing a computer that is shut down, they should open and review files needed
- D. All the above

(1 mark)

7. Which one of the following statements is **ACCURATE** in regard to an interview of an organisation's chief executive officer?

- A. The intelligence level of an interview subject like an executive officer, has no effect on an interviewers' ability to accurately observe behavioral clues during an interview
- B. An intelligent individual, like a chief executive officer will usually not show any stress when being deceptive
- C. An intelligent person like an executive officer, is more vulnerable, when being interviewed for an alleged offence, it is easier to accurately observe behavioral
- D. The chief executive officer is likely to give confidential information as soon as they are requested without seeking for further clarification

(1 mark)

8. Which one of the following is an interview technique that makes a suspect feel good that a fraudulent action was not for selfish reasons but for a higher value?

- A. Rationalisation
- B. Sympathetic understanding
- C. Altruistic appeals
- D. Diffusing Alibi

(1 mark)

9. Which one of the following actions should **NOT** be done by an investigator when about to commence a formal forensic audit?

- A. Inform the managers of the employees who will be involved in the investigation
- B. Inform the organisation's legal counsel when the investigation is about to commence
- C. Inform management that the investigation is about to begin
- D. Inform the whole organisation to ensure you get cooperation from everyone whose assistance may be required

(1 mark)

10. Which one of the following statements is **NOT** accurate in regard to challenges of conducting a public database search online?

- A. Information from online databases are current
- B. Online public records searches are limited
- C. Online coverage of public records varies widely from jurisdiction to jurisdiction
- D. Information from online databases are not always accurate

(1 mark)

11. Which one of the following terms **BEST** describes the response that an interviewer is likely to get from an alternative question?

- A. Admission
- B. Strong denial
- C. Weak denial
- D. Benchmark admission

(1 mark)

12. Which one of the following statements is **ACCURATE** in regard to data mining?

- A. Data mining is an effective way for fraud examiners to develop fraud targets for further investigation
- B. Data mining is an art of searching large volumes of data for patterns
- C. Data mining can be used to streamline bad data into understandable patterns
- D. None of the above

(1 mark)

13. Which of the following statements is **NOT** accurate in regard to volatility of digital evidence?

- A. Digital evidence is not as volatile as tangible evidence
- B. Once the integrity of digital evidence has been violated through alteration, it can be restored using forensic tools
- C. Failure to preserve the integrity of digital evidence, would not, result in evidence being inadmissible, if the data has been restored
- D. None of the above

(1 mark)

14. Which one of the following types of questions should an interviewer ask after diffusing alibi?  
A. Accusatory question  
B. Alternative question  
C. Double negative questions  
D. Derogative question (1 mark)

15. Which one of the following questions should an investigator ask after the introduction of an admission seeking interview?  
A. Accusatory question  
B. Open ended question  
C. Alternative question  
D. Leading question (1 mark)

16. Which one of the following questions should not be used extensively during information gathering phase?  
A. Open ended questions  
B. Closed questions  
C. Narrative questions  
D. Leading questions (1 mark)

17. Which one of the following is the main concern of a digital forensic expert in regard to evidence?  
A. The disclosure of the evidence  
B. The confidentiality of the evidence  
C. The availability of the evidence  
D. Encrypted data (1 mark)

18. Which one of the following accusatory question is appropriate to ask during admission seeking interview?  
A. You misappropriated, company's money, why did you do that?  
B. You embezzled company's money; why did you do that?  
C. You defrauded the company, why did you do that?  
D. None of the above (1 mark)

19. Which one of the following questions **BEST** describes a double negative question?  
A. You stole company's money; why did you do that?  
B. When are you planning to return the money?  
C. You knew, what you were doing was wrong?  
D. None of the above (1 mark)

20. Which one of the following opinions is a fraud examiner **NOT** allowed to express?  
A. The effectiveness of the entity's internal controls  
B. The effectiveness of the entity's operations  
C. How the, suspect committed the offence  
D. The suspect's culpability (1 mark)

21. Which one of the following actions is **NOT** a purpose of conducting textual analytics as one of the fraud investigation techniques?  
A. To identify red flags of rogue employee behavior  
B. To reveal patterns sentiments and relationships indicative of fraud  
C. To measure the employee's honesty and ethical values  
D. To identify risks of fraud (1 mark)

22. Which one of the following statements **BEST** describes what establishing a rapport is?  
A. Establishing a good mood of the interview  
B. Establishing the theme of the interview  
C. Providing good introduction  
D. Establishing that the interviewer needs help and the interviewee can be able to offer the assistance (1 mark)

23. Which one of the following statements is **ACCURATE** in regard to investigation?

- A. Fraud investigation should begin with the assumption that the investigation report will be used for disciplinary action
- B. Fraud examination investigation is the methodology of resolving fraud issues from inception to disposition
- C. The main objective of a fraud investigation is, to collect information to prove or disapprove allegations
- D. None of the above

(1 mark)

24. Which one of the following statements refers to a **BEST** practice of dealing with a hostile witness?

- A. Terminate the interview
- B. React accordingly
- C. Do not react to the suspects' hostility
- D. Ask the suspect to answer questions

(1 mark)

25. Which one of the following is a social psychological barrier that impedes communication where the respondent is unable to generalise a concrete experience?

- A. Inferential confusion
- B. Deduction confusion
- C. Induction confusion
- D. Communication psychological barrier

(1 mark)

26. Which one of the following statements is a **BEST** practice in regard to the acquisition process used in examinations involving digital evidence?

- A. Analysing the hard drive
- B. Taking a photo of the hard drive
- C. Printing the digital record
- D. None of the above

(1 mark)

27. Which one of the following statements refers to a **BEST** practice of recording omitted information?

- A. Omitting the additional information
- B. Destroy the old statement
- C. Prepare a new statement and include the additional information
- D. Add an addendum

(1 mark)

28. Which one of the following statements refers to an ideal time to ask admission-seeking questions?

- A. When the interviewer believes there is a reasonable ground that the subject is responsible for the act in question
- B. When all investigative steps and sources have been exhausted
- C. When the time, place and subject matter discussed can be controlled by the interviewer
- D. When the interviewer believes that the suspect is culpable

(1 mark)

29. Which one of the following terms is **NOT** a characteristic of a well-written fraud examination report?

- A. Impartiality
- B. Accuracy
- C. Relevance
- D. Wordiness

(1 mark)

30. Which one of the following actions refers to an example of demonstrative evidence?

- A. Link analysis
- B. Fraudulent invoice
- C. A forged cheque
- D. Oral direct evidence

(1 mark)

31. Which one of the following loan amounts should an investigator use to establish the amount received?

- A. Loan approved amount
- B. Loan principal amount
- C. Loan principal and interest amount
- D. Loan proceeds

(1 mark)

32. Which one of the following steps is included in the planning phase of the data analysis process?  
A. Building a profile of potential frauds  
B. Obtaining data  
C. Verifying data  
D. Cleansing and normalising (1 mark)

33. Which one of the following statements refers to the **BEST** practice for obtaining bank records after a confession?  
A. Obtain an oral authorisation for the release of the bank records  
B. Request the subject to bring the bank records to the investigator's office  
C. Obtain a written authorisation from the suspect even if they surrender the records voluntarily  
D. Obtain the records, if the suspect, surrender the records voluntarily (1 mark)

34. Which one of the following is **NOT** the best practice for obtaining an admission from a suspect?  
A. Asking accusatory questions immediately after the introduction  
B. Maximise sympathy and avoid condemnation  
C. Have a people's person's attitude  
D. Asking open questions immediately after the introduction (1 mark)

35. Which one of the following statements is **ACCURATE** in regard to organising evidence?  
A. Segregating documents by transaction or event  
B. Filing all document chronologically  
C. Making a document file  
D. Documenting all interviews in one statement (1 mark)

36. Which one of the following is the appropriate time to submit a file to the prosecution authority?  
A. After conducting all the scheduled interviews  
B. Immediately after obtaining an admission  
C. After analysing the relevant documentary evidence  
D. None of the above (1 mark)

37. Which of the following **BEST** describes what an investigator should do when an interviewee becomes uncomfortable with sensitive questions?  
A. Drop the sensitive questions and return them later  
B. Stop asking sensitive question completely  
C. Continue with the sensitive questions, and remain objective  
D. Ask hypothetical questions, which are less sensitive (1 mark)

38. Which one of the following statements is **ACCURATE** in regard to the wording of closed questions?  
A. They are worded, like leading questions  
B. They are worded in a way that makes it difficult for the respondent to answer "yes"  
C. They are worded in a way that makes it difficult for the respondent to answer "no"  
D. None of the above (1 mark)

39. Which one of the following is an inhibitor to communication that should be avoided during interviews?  
A. Chronological confusion  
B. Trauma  
C. Repression  
D. None of the above (1 mark)

40. In interviews, introductory questions are designed to meet the following objectives **EXCEPT**, to \_\_\_\_\_.  
A. establish the veracity of the witness  
B. establish the credibility of the witness  
C. establish conformity  
D. separate an innocent and a guilty person (1 mark)

41. Which one of the following data analysis functions is most useful in testing for hidden journal entries?  
A. Aging data  
B. Identifying duplicates  
C. Join function  
D. Gap test (1 mark)

42. Which one of the following is an example of an attempted bank account takeover offence?  
A. Accounting fraud  
B. Embezzlement  
C. Pretending with the bank  
D. Identity theft (1 mark)

43. Which one of the following steps should an interviewer **NOT** follow?  
A. Contemplate what the interview is intended to accomplish  
B. Ensure that the interviewer can be able to control the interview  
C. Prepare a brief list of key points to discuss during the interview  
D. None of the above (1 mark)

44. Which one of the following is **NOT** accurate in regard to the computer-generated file that can provide a lot of information to serve as digital evidence?  
A. Metadata information can help determine who edited the document  
B. Metadata information can help determine when a document was created  
C. Metadata is a computer-generated file which can be a good source of evidence  
D. Metadata is a user created file which can be a good source of evidence (1 mark)

45. Which one of the following statements **BEST** describes mutual legal assistance (MLA)?  
A. A formal request by the government of a country seeking information from a defendant residing in another country  
B. It can only be requested for criminal trials  
C. It cannot be requested for civil trials  
D. It can be requested for both criminal and civil trials (1 mark)

46. Which one of the following statements **BEST** describes a method of using software to extract usable information from unstructured data?  
A. Imaging the data  
B. Data analytics  
C. Data mining  
D. None of the above (1 mark)

47. Which one of the following persons should an investigator interview first?  
A. Suspect  
B. An accomplice witnesses  
C. Corroborative witness  
D. Complainant (1 mark)

48. Which one of the following statements is **NOT** true in regard to closing questions in interviews?  
A. The purpose of closing questions is to maintain goodwill  
B. The purpose of closing questions is to reconfirm facts  
C. Closing questions are not always closed question  
D. None of the above (1 mark)

49. Which one of the following statements is **NOT** the best practice for protecting a fraud investigation's case information?  
A. Store all confidential documents in locked file cabinets or rooms accessible only to those who have a business need-to-know  
B. Avoid talking about the investigation in public or in any place where other employees could hear the communications  
C. Use of emails or other electronic means to transmit confidential case information  
D. Avoiding use of emails or other electronic means to transmit confidential case information (1 mark)

50. Which one of the following is an indirect method of proving illicit income circumstantially by showing that a person's assets and expenditures for a given period exceed that which can be accounted for from known or legitimate sources of income?  
A. Income method  
B. Expenditure method  
C. Net worth analysis  
D. None of the above (1 mark)

51. Which one of the following statements is **NOT** a red flag of deceptive behavior while interviewing a suspect?  
 A. Repeating questions  
 B. Answering questions with questions  
 C. The subject appears casual and unconcerned  
 D. None of the above (1 mark)

52. Which one of the following statements **BEST** describes sufficient suspicion to conduct a forensic audit?  
 A. The basis of conducting a forensic audit based on red flags of fraud  
 B. The basis of conducting a forensic audit based on suspicion that fraud has occurred  
 C. The basis of conducting a forensic audit based on recommendation to audit for fraud in a high fraud risk area  
 D. The basis of conducting a forensic audit, based on totality of circumstances, that would make a reasonable tinned professional believe fraud has occurred (1 mark)

53. Which one of the following actions refers to a technique used by suspects to release inner tension of guilt?  
 A. Provide under estimate of the amount of funds defrauded  
 B. Provide accurate number of incidences  
 C. Provide exact number of other individuals involved  
 D. Provide correct estimate of the amount of funds defrauded (1 mark)

54. Which one of the following methods should a forensic auditor not apply to interrupt denials?  
 A. Reason with the suspect  
 B. Discuss the inconsistent statements made by the suspect  
 C. Discuss other witness, pointing at the suspect  
 D. None of the above (1 mark)

55. Which one of the following records is **NOT** from computer-generated files?  
 A. Security logs  
 B. Events logs  
 C. An email  
 D. Information load (1 mark)

56. Which one of the following is **NOT** true in regard to a forensic audit report?  
 A. The conclusion part of the report should include the recommendations on actions to be taken against the suspect based on the evidence collected  
 B. The recommendation part of the report should make recommendations on the controls that need to be put in place to avoid future occurrences and other areas that may require investigations, that were not within the scope of the investigation  
 C. The scope of the investigation report should be based on specific allegations and the period of the investigation  
 D. None of the above (1 mark)

57. Which one of the following statements is **NOT** a fraud examiner's consideration before conducting a computer investigation?  
 A. Whether there is a need to notify law enforcement  
 B. Running through the data to look for evidence  
 C. If there is need to engage an outside digital forensic expert  
 D. None of the above (1 mark)

58. Which one of the following statements is **NOT** accurate in regard to digital evidence?  
 A. Integrity of digital evidence if violated through manipulation or destruction can be restored by use of advanced forensic tools  
 B. Digital evidence is more volatile than tangible evidence because data can be easily altered  
 C. Failure to preserve the integrity of the digital evidence could result to evidence being inadmissible  
 D. None of the above (1 mark)

59. Which one of the following statements is a reaction of a culpable person when asked an accusatory question?  
 A. Suspect makes weak denials  
 B. Suspect makes strong denials  
 C. Suspect goes silent  
 D. Suspect becomes very angry (1 mark)

60. An examiner uses textual analysis to look for words indicative of fraud. Which one of the following words would be indicative of pressure to commit fraud?  
A. Opportunity  
B. Deserve  
C. Write off  
D. None of the above (1 mark)

61. Which one of the following statements is an example of a natural number?  
A. Telephone numbers  
B. Vendor's invoice numbers  
C. Sales invoice numbers  
D. None of the above (1 mark)

62. Which one of the following terms is indicative of justification to commit fraud?  
A. Override  
B. Write off  
C. Entitled  
D. Quota (1 mark)

63. Which one of the following statements is **TRUE** in regard to conducting an interview in the presence of a third party?  
A. A third party would undermine the possibility of obtaining a confession.  
B. A third's party's presence would be unlawful.  
C. A third-party witness to a confession is important, in the event the witness denies later  
D. None of the above (1 mark)

64. Which one of the following statements does **NOT** refer to a type of an admission seeking interview questions?  
A. Open questions  
B. Alternative questions  
C. Accusatory questions  
D. None above (1 mark)

65. The statement "I didn't mean to hurt anyone" is **BEST** referred to as \_\_\_\_\_.  
A. Moral excuse  
B. Admission  
C. Benchmark admission  
D. Confession (1 mark)

66. Which one of the following statements is **ACCURATE** in regard digital forensic evidence?  
A. During the analysis phase in digital forensic investigations, the fraud examiner should look for both inculpatory and exculpatory evidence  
B. During the analysis phase in digital forensic investigations, the fraud examiner should look for exculpatory evidence  
C. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence only to support the prosecution side of the case  
D. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to protect the confidentiality of the digital evidence (1 mark)

67. The following are characteristics of a financial instrument that a fraudster might use to hide illicit assets, **EXCEPT** \_\_\_\_\_.  
A. accessibility  
B. security  
C. liquidity  
D. transparency (1 mark)

68. Which one of the following methods **BEST** describes the way of analysing a suspect's books and records to trace illicit funds?  
A. The direct method  
B. The asset method  
C. The bank records method  
D. The indirect method (1 mark)

69. Which one of the following statements **BEST** describes a letter rogatory?  
A. A letter in which a judge in one country orders the government in another country to release a defendant from jail  
B. A formal request by the government of a country seeking information from a defendant residing in another country  
C. A letter whereby a criminal defendant requests that the government release exculpatory information  
D. None of the above (1 mark)

70. Which one of the following is a type of information gathering for interview questions?  
A. Closed questions  
B. Complex questions  
C. Alternative question  
D. Accusatory questions (1 mark)

71. Which one of the following statements **BEST** explains where court records can be obtained?  
A. Multiple databases that contain a comprehensive database of court documents  
B. File directory records  
C. Court records, where the case was heard or filed  
D. None of the above (1 mark)

72. Which one of the following is a social physiological force that facilitates communication and makes the interviewee motivated to continue with the interview?  
A. Fulfilling expectations  
B. Catharsis  
C. Altruism  
D. Recognition (1 mark)

73. Which one of the following is **NOT** a recommended mechanic of interviewing?  
A. The Interviewer should avoid taking written down questions to the interview  
B. Having two interviewers in an interview  
C. Conducting one on one interview  
D. According the interviewee privacy (1 mark)

74. Which one of the following is an essential element of conversation?  
A. Recognition  
B. Sympathetic understanding  
C. Persuasion  
D. None of the above (1 mark)

75. While identifying the **BEST** method of identifying sources of information, a fraud examiner should \_\_\_\_\_.  
A. not write confidential source information in a memorandum  
B. identify the sources by name  
C. identify the source by initials  
D. use symbols to identify the source (1 mark)

76. Which one of the following statements is **NOT** accurate about seizing computers for investigation?  
A. When a forensic investigator is seizing a running computer for examination, he cannot retrieve data from the computer directly via its normal interface even if the evidence needed is volatile  
B. When a forensic investigator is seizing a running computer, he should do a hard shut down  
C. When a forensic investigator is seizing a computer that is shut down, they should not open it  
D. None of the above (1 mark)

77. Which one of the following claims is **NOT** a defense that a suspect is likely to present?  
A. The extra funds are from inheritance from his father  
B. The extra funds are from an insurance compensation  
C. The extra funds are presents from contractors  
D. The extra funds are from his savings over a period of time (1 mark)

78. Evidence that would give best results when a suspect is using his illicit funds to accumulate wealth is referred to as \_\_\_\_\_.  
A. the asset method  
B. the expenditures method  
C. the income method  
D. net worth analysis method (1 mark)

79. A chief executive officer (CEO), is alleged to have engaged in fraudulent financial reporting. During an admission-seeking interview with Jenks the investigator, he states: "I know the employee's job security depend on the company's good performance. I am sure you did this to help the employees retain their jobs, Isn't that right?" This interviewing technique is known as \_\_\_\_\_.  
A. Rationalisation  
B. Recognition  
C. Benchmark Admission  
D. None of the above (1 mark)

80. Which one of the following should be done to prepare an organisation for a formal fraud investigation?  
A. Inform all the managers, about the investigation  
B. Inform the organisation's legal counsel when the investigation is about to commence  
C. Inform management that the investigation is about to begin  
D. Inform all the organisation employees (1 mark)

81. Which one of the following statements **BEST** describes the interviewer's response when a suspect justifies their corrupt or fraudulent conduct?  
A. "What good reason would you have to steal?"  
B. "That is not a good reason at all"  
C. "Tell me the truth, stop lying"  
D. "I see you had a good reason to do so" (1 mark)

82. Which one of the following data analysis tools is effective in identifying indirect relationships and relationships with several degrees of separation?  
A. Link net diagram  
B. Benford Law  
C. Link analysis  
D. None of the above (1 mark)

83. Which one of the following types of records can help the fraud examiner discover who owns a building that is being used for illegal activities?  
A. Building permit records  
B. Fire department records  
C. Health department records  
D. Court records (1 mark)

84. An interviewer should avoid certain terms when conducting an interview, **EXCEPT** \_\_\_\_\_.  
A. fraud Investigation  
B. fraud examination  
C. review  
D. forensic audit (1 mark)

85. Which of the following is **NOT CORRECT** in regard to fraud examination or investigation?  
A. Every fraud examination/investigation should begin with the assumption that the case will end in court.  
B. Fraud examination/investigation is the methodology of resolving fraud allegations from inception to disposition  
C. Fraud examination/investigation is the methodology of resolving fraud issues from inception to disposition  
D. The major objective of a fraud examination/investigation is to collect evidence to prove or disapprove fraud allegations (1 mark)

86. During an admission-seeking interview with Ted, the investigator stated: "This is a big corporation with big resources. The money you took is just a small amount and would not affect the financial stability of the organization. Is that right?" This interviewing technique is known as \_\_\_\_\_.  
A. rationalisation  
B. extrinsic rewards  
C. altruistic appeals  
D. none of the above (1 mark)

87. Which one of the following statements is an acceptable legal defense of allegations of entrapment against a fraud examiner who is a law enforcement officer?  
A. The suspect made inconsistency statements  
B. The fraud examiner had suspicion of illegal conduct  
C. The fraud examiner acted with predication  
D. None of the above (1 mark)

88. Which one of the following statements refers to the inhibitor to communication in which a respondent confuses the order of events?  
A. Inferential confusion  
B. Unconscious confusion  
C. Chronological confusion  
D. Deduction confusion (1 mark)

89. The following are recommended professional interviewing technique during introduction phase, **EXCEPT** \_\_\_\_\_.  
A. Asking ritualist questions  
B. Being formal  
C. Establish the purpose of the interview  
D. Establish a common ground (1 mark)

90. Which one of the following actions is the greatest ego threat that an interviewer should be aware of and avoid to ensure a successful interview?  
A. Repression  
B. Loss of status  
C. Disapproval  
D. Condemnation (1 mark)

91. Which one of the following steps should a forensic fraud examiner do before commencing a forensic audit after determining predication?  
A. Interview witnesses  
B. Interview the suspect  
C. Build a fraud theory  
D. Analysis documents related to the alleged offence (1 mark)

92. Which one of the following statements is **NOT** accurate in regard to the introduction phase of an interview?  
A. The introduction phase, determines the success or failure of the interview  
B. The interviewer, should establish the theme of the interview during the introduction phase  
C. The interviewer should ask open ended question extensively, during the introduction phase  
D. The interviewer should ask ritualistic question extensively, during the introduction phase (1 mark)

93. Which one of the following statements is **ACCURATE** in regard to the contents of the introduction section of a forensic audit report?  
A. The introduction section, should include all the purposes of the forensic audit  
B. The introduction section, should include, the methodology, of the conducting the forensic audit objective  
C. The introduction section, should include, what prompted the investigation  
D. The introduction/background section should include, the all the terms of reference (1 mark)

94. Which one of the following statements is **ACCURATE** in regard to the appropriate questions to ask closing questions?  
A. The interviewer should ask ritualistic questions extensively, in closing questions  
B. The interviewer should ask open-ended questions extensively, in closing questions  
C. The interviewer should ask narrative questions extensively, in closing questions  
D. None of the above (1 mark)

95. Which of the following statement is not **ACCURATE** in regard to forensic audit, admission interview of a fraud suspect?  
A. The interviewer should, let the suspect know that, he has evidence against the suspect  
B. The interviewer should avoid recording the interviews to facilitate easy flow of communication  
C. The interviewer should avoid condemnation  
D. The interviewer should be formal and firm (1 mark)

96. Which of the following statement is **ACCURATE**, in regard to forensic audit engagements?  
A. The purpose of conducting, forensic audit is to prove allegations of fraud  
B. The purpose of conducting, forensic audit is to audit for fraud.  
C. The purpose of conducting, forensic audit is to determine, if fraud has occurred  
D. None of the above (1 mark)

97. The following are characteristics of a good interviewer, **EXCEPT** \_\_\_\_\_.  
A. A good listener  
B. Patience  
C. Ability to offer recognition to a suspect  
D. Training people (1 mark)

98. The first step of responding to allegations of unaccounted funds by a government institution is to conduct a \_\_\_\_\_.  
A. forensic audit  
B. conduct a fraud audit  
C. conduct a surprise audit  
D. conduct a special audit (1 mark)

99. Which one of the following statements is **NOT** accurate in regard to an auditors' report of unaccounted funds?  
A. The unaccounted funds are evidence of fraud  
B. The unaccounted funds are red flags of fraud  
C. The unaccounted funds are risks of fraud  
D. None of the above (1 mark)

100. Which one of the following is an element of conversation that an interviewer should apply during a structured interview?  
A. Altruistic appeals  
B. Recognition  
C. Information exchange  
D. Rationalisation (1 mark)

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 25 April 2024. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Which one of the following statements is **NOT** accurate in regard to the five standards of fraud investigations or forensic audit report writing?
  - A. The defence counsel will take advantage of even immaterial inaccuracies to discredit the forensic audit report
  - B. A forensic audit report which is inaccurate, in regard to dates and amounts, would affect the credibility of the report
  - C. The defence counsel would discover such inaccuracies during pre-trial and use them against the prosecution in cross examination
  - D. Immaterial inaccuracies would not affect the credibility of the forensic audit report (1 mark)
2. Which one of the following statements is **NOT** accurate in regard to forensic audit, fraud investigations and fraud examination engagements?
  - A. Forensic audit or fraud investigations are the same, because the purpose of both assignments is to collect evidence to prove or disapprove an allegation
  - B. The terms forensic audit, fraud investigations or examinations can be used inter-changeably because the objectives of the assignments are the same
  - C. Forensic audit differs from fraud investigations because, forensic audit is a type of a special audit conducted to collect more information and details while fraud investigations are conducted to collect evidence that can be used in a court of law
  - D. An auditor cannot conduct a good fraud forensic audit without a formal training and experience in fraud investigation (1 mark)
3. Forensic auditors and investigators must have good interviewing skills because interviewing is one of the most effective investigation method of fraud and corruption allegations. Which one of the following statements is **NOT** accurate in regard to fraud and corruption investigations interviews?
  - A. Most of the fraud and corruption activities are off the book, therefore the investigator must have good interpersonal skills
  - B. In most fraud and corruption cases information and evidence is not in the books, so the investigator has to get the information from witnesses
  - C. In fraud and corruption cases the investigator may have to get physical evidence from the suspect
  - D. Fraud and corruption investigation interviews involves asking witnesses and suspects questions (1 mark)
4. Double-negative question should be avoided in fraud investigations interviews. Which one of the following statements is **ACCURATE** in regard to response to double negative questions?
  - A. The response to a double-negative question, usually is: "I did not Know," which removes intent
  - B. The response to a double-negative question is usually useful
  - C. A double-negative question is usually effective in obtaining a benchmark admission
  - D. None of the above (1 mark)

5. Report writing is a very important function of a fraud forensic audit. Which one of the following statements is **ACCURATE** in regard to the contents of the introduction/background section of a forensic audit report?

- A. The introduction/background section should include all the purposes of the forensic audit
- B. The introduction/background section should include the main objective of the audit, which is to prove or disapprove the allegations
- C. The introduction/background section should include a summary of the findings of the forensic audit
- D. The introduction/background section should include the scope of the audit

(1 mark)

6. Which one of the following statements is **ACCURATE** in regard to the right time to ask closing questions?

- A. The interviewer should ask closed questions extensively, in closing questions
- B. The interviewer should ask open-ended questions extensively, in closing questions
- C. The interviewer should ask narrative questions extensively, in closing questions
- D. The interviewer should ask accusatory questions extensively, in closing questions

(1 mark)

7. Which one of the following statements is **MOST** accurate in regard to a professional fraud investigation interview?

- A. The interviewer should be formal and firm
- B. The interviewer should record the interview to ensure that he does not forget any important information provided during the interview
- C. The interviewer should be informal but firm
- D. The interviewer should be formal and friendly

(1 mark)

8. Which one of the following **BEST** describes the method of tracing illicit funds by comparing a suspect's major expenditures, and assets acquired with the suspect's unknown legitimate sources of funds?

- A. Expenditures method
- B. Bank deposit analysis method
- C. Net worth analysis method
- D. Asset method

(1 mark)

9. In regard to mechanics of an interview, which one of the following statements is **NOT** accurate?

- A. The interviewer should avoid having a colleague in the interview
- B. The interviewer should not record the interviewee without his/her consent
- C. The interviewer should document the interview as soon as possible after the interview
- D. The interviewer should bring a colleague to the interview to take notes, and make sure the interview captures all important points

(1 mark)

10. A professional interview is a structured conversation and not just a question and answer session. Which one of the following is an element of conversation that the interviewer must apply during a structured conversation interview?

- A. Sympathetic understanding
- B. Recognition
- C. Persuasion
- D. Rationalisation

(1 mark)

11. Which one of the following statements is **ACCURATE** in regard to seizing a computer for digital forensic investigations?

- A. When a forensic investigator is seizing a running computer, he should be concerned about the integrity of the data which might be affected by the way the computer is shut down
- B. When a forensic investigator is seizing a running computer, he should be concerned about the confidentiality of the data which might be affected by the way the computer is shut down
- C. When a forensic investigator is seizing a running computer, he should be concerned about the security of the data which might be affected by the way the computer is shut down
- D. All the above

(1 mark)

12. A procurement manager was a suspect of an alleged corruption. During the investigation, the interviewer asked him to explain the sources of the extra funds that could not be accounted for, from the legitimate known sources of his funds. Which one of the following statements is **NOT** an explanation that the suspect is likely to give?

- A. The procurement manager can explain that the extra funds are gifts from his wealthy relatives
- B. The procurement manager can explain that the extra funds are from inheritance
- C. The procurement manager can explain that the extra funds are from the sale of a family property
- D. The procurement manager can explain that the extra funds are an appreciation rewards by suppliers and contractors

(1 mark)

13. Which one of the following statements is **NOT** accurate in regard to the investigator's ability, to accurately observe behavioral clues of an intelligent suspect?

- A. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant.
- B. It is easy for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because he/she would experience a lot of inner tension when caught in their fraudulent activities
- C. It is not hard for an interviewer to accurately observe behavioral clues of an intelligent suspect who have experience in engaging in fraudulent activities because they will still experience stress
- D. All the above

(1 mark)

14. Circumstantial evidence that would yield the best results when the suspect is using his illicit funds to accumulate wealth by acquiring assets and therefore causing his net worth to increase is **BEST** described as which one of the following methods?

- A. The expenditures method
- B. The assets method
- C. Net worth analysis method
- D. Asset method

(1 mark)

15. Smith is the managing director of InterTech Company. Smith was suspected of engaging in fraudulent financial reporting. During an admission-seeking interview of Smith, the investigator states: "I know the employees' job security depends on the company's good performance. I am sure you did this to help the employees retain their jobs, Isn't that right?" Which one of the following **BEST** describes the interviewing technique?

- A. Sympathetic understanding
- B. Altruism appeals
- C. Recognition
- D. None of the above

(1 mark)

16. Which one of the following statements is **ACCURATE** in regard to limitation of conducting a public database search online?

- A. Information from online databases cannot be completely relied on in terms of accuracy and currency
- B. Online public records searches are not limited in the area they cover, therefore the fraud examiners do not need to search multiple jurisdictions
- C. Online coverage of public records is similar in all jurisdiction
- D. None of the above

(1 mark)

17. Julie, a Certified Fraud Examiner, is conducting an admission-seeking interview of Joan, a fraud suspect. Julie, asks Joan: "Didn't you know that taking the organisation's money without permission is wrong?" Which one of the following **BEST** describes this type of question?

- A. Complex question
- B. Alternative question
- C. Accusatory question
- D. Double negative question

(1 mark)

18. Which one of the following statements is **ACCURATE** in regard to data mining?

- A. Data mining is an effective method of collecting digital evidence
- B. Data mining is the art of searching large volumes of data for patterns
- C. Data mining can be used to modify raw data into understandable patterns
- D. Data mining is the science of searching large volumes of data for patterns

(1 mark)

19. Which one of the following statements is **ACCURATE** in regard to the volatility of digital evidence?

- A. Digital evidence is not as volatile as tangible evidence because data cannot be altered or destroyed easily like tangible documents
- B. Once the integrity of digital evidence has been violated through alteration or destruction, it can be easily restored using special forensic tools
- C. Admissibility of digital evidence is more stringent than that of tangible evidence
- D. Once the integrity of digital evidence has been violated through alteration or destruction, it cannot be restored using special forensic tools

(1 mark)

20. Which one of the following statements is **NOT** accurate in regard to audit versus investigations or forensic audit?

- A. Audits are conducted on a regular basis while forensic audits or fraud investigations are conducted on the basis of sufficient predication
- B. Audits are general examination of financial data, while forensic audits and fraud investigations are conducted to resolve specific allegations
- C. The objective of a forensic audit or fraud investigation is to affix blame, while the objective of an audit is to express an opinion
- D. The presumption of a forensic audit or fraud investigation is proof, to prove the allegations of fraud, while that of an audit is professional skepticism

(1 mark)

21. Which one of the following is a data analysis tool that can be effective in conducting money laundering investigations?

- A. Link Analysis
- B. Benford Law
- C. Textual Analysis
- D. Link Net Diagram

(1 mark)

22. Jeff is planning to conduct an admission-seeking interview of Jones. After providing introduction, which one of the following **BEST** describes the first question that Jeff should ask Jones?

- A. “Jones, can you please tell me what you know about this matter?”
- B. “Jones, who do you think could have embezzled the funds?”
- C. “Jones, you took the organization’s money without your employer’s consent, why did you do that?”
- D. “Jones, you misappropriated the organization’s money, why did you do that?”

(1 mark)

23. During the analysis phase in digital forensic investigations, which one of the following is the fraud examiner’s greatest concern?

- A. To protect the availability of evidence
- B. To protect the confidentiality of the evidence
- C. To protect the integrity of the data
- D. All of the above

(1 mark)

24. When conducting interviews, fraud examiners can ask several type of questions depending on what information they need. Fraud examiners would ask accusatory questions during admission seeking interviews. Which one of the following is a good example of an accusatory question?

- A. “You are the payables accountant, right?”
- B. “Did you take the money because you wanted extra money or you had an emergency?”
- C. “Didn’t you know that what you were doing is not right?”
- D. “You took the money without permission, why did you do that?”

(1 mark)

25. Fraud Examiners should not use double negative questions at all when conducting interviews. Which one of the following is a good example of a double-negative question?

- A. “You advanced yourself with the company’s money, why did you do that?”
- B. “How many times has this happened?”
- C. “Didn’t you know, what you were doing was wrong?”
- D. “Did you take the money because you wanted extra money or you had a big problem?”

(1 mark)

26. When a fraud examiner is documenting the findings of a fraud investigation, the fraud examiner **CANNOT** express an opinion on which one of the following areas?

- A. Whether the entity’s financial transactions were recorded in accordance with accounting standards
- B. The effectiveness of the organisation’s internal controls
- C. The responsibility for the suspect in relation to the alleged matters
- D. The liability of the suspect in relation to the alleged matters

(1 mark)

27. Which one of the following is **NOT** an objective of conducting textual analytics in fraud investigation?

- A. To identify red flags of employees through their communications
- B. To reveal patterns, sentiments and red flags of fraud
- C. To use unstructured data to identify red flags of fraud
- D. To detect any deficiencies in the internal control system

(1 mark)

28. Which one of the following statements is **NOT** accurate in regard to the introductory phase of a forensic audit interview?

- A. In a forensic audit interview, it is the responsibility of the interviewer to establish rapport
- B. In a forensic audit interview, it is the responsibility of the interviewer to establish the specific purpose of the interview
- C. In a forensic audit interview, it is the responsibility of the interviewer to establish the purpose of the interview in general but not the specifics
- D. In a forensic audit interview, it is the responsibility of the interviewer to make sure that they get commitment for assistance from the suspect

(1 mark)

29. Which one of the following statements is **NOT** accurate in regard to forensic audits?

- A. Every forensic audit should begin with the assumption that the case will end in court
- B. Forensic audit is a methodology of resolving fraud issues from inception to disposition
- C. A forensic audit should be approached from one perspective, that fraud has occurred and to collect evidence to prove the allegations
- D. The conclusion of a forensic audit, should be clear as to whether the suspect committed the offence or not

(1 mark)

30. Fred, is a public officer. He is accused of engaging in bribery in the course of his duty. During an admission-seeking interview of Fred, the investigator states: "This is a big organisation with a lot of resources. The funds you took are not significant and would not affect the finances of the organisation. Is that right?" This interviewing technique is aimed at:

- A. Diffusing Alibi and interrupt the suspect's excuses
- B. Reducing the moral seriousness of the suspect' conduct
- C. Making altruistic appeals to the suspect, to get an admission
- D. None of the above

(1 mark)

31. Purity is a Certified Fraud Examiner. She conducted an admission-seeking interview of Peace a fraud suspect. Purity helps Peace to justify her fraudulent activities by establishing a theme that she did not get a promotion that she well deserved and that is why she engaged in the fraudulent activity out of frustration. The suspect refused to accept this theory. How should purity proceed?

- A. Ask another question
- B. Ask an open-ended question
- C. Ask an alternative question
- D. Introduce another reason

(1 mark)

32. Which one of the following is the **BEST** method of acquiring digital evidence for investigation purposes?

- A. Imaging the hard drive to acquire the data in its original form, that is, date stamps
- B. Printing the evidence record
- C. Acquiring the digital evidence from the suspect
- D. All the above

(1 mark)

33. Lorna, a Certified Forensic Fraud Examiner, has obtained an oral admission from James, a fraud suspect. Lorna reduced the confession into a short, concise written statement for James to sign. After James signed the statement, he remembered a significant detail that he should have been included. Which one of the following is a proper way of recording the omitted information?

- A. Omit the information
- B. Destroy the old statement and write another one to include the information omitted
- C. Add another statement to the earlier statement
- D. Add the information on the old statement

(1 mark)

34. Which one of the following is a common method fraudsters use to conceal illegally acquired assets?

- A. Placing assets in probate
- B. Selling the assets
- C. Transferring assets
- D. All the above

(1 mark)

35. Kate a Certified Forensic Fraud Examiner, conducted an investigation at XYZ Corp on alleged bribery. During an admission seeking interview of Stacie, an employee at the XYZ Corp, Stacie admits to Kate, that she received a loan from a bank, that was guaranteed and paid off by XYZ contractor. Which one of the following pieces of information does Kate need **NOT** to obtain from the suspect?

- A. The approximate date when Stacie received the loan
- B. Any items acquired with proceeds of the loan
- C. Excuses that she did not know that the loan was a bribe
- D. Moral excuses why she received the offer

(1 mark)

36. Which one of the following statements is **ACCURATE** in regard to a well-written fraud investigation report?

- A. The report should include technical professional language to demonstrate the investigator's expertise on the subject matter
- B. The report must be partial to ensure emphasis of the evidence to prove the allegations
- C. The report should not mention individuals
- D. The report must be impartial, based on the facts, whether they prove or disapprove the allegations

(1 mark)

37. Link Analysis is particularly useful when investigating which type of fraud scheme?

- A. Bribery
- B. Cash Skimming
- C. Fraudulent payments to shell companies
- D. Embezzlement

(1 mark)

38. One of the methods of tracing illicit funds owned by a suspect is to develop his financial profile. Which one of the following loan amounts should the investigator use to establish the amount of loan received?

- A. Loan proceeds
- B. Book loan amount
- C. Principal and interest amount
- D. Principal loan

(1 mark)

39. Which one of the following is, a step in the planning phase of the data analysis process?

- A. Normalising and cleansing data
- B. Identifying relevant data
- C. Verifying data
- D. Determining predication

(1 mark)

40. It is general knowledge that when fraud suspects decide to confess, they tend to do one of the following, as a way of releasing inner tension of their guilt and dishonest actions. Which one of the following statements is **ACCURATE** in regard to the information the suspect is likely to give?

- A. Provide a lower estimate of the amount of funds defrauded
- B. Provide accurate number of incidences
- C. Provide exact number of other individuals involved
- D. Provide an accurate estimate of the amount of funds defrauded

(1 mark)

41. During an admission-seeking interview, Terry accuses a suspect of committing fraud. The suspect denies the accusation. Which one of the following methods should Terry **NOT** do to interrupt the denials?

- A. Reason with the suspect
- B. Discuss the inconsistent statements made by the suspect
- C. Try to reason with the suspect
- D. Make an accusatory statement followed by an accusatory question

(1 mark)

42. An experienced digital forensic expert is aware of where to look for evidence in the computer. Computer created files are good sources of digital evidence. Which one of the following is **NOT** one of those computer-generated files?

- A. Application logs
- B. Events logs
- C. System logs
- D. Word documents

(1 mark)

43. Which one of the following statements is **ACCURATE** in regard to fraud investigation reports?

- A. The conclusion part of the report should include the summary of the evidence
- B. The conclusion part of the report should include the recommendations on actions to be taken, based on the evidence collected
- C. The recommendation part of the report should include recommendation on the actions to be taken, based on the evidence collected
- D. The scope section of the investigation should include all the terms of reference

(1 mark)

44. Which one of the following is **NOT** a step a fraud examiner should consider before starting to conduct a computer investigation?

- A. Whether there is a need to notify law enforcement
- B. Running through the data to look for evidence
- C. If there is need to engage an outside digital forensic expert
- D. All the above

(1 mark)

45. Which one of the following statements is **ACCURATE** in regard to volatility of digital evidence?

- A. Integrity of digital evidence if violated through manipulation or destruction can be restored using forensic tools
- B. Digital evidence is more volatile than tangible evidence because data can be easily altered and destroyed
- C. Tangible evidence is more volatile than digital evidence because data cannot be easily altered and destroyed
- D. All the above

(1 mark)

46. In admission-seeking interviews, when an innocent person is directly accused, they react differently to the initial accusation than a culpable person. Which one of the following is **NOT** a reaction expected from a culpable person?

- A. Weak denials
- B. Responding to questions with a question
- C. Over respectful
- D. Be very angry when directly accused

(1 mark)

47. When an examiner is using textual analysis to look for words indicative of fraud, which one of the following words would be indicative of pressure to commit fraud?

- A. Deadline
- B. Deserve
- C. Write off
- D. All the above

(1 mark)

48. Benford Law can only work with natural numbers to look for patterns indicative of fraud. Which one of the following is an example of natural number?

- A. Telephone numbers
- B. Vendors invoice numbers
- C. Sales invoice numbers
- D. All the above

(1 mark)

49. Textual analytics can identify which one of the following words as indicative of rationalisation to commit fraud.

- A. Override
- B. Write off
- C. Entitled
- D. All the above

(1 mark)

50. Vincent is an accountant at ABC Corp. He is a fraud suspect, and is scheduled for an admission-seeking interview. He arrived at the interview with his manager and insisted that he wants the manager be present in the interview. What should the interviewer do under the circumstances?

- A. The interviewer should not conduct the interview
- B. The interviewer should conduct the interview
- C. The interviewer should not allow the manager into the interview
- D. The interviewer should allow the manager into the interview

(1 mark)

51. Which one of the following, is a type of question that should be used extensively in information gathering interviews?  
A. Narrative questions  
B. Alternative questions  
C. Open ended questions  
D. Closed question (1 mark)

52. Which one of the following is an appropriate moral excuse to include in a signed admission?  
A. "I did not mean to do it."  
B. "I didn't do it."  
C. "I didn't mean to cause any inconveniences."  
D. "I didn't know it was wrong." (1 mark)

53. Which one of the following is **ACCURATE** in regard to digital forensic investigations?  
A. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence only  
B. During the analysis phase in digital forensic investigations, the fraud examiner should look for exculpatory evidence only  
C. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to protect the confidentiality of the digital evidence  
D. None of the above (1 mark)

54. Which one of the following is **NOT** a characteristic of a financial vehicle that a fraudster would be looking for to conceal assets?  
A. Accessibility  
B. Security  
C. Liquidity  
D. Transparency (1 mark)

55. Which one of the following **BEST** describe letter rogatory?  
A. A letter in which a judge in one country orders the government in another country to release a defendant from jail  
B. A formal request by the government of a country seeking information from a defendant residing in another country  
C. A formal request by the courts of one country seeking judicial assistance from the courts of another country  
D. A letter whereby a criminal defendant requests that the government release exculpatory information (1 mark)

56. Luke, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Rogers, a fraud suspect. Luke asked Rogers: "Did you just want extra money or did you do this because you had an emergency?" Which one of the following **BEST** describe this type of question?  
A. Accusatory question  
B. Narrative question  
C. Double negative question  
D. Alternative question (1 mark)

57. In taking a verbal confession, which one of the following items of information should the interviewer **NOT** obtain?  
A. The accused's motive for the offence  
B. Estimates of the number of instances, dates and amounts involved  
C. That the accused did not know that the conduct was wrong  
D. All of the above (1 mark)

58. Which one of the following is **NOT** a challenge of cloud forensics not faced in traditional forensic practices?  
A. Lack of frameworks and specialist tools  
B. Accessibility of information  
C. Lack of data control  
D. None of the above (1 mark)

59. Maureen, is conducting a fraud examination of Smith, an employee at his organisation, a government entity. Maureen has a strong reason to believe that Smith has incriminating evidence on his personal smart phone that he brings to work. Which one of the following statements is **ACCURATE**?

- A. Maureen may search Smith's phone, if his organisation has a search policy and employees are aware that personal smart phones are subject to search
- B. Maureen may search of Smith's smart phone because Smith's privacy rights do not attach to the contents of smart phones
- C. Smith has a right to privacy for information on his personal smart phone and Maureen must obtain a search warrant to search the device
- D. Generally, employees have no expectation of privacy for information on personal devices they bring to work, so Maureen may search the phone

(1 mark)

60. Which one of the following is **NOT** accurate in regard to the types of information that computer forensics experts typically can recover from computer systems?

- A. Computer forensics specialists can recover time and date information about files
- B. Computer forensics specialists can recover deleted documents
- C. Computer forensics specialists can recover information about websites visited
- D. Computer forensics specialists can recover overwritten documents

(1 mark)

61. A fraud examiner is conducting textual analytics on journal entry data and runs a keyword search using the terms like override and provision. These words are indicative of which one of the following fraud risks?

- A. Pressure
- B. Capability
- C. Opportunity
- D. Rationalisation

(1 mark)

62. Which one of the following is **NOT** an example of a data analysis function that can be performed to detect fraud through an examination of the general ledger?

- A. Create disbursement per vendor reports
- B. Analyse and confirm specific ledger accounts for legitimate transaction activity
- C. Calculate financial ratios
- D. Calculate budget and actual variances

(1 mark)

63. Which one of the following **BEST** describes the limitation of Benford Law?

- A. Benford Law can only be applied to data sets listed in currency amounts
- B. Benford Law applies best to data sets with four digit numbers
- C. Benford Law cannot be applied to data sets with non-natural numbers, such as checks or telephone numbers
- D. Benford Law only works on data sets with assigned numbers, such as bank account or telephone numbers

(1 mark)

64. ABC is a real estate company. The director notice that the paint expenses have increased drastically from the previous year. The company had much less business during the year. Which one of the following data analysis functions would be most useful in helping the director determine if cost of the paint is proportionate to the houses painted?

- A. Link analysis
- B. Data Analysis
- C. Correlation analysis
- D. Compliance verification

(1 mark)

65. Text-based data can be **BEST** categorised as \_\_\_\_\_.

- A. Structured data
- B. Unstructured data
- C. Documentary data
- D. Natural data

(1 mark)

66. Which one of the following steps is included in the preparation phase of the data analysis process?

- A. Determining examination objectives
- B. Verifying data
- C. Determining whether predication exists
- D. All the above

(1 mark)

67. Which one of the following is **NOT** a best practice of dealing with a volatile witness during an interview?  
A. Make it difficult for the witness to say “no”  
B. Make it difficult for the witness to say “yes”  
C. Disarm the witness by agreeing with his/her points where possible  
D. Avoid reacting to the witness hostile behavior (1 mark)

68. Which one of the following **BEST** describes the inhibitor to communication where the respondent is unable to generalise a concrete experience?  
A. Inferential confusion  
B. Deduction confusion  
C. Repression confusion  
D. Trauma confusion (1 mark)

69. Which one of the following is **NOT** an appropriate time to ask admission-seeking questions?  
A. When the interviewer believes there is a reasonable possibility that the suspect committed the offence  
B. When all investigative steps and sources have not been exhausted  
C. When the time, place and subject matter discussed can be controlled by the suspect  
D. All the above (1 mark)

70. Which one of the following is a mistake, that an investigator should avoid in report writing?  
A. Being wordy and vague  
B. Being impartial  
C. Ensuring accuracy  
D. Avoid being prejudicial (1 mark)

71. Which one of the following statements is **NOT** accurate, in regard to Link Analysis?  
A. Link analysis can be presented in court as additional evidence to put more weight to the existing evidence  
B. Link analysis can be presented in court as demonstrative evidence  
C. Link analysis cannot be presented in court as real evidence  
D. Link analysis cannot be presented in court as direct evidence (1 mark)

72. Which one of the following steps is, **NOT** included in the planning phase of the data analysis process?  
A. Building a profile of potential frauds  
B. Establishing predication  
C. Obtaining data  
D. Understanding the data (1 mark)

73. Once a suspect has confessed in an interview, it is important to get copies of as much physical evidence as possible. For example, bank records are important. Which one of the following is a recommended method for obtaining bank records after a confession?  
A. Obtain an oral authorisation for the release of the bank records  
B. Request the subject to bring the bank records to the investigator’s office  
C. Obtain a written authorisation from the suspect, to obtain the bank records  
D. None of the above (1 mark)

74. In most jurisdictions, all the following sources of information can be available for developing background information for pre-employment purposes, **EXCEPT** \_\_\_\_\_.  
A. Criminal court records searches  
B. Bankruptcy records searches  
C. Tax records  
D. None of the above (1 mark)

75. Aggie, a Certified Fraud Examiner, is conducting an admission-seeking interview. Which one of the following is **NOT** a best practice for obtaining an admission?  
A. Avoid condemnation while conducting the interview of the suspect  
B. Maximise sympathy and avoid condemnation  
C. Conducting the interview in a firm manner, and not showing compassion, because the interviewer may loss objectivity  
D. Conduct the interview in a firm but showing compassion (1 mark)

76. Organising the amount of paper generated during an investigation is one of the biggest tasks in fraud cases. Which one of the following is generally **NOT** a recommended practice when organising evidence?

- A. Segregating documents by transaction
- B. Filing all the documents chronologically
- C. Filling the documents per event or transaction
- D. None of the above

(1 mark)

77. At what point should a fraud examiner, submit a fraud case for prosecution?

- A. After all investigative steps have been exhausted and collected evidence that can be used in a court of law
- B. Immediately after obtaining an oral confession from the suspect
- C. After the fraud examiner has finished collecting documentary evidence
- D. None of the above

(1 mark)

78. When a Certified Fraud Examiner is conducting interview of a suspect, in the course of the interview, the suspect becomes uncomfortable with the sensitive nature of the questions. Which one of the following **BEST** describes what the interviewer should do under the circumstances?

- A. Ask double positive questions
- B. Stop asking sensitive question for the time being, but return the sensitive questions later
- C. Ask alternative questions
- D. Stop asking accusatory questions altogether

(1 mark)

79. Which one of the following is **ACCURATE** in regard to closed questions?"

- A. They are worded in a way that makes it difficult for the respondent to answer "yes" or "no"
- B. They are worded in a way that the witness will confirm already known facts
- C. They are worded in a way that the witness will be provide more information
- D. They are worded in a way that the witness will be willing to be interviewed again in future

(1 mark)

80. The terms induction and deduction are most often associated with which inhibitor to communication?

- A. Chronological confusion
- B. Inferential confusion
- C. Trauma confusion
- D. None of the above

(1 mark)

81. In interviews, introductory questions are designed to meet which of the following objectives?

- A. To establish the veracity of the witness, before proceeding with the interview
- B. To establish the credibility of the witness, before proceeding with the interview
- C. To establish that that interviewer needs help and the interviewer believes that the witness is able to assist
- D. All of the above

(1 mark)

82. Join is a data analysis function that can be useful in conducting which of the following data analysis?

- A. Joining a primary file with the suspect file
- B. Looking for gaps in the secondary file
- C. Looking for gaps in the primary file
- D. Looking for gaps in the subject file

(1 mark)

83. Edward, calls Dorine's bank claiming to be Dorine, with the intention of stealing Dorine's identity. Edward, tells the bank representative that he needs to make sure that the bank has the correct government identification number on her account, because he had noticed a mistake on her statement. Which one of the following is an example of the attempted offence by Edward?

- A. Accounts takeover
- B. Embezzlement
- C. Identity theft
- D. None of the above

(1 mark)

84. When planning for an interview, which one of the following statements in regard to interviews is **NOT** accurate?

- A. The interviewer should establish the objective of the interview
- B. The interviewer should ensure that he is able to control the interview
- C. The interviewer should prepare a list of questions, to ensure smooth running of the interview
- D. The interviewer should be informal

(1 mark)

85. Which one of the following is **NOT** accurate in regard to Meta Data?

- A. Metadata information can help determine who edited the document
- B. Metadata information can help determine when a document was created
- C. Metadata is a user created file which can be a good source of digital evidence
- D. Metadata is a computer-generated file which can be a good source of digital evidence

(1 mark)

86. Which one of the following is **ACCURATE** in regard to mutual legal assistance (MLA)?

- A. A formal request by the government of a country seeking information from a defendant residing in another country
- B. Mutual legal assistance can only be requested for criminal trials
- C. Mutual legal assistance is a legal requirement for countries that have entered into the mutual legal assistance, therefore legal assistance must be granted
- D. None of the above

(1 mark)

87. Which one of the following is a method of using software to search for key words from unstructured data?

- A. Imaging the data
- B. Data analytics
- C. Textual analytics
- D. Data mining

(1 mark)

88. Which one of the following witness should be interviewed second last?

- A. A person with information of the alleged offence, but is not a beneficiary of the offence.
- B. A person who is directly or indirectly involved in the offence
- C. A person who has more detailed information about the alleged offence and is not a beneficiary of the offence
- D. The main subject of the alleged offence

(1 mark)

89. Which one of the following is **ACCURATE** in regard to closing questions in an interview?

- A. The purpose of closing questions is to observe any deceptive clues, before the closing of the interview
- B. The purpose of closing questions is to ensure that the interviewer captured all the points correctly
- C. Closing questions are type of closed questions
- D. All the above

(1 mark)

90. Which one of the following is **NOT** a recommended procedure for protecting a corruption investigation's case information?

- A. Store all confidential documents in locked file cabinets or rooms.
- B. Avoid discussing about the investigation in public or in any place where other employees could hear the communications
- C. Use of email or other electronic means to transmit confidential case information
- D. Avoid sharing investigation results with the subjects

(1 mark)

91. Which one of the following is **ACCURATE** in regard to closing questions?"

- A. They are worded in a way that makes it difficult for the respondent to answer "yes" or "no"
- B. They are worded in a way that, the witness can only answer "yes" or "no"
- C. They are worded in a way that makes it difficult for the respondent to answer "yes"
- D. They are worded in a way that makes it difficult for the respondent to answer "no"

(1 mark)

92. Which one of the following witness should be interviewed last?

- A. A person with information of the alleged offence, but is not a beneficiary of the offence.
- B. A person who is directly or indirectly involved in the offence
- C. A person who has more detailed information about the alleged offence and is not a beneficiary of the offence
- D. The main subject of the alleged offence

(1 mark)

93. Which one of the following describes the function of using software to join two files with same information, to look for exceptional, in the subject file?

- A. Multi-file processing function
- B. Data analysis
- C. Textual analytics
- D. None of the above

(1 mark)

94. Which one of the following statements in regard to court records is **ACCURATE**?

- A. There are multiple databases that contain a comprehensive database of court documents from all court cases in every country
- B. In most countries, court records are not public records and require judicial authorization to access
- C. When searching for records for a particular court case, a fraud examiner need only to search the central/federal court records as they serve as a repository for all cases heard at all court levels
- D. In most countries, reliable court records are best obtained from the court where the case was heard or filed

(1 mark)

95. Which one of the following is a social physiological force that facilitates communication and makes the interviewee identify with, a higher value beyond immediate self-interest is referred to as \_\_\_\_\_.

- A. Rationalisation
- B. Sympathetic understanding
- C. Altruism appeals
- D. Recognition

(1 mark)

96. Which one of the following is method of tracing illicit funds by comparing bank deposits with the suspect's known legitimate income?

- A. Expenditures method
- B. Net worth analysis method
- C. Asset method
- D. None of the above

(1 mark)

97. Which one of the following is **NOT** a recommended mechanic of interviewing?

- A. The interviewer should avoid recording the interview to ensure the success of the interview
- B. The interviewer should record the interview, to ensure the success of the interview
- C. The interviewer should accord the interviewee privacy
- D. The interviewer should conduct one on one interview, to ensure the success of the interview

(1 mark)

98. Which one of the following is **NOT** an element of conversation, that keeps communication ongoing for a good length of time and enable the interviewer to elicit sufficient information?

- A. Therapy
- B. Expression of ideas and moods
- C. Information exchange
- D. Fulfilling expectations

(1 mark)

99. Which one of the following statements is **ACCURATE** seizing computers for investigation?

- A. When a forensic investigator is seizing a running computer for examination, he should not retrieve data from the computer, regardless of the circumstances
- B. When a forensic investigator is seizing a running computer, he should use the normal shut down process to protect the integrity of the data
- C. When a forensic investigator is seizing a running computer, he should use the hard shut down process to protect the integrity of the data
- D. None of the above

(1 mark)

100. James, a Certified Fraud Examiner, is conducting an admission-seeking interview of Jean. Which one of the following statements is **ACCURATE** in regard to response to an alternative question?

- A. Jean is likely to make a benchmark admission in response to an alternative question
- B. Jean is unlikely to make a benchmark admission in response to an alternative question
- C. Jean is unlikely to respond to the question that has reduced the moral seriousness
- D. None of the above

(1 mark)

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 7 December 2023. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Capability of conducting an effective interview for investigation purposes is a must. The introduction phase of an interview during information or admission seeking interview is very important. Which of the following statement is NOT accurate?
  - A. The introduction phase sets the tone of the interview which can be positive or negative
  - B. The investigator should establish the purpose of the interview during the introduction phase
  - C. During the introduction phase of an admission seeking interview, the investigator should ask open ended questions
  - D. None of the above(1 mark)
2. Professional interviews for purposes of investigations are useful in eliciting information as well as obtaining admissions from suspects. Which of the following is NOT accurate in regard to professional interviewing?
  - A. Professional interviewing is a structured conversation with answer and question session
  - B. The interviewer must observe the elements of conversation, avoid inhibitors of conversation and apply facilitators of communication to enable a successful interview
  - C. The interviewer must observe verbal and non-verbal signs of deception from the interviewee so that she can indicate the interviewee's veracity in the memorandum of interviews
  - D. The interviewer must be informal to avoid intimidating the interviewee(1 mark)
3. Which of the following is a method of tracing illicit funds by comparing major expenditure with the suspect's known legitimate income?
  - A. Bank deposit analysis method
  - B. Net worth analysis method
  - C. Asset method
  - D. None of the above(1 mark)
4. Which of the following is NOT a recommended mechanic of interviewing?
  - A. Conducting one on one interview
  - B. Recording the interview without the interviewee's consent
  - C. Displaying interest by maintaining eye contact
  - D. None of the above(1 mark)
5. Which of the following is an important element of conversation that is essential in conducting interviews to ensure that the respondent appreciates that the interviewer needs his/her help?
  - A. Persuasion
  - B. Ritualistic
  - C. Recognition
  - D. Information exchange(1 mark)
6. Which of the following is a recommended method of identifying a confidential source?
  - A. The fraud examiner should identify the source by his or her full name
  - B. The fraud examiner should not identify the source using his or her initials

C. The fraud examiner should use symbols to denote the source's identity  
 D. None of the above (1 mark)

7. Which of the following statement is **ACCURATE** in regard to seizing computers for investigation?  
 A. When a forensic investigator is seizing a running computer for examination, he can retrieve data from the computer directly via its normal interface if the evidence needed is volatile  
 B. When a forensic investigator is seizing a running computer, he should do a graceful shut down  
 C. When a forensic investigator is seizing a computer that is shut down, they should open and review files needed  
 D. All the above (1 mark)

8. When a suspect is confronted with questions of excess funds that the suspect cannot account for from legitimate known sources of funds, which of the following is **NOT** a defense that the suspect is likely to give?  
 A. The suspect claims that the extra funds are inheritance from his grandfather  
 B. The suspect claims that the extra funds are from an insurance compensation  
 C. The suspect claims that the extra funds are gifts from suppliers  
 D. The suspect claims that the extra funds are from his savings over a period of time (1 mark)

9. Which of the following statements is **ACCURATE** in regard to an intelligent suspect's interview?  
 A. The intelligence level of an interview subject rarely has no effect on an investigator's ability to accurately observe behavioral clues during an interview  
 B. An intelligent suspect will usually not show any stress when being deceptive  
 C. The intelligence level of an interview subject has an effect on an investigator's ability to accurately observe behavioral clues during an interview  
 D. None of the above (1 mark)

10. Circumstantial proof that would yield the best results when the suspect is using illicit funds to accumulate wealth and acquire assets, thus causing his net worth to decrease is referred to as:  
 A. The expenditures method  
 B. The asset method  
 C. Net worth analysis method  
 D. None of the above (1 mark)

11. The CEO of ABC company is alleged to have committed financial statement fraud. During an admission-seeking interview with Alex, the interviewer states: "I know the employee's job security depends on the company's good performance. I am sure you did this to help the employees retain their jobs, isn't that right?" This interviewing technique is known as:  
 A. Depersonalisation  
 B. Sympathetic understanding  
 C. Altruistic appeals  
 D. Calibration (1 mark)

12. Which of the following should **NOT** be done when preparing an organisation for a formal fraud investigation?  
 A. Inform the managers of the employees who will be involved in the investigation  
 B. Inform the organisation's legal counsel when the investigation is about to commence  
 C. Inform management that the investigation is about to begin  
 D. Inform the whole organisation to ensure you get cooperation from everyone whose assistance may be required (1 mark)

13. Which of the following is **NOT** accurate in regard to limitation of conducting a public database search online?  
 A. Information from online databases is always accurate, current and up to date  
 B. Online public records searches are limited in the area they cover, often requiring fraud examiners to search multiple jurisdictions  
 C. Online coverage of public records varies widely from jurisdiction to jurisdiction  
 D. All of the above (1 mark)

14. Charles, a Certified Fraud Examiner, is conducting an admission-seeking interview of Caroline, a fraud suspect. Charles asks Caroline: "Did you take the organisation's money for luxury, or you had an emergency?" Which of the following **BEST** describes the response Charles is likely to get?  
 A. Benchmark admission  
 B. Alternative question  
 C. Double negative question  
 D. Complex question (1 mark)

15. Which of the following statements is **NOT** accurate in regard to data mining?  
A. Data mining is an effective way for fraud examiners to develop fraud targets for further investigation  
B. Data mining is a science of searching large volumes of data for patterns  
C. Data mining can be used to streamline bad data into understandable patterns  
D. None of the above (1 mark)

16. Which of the following is **NOT** accurate in regard to volatility of digital evidence?  
A. Digital evidence is more volatile than tangible evidence because data can be altered or destroyed more easily than tangible information  
B. Once the integrity of digital evidence has been violated through alteration or destruction, it cannot be restored  
C. Failure to preserve the integrity of digital evidence could result in evidence being inadmissible in a court proceeding  
D. Admissibility requirements for digital evidence is higher than that of tangible evidence (1 mark)

17. Which of the following is a data analysis tool that is effective in identifying indirect relationships and relationships with several degrees of separation?  
A. Link analysis  
B. Benford Law  
C. Textual analysis  
D. Link diagram (1 mark)

18. George is conducting an admission-seeking interview of Andrew. After diffusing alibis, Andrew becomes withdrawn. Which of the following questions should George ask?  
A. An accusatory question  
B. An alternative question  
C. Hypothetical questions  
D. None of the above (1 mark)

19. During the analysis phase in digital forensic investigation, which of the following is the fraud examiner's primary concern?  
A. To protect disclosure of the evidence  
B. To protect the integrity of the evidence  
C. To protect the confidentiality of the evidence  
D. All the above (1 mark)

20. Fraud Examiners should know the right question to ask and the right timing as well. Which of the following is a good example of an accusatory question?  
A. "You embezzled company's money, why did you do that?"  
B. "You took company's money; why did you do that?"  
C. "Didn't you know that what you were doing was not right?"  
D. "Is it that you just wanted extra money, or you had an emergency then?" (1 mark)

21. Fraud Examiners when conducting interviews should be able to ask the right questions at the right time and to the right interviewee. There are questions that an interviewer should avoid, like double negative questions. Which of the following is a good example of a double negative question?  
A. "You advanced yourself the company's money, why did you do that?"  
B. "When are you planning to return the money?"  
C. "You knew what you were doing was not right?"  
D. None of the above (1 mark)

22. When reporting results of a fraud examination, the Certified Fraud Examiner, if qualified as an expert on such matters may **NOT** issue an opinion on which of the following?  
A. The effectiveness of the entity's internal controls  
B. The effectiveness of the entity's operations  
C. The suspect's involvement on the offence  
D. None of the above (1 mark)

23. Which of the following is **NOT** a purpose of conducting textual analytics as one of the fraud investigation techniques?  
A. To identify red flags of rogue employee behavior  
B. To reveal patterns, sentiments, and relationships indicative of fraud  
C. To measure the employee's integrity  
D. None of the above (1 mark)

24. Ronald is a fraud examiner. He is conducting investigations on suspected corruption by the procurement manager. As part of the investigation, he is developing a financial profile of the suspect. Among other things, he wants to see if the suspect has made any significant real estate purchases since the corruption scheme was discovered. Information on real estate transactions such as deeds, grants, transfers, and mortgages is usually found in \_\_\_\_\_.  
A. The local court clerk or judicial records agency  
B. The jurisdiction's organisational filing agency  
C. The ministry of health  
D. None of the above (1 mark)

25. During the introductory phase of an interview, the interviewer is expected to establish rapport. Which of the following **BEST** describes establishing rapport?  
A. Establishing the right mood of the interview  
B. Establishing the purpose of the interview  
C. Providing good introduction  
D. None of the above (1 mark)

26. Which of the following is **NOT** true about fraud examination/investigation?  
A. Every fraud examination/investigation should begin with the assumption that the case will be used for disciplinary matters  
B. Fraud examination/investigation is the methodology of resolving fraud issues from inception to disposition  
C. The major objective of a fraud examination/investigation is to collect information to prove or disapprove allegations  
D. None of the above (1 mark)

27. Donald, is a public officer. He is accused of skimming money in the course of his duty. During an admission-seeking interview of Donald, the investigator states: "This is a big corporation with a lot of money. The money you took is immaterial and would not affect the financial stability of the organisation. Is that right?" This interviewing technique is known as:  
A. Rationalisation  
B. Extrinsic rewards  
C. Altruistic appeals  
D. Depersonalisation (1 mark)

28. Which of the following types of record(s) is/are **NOT** available from local governments?  
A. Building inspector records  
B. Health and fire department records  
C. Court records  
D. All of the above (1 mark)

29. Vicky is a Certified Fraud Examiner. Vicky is conducting an admission-seeking interview of a fraud suspect. Vicky rationalisation theme is that the suspect is being treated unfairly. The suspect does not accept this theory. What should Vicky do?  
A. Insist on the theory  
B. Terminate the interview  
C. Ask an alternative question  
D. None of the above (1 mark)

30. Which of the following refers to the inhibitor to communication in which the respondent is unable to generalise a concrete experience?  
A. Inferential confusion  
B. Deduction confusion  
C. Induction confusion  
D. None of the above (1 mark)

31. Which of the following is **ACCURATE** in regard to the acquisition process used in examinations involving digital evidence?  
A. Imaging the hard drive helps to ensure the integrity of the evidence  
B. Printing the evidence record has no effect on the admissibility of evidence  
C. Imaging the hard drive help to maintain the confidentiality of the evidence  
D. None of the above (1 mark)

32. Laura, a Certified Forensic Fraud Examiner, has obtained an oral admission from John, a fraud suspect. Laura reduced the confession into a short, concise written statement for Lee to sign. After John signed the statement, he remembered a significant detail that should have been included. Which of the following is a proper way of recording the omitted information?  
A. Omitting the additional information  
B. Destroy the old statement  
C. Prepare a new statement and include the additional information  
D. None of the above (1 mark)

33. Which of the following is a common method that fraudsters use to conceal illegally acquired assets?  
A. Placing assets in probate  
B. Selling the assets  
C. Transferring assets  
D. None of the above (1 mark)

34. Zippy is a Certified Forensic Fraud Examiner conducting an ongoing investigation at ABC Corp. During an interview of Stacy, an employee at the ABC Corp., Stacy confesses to Zippy that she has been receiving gifts from the vendors. Which of the following information does Zippy need **NOT** to obtain from Stacy?  
A. The approximate date Stacy started receiving money from vendors  
B. An estimate of the amount of money received so far  
C. Information about the involvement of other ABC employees  
D. She was not aware that taking gifts from suppliers is wrong (1 mark)

35. Which of the following is an example of a data analysis function that can be performed to detect fraud through examination of the assets account?  
A. Sort asset values by asset type or monetary amount  
B. Summarise cash disbursements by bank account  
C. Identify debits to expense accounts outside the set default accounts  
D. All the above (1 mark)

36. Which of the following conditions is **NOT** appropriate time to ask admission-seeking questions?  
A. When the interviewer believes there is a reasonable probability that the subject is responsible for the act in question  
B. When all investigative steps and sources have not been exhausted  
C. When the time, place and subject matter discussed can be controlled by the interviewer  
D. None of the above (1 mark)

37. Which of the following is **NOT** a characteristic of a well-written fraud examination report?  
A. Professional technical language  
B. Impartiality  
C. Accuracy  
D. Clarity (1 mark)

38. Which of the following statements is **ACCURATE** in regard to Link Analysis?  
A. Link analysis can be presented in court as demonstrative evidence  
B. Link analysis can be presented in court as direct evidence  
C. Link analysis can be presented in court as circumstantial evidence  
D. None of the above (1 mark)

39. When developing a suspect's financial profile, an investigator should consider funds generated from loans. Which of the following loan amounts should the investigator use to establish the amount received?  
A. Loan approved amount  
B. Loan principal amount  
C. Loan principal and interest amount  
D. None of the above (1 mark)

40. Which of the following steps is **NOT** included in the planning phase of the data analysis process?  
A. Building a profile of potential frauds  
B. Articulating examination objectives  
C. Verifying data  
D. None of the above (1 mark)

41. Once a suspect has confessed in an interview, it is important to get copies of as much physical evidence as possible. For example, bank records are important. Which of the following is a recommended method for obtaining bank records after a confession?

- A. Obtain an oral authorisation for the release of the bank records
- B. Request the subject to bring the bank records to the investigator's office
- C. Obtain a written authorisation from the suspect
- D. None of the above

(1 mark)

42. In most jurisdictions, searches from all of the following sources of information can be available for developing background information for pre-employment purposes, **EXCEPT**:

- A. Criminal court records searches
- B. Bankruptcy records searches
- C. Civil court records searches
- D. None of the above

(1 mark)

43. Agnes, a Certified Fraud Examiner, is conducting an admission-seeking interview. Which of the following is **NOT** a good strategy for obtaining an admission?

- A. Asking accusatory questions immediately after the introduction
- B. Maximise sympathy and avoid condemnation
- C. Conduct the interview in firm manner while showing compassion
- D. None of the above

(1 mark)

44. Organising the amount of paper generated during an investigation is one of the biggest challenges in fraud cases. Which of the following is generally **NOT** a recommended practice when organising evidence?

- A. Segregating documents by transaction
- B. Filing all papers chronologically
- C. Making a document file
- D. None of the above

(1 mark)

45. If a fraud examiner wants to submit a fraud case for prosecution, at what point should he send the case to prosecution authority?

- A. After all witnesses have been interviewed
- B. Immediately after obtaining an oral confession from the suspect
- C. After the fraud examiner has finished collecting documentary evidence
- D. None of the above

(1 mark)

46. If a fraud examiner, when conducting a forensic document examination, notices some very faint indented writings, which of the following would **NOT** be the fraud examiner's **BEST** course of action in analysing these indented writings?

- A. Performing the pencil scratching method
- B. Performing the pencil shading method
- C. Use fraud examiner to conduct the analysis
- D. None of the above

(1 mark)

47. When a Certified Fraud Examiner is interviewing a suspect and in the course of the interview, the suspect becomes uncomfortable with the sensitive nature of the questions. Which of the following **BEST** describes what the investigator should do under the circumstances?

- A. Ask double negative questions
- B. Stop asking sensitive question completely
- C. Ask open questions
- D. None of the above

(1 mark)

48. Which of the following is **ACCURATE** in regard to closed questions?

- A. They are worded in a way that makes it difficult for the respondent to answer "yes" or "no".
- B. They are worded in a way that the witness can only answer "yes" or "no".
- C. They are worded in a way that makes it difficult for the respondent to answer "yes"
- D. They are worded in a way that makes it difficult for the respondent to answer "no"

(1 mark)

49. The terms induction and deduction are most often associated with which inhibitor to communication?

- A. Chronological confusion
- B. Inferential confusion
- C. Trauma
- D. None of the above

(1 mark)

50. In interviews, introductory questions are designed to meet which of the following objectives?  
A. To establish the veracity of the witness  
B. To establish the credibility of the witness  
C. To get commitment for assistance  
D. All of the above (1 mark)

51. Which of the following data analysis functions is most useful in testing for hidden journal entries?  
A. Aging data  
B. Identifying duplicates  
C. Join function  
D. None of the above (1 mark)

52. Edwin calls Doris's bank, claiming to be Doris, with the intention of stealing Doris's identity. Edwin tells the bank representative that he needs to make sure that the bank has the correct government identification number on his account because she had noticed an error on her statement. Which of the following is an example of the attempted offence by Edwin?  
A. Corruption  
B. Embezzlement  
C. Pretexting with the bank  
D. Identity theft (1 mark)

53. When planning for an interview, which of the following steps should the interviewer **NOT** take?  
A. Contemplate what the interview is intended to accomplish and state an objective  
B. Ensure that the interview is held in a venue where the subject comfortable  
C. Prepare a brief list of key points to discuss during the interview  
D. All of the above (1 mark)

54. Which of the following is **NOT** accurate in regard to Meta Data?  
A. Metadata information can help determine who edited the document  
B. Metadata information can help determine when a document was created  
C. Metadata is a computer-generated file which can be a good source of evidence  
D. Metadata is a user created file which can be a good source of evidence (1 mark)

55. Which of the following is **ACCURATE** in regard to mutual legal assistance (MLA)?  
A. A formal request by the government of a country seeking information from a defendant residing in another country  
B. Mutual legal assistance can only be requested for criminal trials  
C. Mutual legal assistance cannot be requested for civil trials  
D. Mutual legal assistance can be requested for both criminal and civil trials (1 mark)

56. Which of the following is a method of using software to extract usable information from unstructured data?  
A. Imaging the data  
B. Data analytics  
C. Textual analytics  
D. Data mining (1 mark)

57. Which of the following witness should be interviewed second last?  
A. Neutral witnesses  
B. An accomplice witness  
C. Corroborative witness  
D. None of the above (1 mark)

58. Which of the following is **NOT ACCURATE** in regard to closing questions in interview?  
A. The purpose of closing questions is to maintain goodwill  
B. The purpose of closing questions is to reconfirm facts  
C. Closing questions are closed questions only  
D. The purpose of closing questions is to request for any additional information (1 mark)

59. Which of the following is **NOT** a recommended procedure for protecting a fraud investigation's case information?  
A. Store all confidential documents in locked file cabinets or rooms accessible only to those who have a business need-to-know  
B. Avoid talking about the investigation in public or in any place where other employees could hear the communications

C. Use of email or other electronic means to transmit confidential case information  
D. None of the above (1 mark)

60. Which of the following is an indirect method of proving illicit income circumstantially by showing that a person's assets or expenditures for a given period exceed that which can be accounted for from known or legitimate sources of income?  
A. Income method  
B. Expenditure method  
C. Net worth analysis  
D. None of the above (1 mark)

61. All of the following are signs of deceptive behavior in an interview of a subject, **EXCEPT**:  
A. The subject plays with an object during serious questioning  
B. The subject appears casual and unconcerned  
C. The subject does not maintain eye contact  
D. None of the above (1 mark)

62. Which of the following is **ACCURATE** in regard to predication to conduct investigations?  
A. The basis of conducting an investigation based on red flags of fraud  
B. The basis of conducting an investigation based on suspicion that fraud has occurred  
C. The basis of conducting an investigation based on an area evaluated as having very high risk  
D. None of the above (1 mark)

63. When fraud suspects decide to confess, they tend to do which one of the following as a way of releasing inner tension of their guilt and dishonest actions.  
A. Provide under estimate of the amount of funds defrauded  
B. Provide accurate number of incidences  
C. Provide exact number of other individuals involved  
D. None of the above (1 mark)

64. During an admission-seeking interview, Terry accuses a suspect of committing fraud. The suspect begins to deny the accusation. Which of the following methods should Terry **NOT** do to interrupt the denials?  
A. Reason with the suspect  
B. Discuss the inconsistent statements made by the suspect  
C. Try to reason with the suspect  
D. All the above (1 mark)

65. An experienced digital forensic expert is aware of where to look for evidence in the computer. Computer created files are good sources of digital evidence. Which of the following is **NOT** one of those computer-generated files?  
A. Security logs  
B. Events logs  
C. Word documents  
D. None of the above (1 mark)

66. Which of the following is **NOT** accurate in regard to fraud examination reports?  
A. The conclusion part of the report should include the recommendations on actions to be taken against the suspect based on the evidence collected  
B. The recommendation part of the report should make recommendations on the controls that need to be put in place to avoid future occurrences and other areas that may require investigations, that were not the facts in issue  
C. The scope of the investigation report should be based on specific allegations and the period of the investigation  
D. None of the above (1 mark)

67. Which of the following is **NOT** one of the things a fraud examiner should consider before starting to conduct a computer investigation?  
A. Whether there is a need to notify law enforcement  
B. Running through the data to look for evidence  
C. If there is need to engage an outside digital forensic expert  
D. None of the above (1 mark)

68. Which of the following is **NOT** accurate in regard to volatility of digital evidence?  
A. Integrity of digital evidence if violated through manipulation or destruction can be restored by use of advanced forensic tools  
B. Digital evidence is more volatile than tangible evidence because data can be easily altered  
C. Failure to preserve the integrity of the digital evidence could result to evidence being inadmissible  
D. None of the above (1 mark)

69. In admission-seeking interviews, when an innocent person is directly accused, they react differently to the initial accusation than a culpable person. Which of the following is **NOT** a reaction expected from a culpable person?  
A. Weak denials  
B. Strong denials  
C. Silence  
D. None of the above (1 mark)

70. When an examiner is using textual analysis to look for words indicative of fraud, which of the following words would be indicative of pressure to commit fraud?  
A. Deadline  
B. Deserve  
C. Write off  
D. None of the above (1 mark)

71. Benford Law can only work with natural numbers to look for patterns indicative of fraud. Which of the following is an example of natural number?  
A. Telephone numbers  
B. Suppliers amounts  
C. Sales invoice numbers  
D. None of the above (1 mark)

72. Textual analytics can identify, which of the following word is indicative of rationalisation to commit fraud  
A. Override  
B. Write off  
C. Entitled  
D. Quota (1 mark)

73. Vincent, a nonunion suspect, arrived at a scheduled admission-seeking interview with his manager and insisted that the manager be allowed to be in attendance. Should this interview be allowed to continue?  
A. No, because the presence of a third party would undermine the possibility of obtaining a confession  
B. No, because the manager's presence would be unlawful  
C. No, because the manager is not a lawyer  
D. Yes, because a third-party witness to a confession is valuable in court (1 mark)

74. Which of the following is a type of informational interview questions?  
A. Narrative questions  
B. Alternative questions  
C. Double Negative questions  
D. None above (1 mark)

75. Which of the following is an appropriate moral excuse to include in a signed confession?  
A. "I didn't mean to do it."  
B. "I didn't do it."  
C. "I didn't mean to hurt anyone"  
D. "I didn't know it was illegal." (1 mark)

76. Which of the following is **NOT** accurate in regard to digital forensic investigations?  
A. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence  
B. During the analysis phase in digital forensic investigations, the fraud examiner should look for exculpatory evidence  
C. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence only to support the prosecution side of the case  
D. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to protect the integrity of the digital evidence (1 mark)

77. Which of the following is **NOT** a characteristic of a financial vehicle that a fraudster would be looking for to conceal assets?  
A. Accessibility  
B. Security  
C. Liquidity  
D. Transparency (1 mark)

78. When tracing financial transactions, the method that involves using the subject's books and records to analyse the relationship between the subject's receipt and subsequent disposition of funds or assets is called which of the following?  
A. The direct method  
B. The asset method  
C. The bank records method  
D. The indirect method (1 mark)

79. Which of the following **BEST** describe letter rogatory?  
A. A letter in which a judge in one country orders the government in another country to release a defendant from jail  
B. A formal request by the government of a country seeking information from a defendant residing in another country  
C. A formal request by the courts of one country seeking judicial assistance from the courts of another country  
D. A letter whereby a criminal defendant requests that the government release exculpatory information (1 mark)

80. Which of the following is a **NOT** a type of informational interview questions?  
A. Leading questions  
B. Closed questions  
C. Alternative question  
D. Closing Questions (1 mark)

81. Luke, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Willis, a fraud suspect. Luke asked Willis: "Did you just want extra money, or did you do this because you had an emergency?" Which of the following **BEST** describes this type of question?  
A. Accusatory question  
B. Alternative question  
C. Double negative question  
D. None of the above (1 mark)

82. In taking a verbal confession, which of the following items of information should the interviewer **NOT** obtain?  
A. The accused's motive for the offence  
B. Estimates of the number of instances, dates and amounts involved  
C. That the accused did not know that the conduct was wrong  
D. All of the above (1 mark)

83. Which of the following is **NOT** a challenge of cloud forensics not faced in traditional forensic practices?  
A. Lack of frameworks and specialist tools  
B. Accessibility of information  
C. Lack of data control  
D. None of the above (1 mark)

84. Dorine is conducting a fraud examination of Smith, an employee at his organisation, a government entity. Dorine has strong reason to believe that Smith has incriminating evidence on a personal smart phone that he brings to work. Which of the following statements is most **ACCURATE**?  
A. In most countries, Dorine may search the phone if his organisation has a search policy and employees are aware that personal smart phones are subject to search  
B. Dorine may conduct search of Smith's smart phone because Smith's privacy rights do not affect smart phones  
C. Smith has an international right to privacy for information on his personal smart phone, and Dorine must obtain a search warrant to search the device  
D. Employees have no expectation of privacy for information on personal devices they bring to work, so Dorine may search the phone (1 mark)

85. Which of the following is **NOT** accurate in regard to the types of information that computer forensics experts typically can recover from computer systems?  
A. Computer forensics specialists can recover time and date information about files  
B. Computer forensics specialists can recover deleted documents that have been overwritten  
C. Computer forensics specialists can recover information about websites visited  
D. All of the above (1 mark)

86. A fraud examiner is conducting textual analytics on journal entry data and runs a keyword search using the terms deadline, quota, and trouble. These words are indicative of which of the following fraud risk?  
A. Capability  
B. Opportunity  
C. Rationalisation  
D. None of the above (1 mark)

87. Which of the following is **NOT** example of a data analysis function that can be performed to detect fraud through an examination of the general ledger?  
A. Create sales and purchases comparison reports  
B. Analyse and confirm specific ledger accounts for legitimate transaction activity  
C. Calculate financial ratios  
D. None of the above (1 mark)

88. Which of the following is a core data analysis functions that **CANNOT** be performed with most data analysis software applications?  
A. Sorting  
B. Joining files  
C. Duplicate searches  
D. None of the above (1 mark)

89. Which of the following **BEST** describes the limitation of Benford Law?  
A. Benford Law can only be applied to data sets listed in currency amounts  
B. Benford Law applies best to data sets with three-digit numbers  
C. Benford Law cannot be applied on data sets with non-natural numbers, such as cheque or invoice numbers  
D. Benford Law only works on data sets with assigned numbers, such as bank account or telephone numbers (1 mark)

90. Bernard owns a real estate company. He notices paint expenses have increased substantially from the previous year, which is not expected because the company had much less business that year and they painted fewer houses. Which of the following data analysis functions would be most useful in helping Bernard determine if cost of paint is proportionate to the houses painted?  
A. Link analysis  
B. Data analysis  
C. Compliance analysis  
D. None of the above (1 mark)

91. Text-based data is typically what type of data:  
A. Structured data  
B. Unstructured data  
C. Documentary data  
D. Natural data (1 mark)

92. Which of the following steps is included in the preparation phase of the data analysis process?  
A. Determining examination objectives  
B. Develop a profile of potential frauds  
C. Determining whether predication exists  
D. Cleansing and normalising data (1 mark)

93. Which of the following is **NOT** a recommended approach of dealing with a hostile or argumentative respondent during an interview?  
A. Make it impossible for the interviewee to say “no”  
B. Try to reason with the interviewee  
C. Disarm the interviewee by agreeing with his/her points where possible  
D. Avoid reacting to the interviewee hostile behavior (1 mark)

94. Which of the following statement in regard to court records is **ACCURATE**?

- A. There are multiple databases that contain a comprehensive database of court documents from all court cases in every country
- B. In most countries, it is only criminal records that are public
- C. In most jurisdictions court records can be obtained from any court database
- D. None of the above

(1 mark)

95. Which of the following statement is **NOT** accurate in regard to introduction or background contents of a forensic audit report?

- A. The introduction section of the forensic audit should indicate what management will do with the results of the forensic audit
- B. The introduction section of the forensic audit should indicate why the forensic audit was commissioned
- C. The introduction section of the forensic audit should indicate who commissioned the forensic audit
- D. The introduction section of the forensic audit should indicate the objective of the forensic audit

(1 mark)

96. Which of the following statement is **NOT** accurate in regard to the contents of the scope of a forensic audit report?

- A. The contents of the scope of a forensic audit include the facts in issue
- B. The contents of the scope of a forensic audit also include the objective of the forensic audit
- C. The contents of the scope of a forensic audit include the period of the forensic audit
- D. None of the above

(1 mark)

97. Which of the following statement is **NOT** accurate in regard to audit and forensic audit or investigation?

- A. The Presumption of an audit is professional skepticism
- B. The presumption of a forensic audit is proof
- C. The presumption of a forensic audit is to affix blame
- D. None of the above

(1 mark)

98. Which of the following is **NOT** a social physiological barrier that impedes communication in an interview?

- A. Repression - which the interviewer should avoid when conducting interviews of suspects
- B. Competing demand for time - between the interview and respondent's responsibilities
- C. Forgetting - with time people tend to forget matter with passage of time
- D. None of the above

(1 mark)

99. Which of the following statements is **NOT** accurate in regard to facilitators of communication?

- A. Being empathetic while conducting interviews
- B. Expensing expectations to the interviewee
- C. Persuasion while conducting interviews
- D. None of the above

(1 mark)

100. Which of the following words is indicative of capability to commit a crime that can be used by an investigator to identify red flags of fraud?

- A. Balance off
- B. Override the controls
- C. Write off
- D. None of the above

(1 mark)

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

#### SOLUTIONS

THURSDAY: 24 August 2023. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Interviewing skills are mandatory for a forensic auditor or investigator, because most of the frauds and corruption allegations are off the book. Which of the following statements is NOT accurate in regard to fraud and corruption?
  - A. Most of the fraudulent and corrupt activities are off the book, therefore the investigator may have to get information from people
  - B. In most fraud and corruption cases, information and evidence are in the books
  - C. In most fraud and corruption cases, the investigator may have to get physical evidence from the suspect
  - D. None of the above(1 mark)
2. Which of the following statements is ACCURATE in regard to double negative questions in forensic audit interviews?
  - A. A double-negative question is usually effective in eliciting information
  - B. A double-negative question is usually effective in obtaining an admission
  - C. Double-negative questions should be used extensively in admission seeking interviews to obtain a benchmark admission
  - D. None of the above(1 mark)
3. Report writing is a very important function of a forensic audit. Which of the following statements is NOT accurate in regard to the contents of the introduction/ background section of a forensic audit report?
  - A. The introduction/background section should include all the purposes of the forensic audit
  - B. The introduction/background section should include the main objective of the forensic audit, which is to prove or disapprove the allegations
  - C. The introduction/background section should include a statement on what prompted the investigation
  - D. The introduction/background section should include, who commissioned the audit(1 mark)
4. The capability of the interviewer to ask the right questions at the right time and to the right respondent is critical. Which of the following statements is ACCURATE in regard to closing questions?
  - A. The interviewer should not ask closing questions during information gathering phase of an interview
  - B. The interviewer should ask open-ended questions extensively in closing questions
  - C. The interviewer should ask narrative questions extensively in closing questions
  - D. None of the above(1 mark)
5. Which of the following statements is ACCURATE in regard to a professional fraud investigation interview?
  - A. The interviewer should be formal and firm
  - B. The interviewer should record the interview to ensure that he does not forget any important information provided during the interview
  - C. The interviewer should be informal but not compassionate
  - D. None of the above(1 mark)

6. Which of the following **BEST** describes the method of tracing illicit funds by comparing a suspect's major expenditures, and assets acquired by the suspect's with unknown sources of funds?

- A. Expenditures method
- B. Bank deposit analysis method
- C. Asset method
- D. None of the above

(1 mark)

7. Which of the following statements is **NOT** accurate in relation to conducting an interview?

- A. The interviewer should maintain eye contact during interviews
- B. The interviewer should not record the interviewee without the interviewee's consent
- C. The interviewer should bring to the interview a list of questions to make sure they do not leave out any important information
- D. Recording an interview with consent of the interviewer, would undermine the success of the interview

(1 mark)

8. An interview for purposes of an investigation, is a structured conversation and not just a question and answer session. Which of the following is an element of conversation that the interviewer must observe during a structured conversation interview?

- A. Fulfilling expectations
- B. Recognition
- C. Rationalisation
- D. None of the above

(1 mark)

9. Which of the following statements is **ACCURATE** in regard to seizing a computer for forensic examination?

- A. When a forensic investigator is seizing a running computer, he should be concerned about the availability of the data which might be affected by the way the computer is shut down
- B. When a forensic investigator is seizing a running computer, he should be concerned about the confidentiality of the data which might be affected by the way the computer is shut down
- C. When a forensic investigator is seizing a running computer, he should be concerned about the security of the data which might be affected by the way the computer is shut down
- D. None of the above

(1 mark)

10. A finance director was a suspect of an alleged misappropriation of finances. During the investigation, the interviewer asked him to explain the sources of the extra funds that could not be accounted for, from his legitimate known sources of income. Which of the following statements is **NOT** an explanation that the suspect is likely to give?

- A. The finance director can explain that the extra funds are gifts from his friends and relatives living abroad
- B. The finance director can explain that the extra funds are from a family business
- C. The finance manager can explain that the extra funds are from a sale of a family land
- D. The finance manager can explain that the extra funds are from gambling

(1 mark)

11. Which of the following Statements is **NOT** accurate in regard to the investigator's ability to accurately observe behavioral clues of an intelligent suspect?

- A. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant, because they are confident due to their expertise
- B. It is easy for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because he/she would experience a lot of inner tension when caught in their fraudulent activities
- C. It is easy for an interviewer to observe behavioral clues of an intelligent suspect who has experience in engaging in fraudulent activities, because he or she would still show signs of stress
- D. None of the above

(1 mark)

12. Circumstantial evidence that would yield the best results when the suspect is using his illicit funds to accumulate wealth by acquiring assets, and therefore causing his net worth to increase, is **BEST** described as which of the following methods?

- A. The expenditures method
- B. Payment analysis
- C. Net worth analysis method
- D. None of the above

(1 mark)

13. The CEO and CFO of ABC Company are being investigated for fraudulent financial reporting. During an admission-seeking interview with the CEO, the investigator states: "I know you did this to comply with the law and regulatory requirements which is critical for the business." Isn't that right?" Which of the following **BEST** describes the interviewing technique?

- A. Recognition
- B. Depersonalisation
- C. Rationalisation
- D. None of the above

(1 mark)

14. Which of the following statements is **NOT** accurate in regard to preparing an organization for a formal fraud investigation?

- A. Inform all the managers in the organization that a forensic audit has been commissioned and they are expected to cooperate with the investigators
- B. Inform legal counsel at the beginning of the investigation, and call upon him/her if faced with complex legal issues
- C. Inform managers of employees who are being investigated to make sure you get cooperation from the employees
- D. None of the above

(1 mark)

15. Which of the following statements is **NOT** accurate in regard to limitation of conducting a public database search online?

- A. Information from online databases can be fully be relied on in terms of accuracy and currency
- B. Online public records searches are limited in the area they cover, therefore the fraud examiners may need to search multiple jurisdictions
- C. Online coverage of public records is similar in all jurisdictions
- D. None of the above

(1 mark)

16. Flora, a forensic auditor, is conducting an admission-seeking interview of Jones, a fraud suspect. Flora asks Jones: "Didn't you know that using organization's resources without permission is not right?" Which of the following **BEST** describes this type of question?

- A. Double negative question
- B. Narrative question
- C. Accusatory question
- D. None of the above

(1 mark)

17. Which of the following statements is **NOT** accurate in regard to data mining?

- A. Data mining is an effective method of collecting digital evidence.
- B. Data mining is the science of searching large volumes of data for patterns
- C. Data mining can be used to streamline raw data into understandable patterns
- D. None of the above

(1 mark)

18. Which of the following statements is **NOT** accurate in regard to the volatility of digital evidence?

- A. Digital evidence is more volatile than tangible evidence because data can be altered or destroyed easily than tangible documents
- B. If the integrity of digital evidence has been violated through alteration or destruction, it can easily be restored using special forensic tools
- C. The requirements for admissibility of digital evidence is the same as that of tangible evidence.
- D. None of the above

(1 mark)

19. Which of the following statements is **NOT** accurate in regard to audit versus forensic audit?

- A. Audits are approached with the assumption that the statements are wrong and their view is dropped after the auditor is okay with tests performed, while forensic audits or fraud examinations are conducted on the basis of totality of circumstances that would make a reasonable prudent person believe that fraud has occurred
- B. The objective of a forensic audit or fraud examination is to affix blame, while that of an audit is to express an opinion
- C. The presumption of a forensic audit or fraud examination is proof, to prove or disapprove allegations of fraud, while that of an audit is professional skepticism
- D. Forensic audits or examinations are approached from one perspective, that fraud has occurred

(1 mark)

20. Which of the following is a data analysis tool that can be effective in conducting money laundering investigations?

- Benford Law
- Textual Analysis
- Link tree diagram
- None of the above

(1 mark)

21. George Makali is planning to conduct an admission-seeking forensic interview of Joan Weche. After providing introduction, which of the following **BEST** describes the first question that George Makali should ask?

- “Joan, can you please tell me what you know about this issue?”
- “Joan, you are the accountant in charge of receivables”
- “Joan did you steal the money or not?”
- None of the above

(1 mark)

22. During the analysis phase in digital forensic investigations, which of the following is the fraud examiner’s primary concern?

- To protect disclosure of the evidence
- To protect the integrity of evidence
- To protect the confidentiality of the evidence
- None of the above

(1 mark)

23. When conducting interviews, fraud examiners can ask several types of questions based on what they want to achieve. Fraud examiners would ask accusatory questions during admission seeking interviews. Which of the following is a good example of an accusatory question?

- “You are the payables accountant right?”
- “Did you take the money because you wanted extra money or you had an emergency?”
- “You took the money; why did you do that?”
- None of the above

(1 mark)

24. Which of the following is a good example of a closed question?

- “You advanced yourself with the company’s money, why did you do that?”
- “How many times has this happened?”
- “Kindly tell me what you know about the lost fund?”
- None of the above?

(1 mark)

25. When a fraud examiner is documenting the findings of a fraud investigation, the fraud examiner **CANNOT** issue an opinion on which of the following areas?

- Whether the entity’s financial transactions were recorded in accordance with accounting standards
- The effectiveness of the organisation’s fraud prevention programs
- The effectiveness of the entity’s operations
- None of the above

(1 mark)

26. Which of the following is **NOT** a purpose of conducting textual analytics as one of the fraud investigation techniques?

- To identify warning signs of dishonest employee behavior
- To reveal patterns, sentiments, and red flags of fraud
- To use structured data to identify red flags of fraud
- None of the above

(1 mark)

27. Which of the following statements is **NOT** accurate in regard to the introductory phase of a forensic audit interview?

- In a forensic audit interview, it is the responsibility of the interviewer to establish rapport
- In a forensic audit interview it is the responsibility of the interviewer to establish the theme of the interview
- In a forensic audit interview it is the responsibility of the interviewer to set the right tone of the interview
- In a forensic audit interview, the interviewee needs the interviewer more

(1 mark)

28. Which of the following statements is **NOT** accurate in regard to forensic audits?

- Every fraud examination begins with the assumption that the case will end up in a criminal prosecution
- Forensic audit is the methodology of resolving fraud allegations from inception to disposition
- The main objective of a forensic audit is to collect evidence to prove or disapprove fraud allegations.
- Every Fraud examination begins with the assumption that the case will end up in either civil or criminal litigation

(1 mark)

29. Lilly is a public officer. She is accused of engaging in bribery in the course of her duty. During an admission-seeking interview of Lilly, the investigator states: "This is a big organisation with a lot of resources. The funds you took are immaterial and would not financially affect the organisation. Is that right?" This interviewing technique is known as:  
A. Rationalisation  
B. Altruistic appeals  
C. Extrinsic appeals  
D. None of the above (1 mark)

30. Vale is a Certified Forensic Fraud Examiner. Vale is conducting an admission-seeking interview of Vicky, a fraud suspect. Vale helps Vicky to rationalise their fraudulent activities by establishing a theme that Vicky was treated unfairly. The suspect refused to accept this theory. What should Vale do next?  
A. Calibrate the suspect to establish a baseline  
B. Ask an alternative question to reduce the moral seriousness  
C. Ask a hypothetical question which is less threatening  
D. None of the above (1 mark)

31. Which of the following statements is **NOT** accurate in regard to image acquisition process used in investigations involving digital evidence?  
A. Imaging the hard drive helps in making sure that the data is acquired at its original form for example date stamps  
B. A printed copy and a copy of an image of the same record would be exactly the same in all aspects  
C. Imaging the hard drive help in protecting the integrity of the data  
D. All the above (1 mark)

32. Laura, a Certified Forensic Fraud Examiner, has obtained an oral admission from James, a fraud suspect. Laura reduced the confession into a short, concise written statement for James to sign. After James signed the statement, he remembered a significant detail that should have been included. Which of the following is a proper way of recording the omitted information?  
A. Omit the additional information  
B. Destroy the old statement and write another one to include the information omitted  
C. Add the information on the original signed statement  
D. None of the above (1 mark)

33. Which of the following is **NOT** a method fraudsters use to conceal illegally acquired assets?  
A. Mortgaging the assets  
B. Selling the assets  
C. Transferring assets  
D. None of the above (1 mark)

34. Kathleen, a Certified Forensic Fraud Examiner conducted an investigation at ABC Corp. During an admission seeking interview of Tina, an employee of the ABC Corp., Tina admits to the interviewer that she received a loan from a commercial bank, that was guaranteed and paid off by an ABC contractor. Which of the following pieces of information does the investigator need **NOT** obtain from the suspect?  
A. The approximate date when Tina received the loan  
B. Any items acquired with proceeds of the loan  
C. Statement with moral excuses of why she received the offer  
D. Statement indicating that the suspect did not know that the act was wrong (1 mark)

35. Which of the following statements is **NOT** accurate in regard to a well-written fraud investigation report?  
A. The report must include technical professional language to demonstrate expertise on the subject matter  
B. The report must be impartial  
C. The report must be clear and precise  
D. None of the above (1 mark)

36. Link Analysis is particularly useful when investigating which type of fraud scheme?  
A. Bribery  
B. Cash Skimming  
C. Money laundering  
D. None of the above (1 mark)

37. One of the methods of tracing illicit funds owned by a suspect is to develop the suspect's financial profile. Which of the following loan amounts should the investigator use to establish the amount of loan received?  
A. Loan disbursement amount  
B. Book loan amount  
C. Loan principal and interest amount  
D. None of the above (1 mark)

38. Which of the following is a step in the planning phase of the data analysis process?  
A. Verifying data  
B. Identifying relevant data  
C. Obtaining data  
D. None of the above (1 mark)

39. Which of the following is **NOT** a step of the preparation phase of the data analysis process?  
A. Normalising and cleansing data  
B. Obtaining relevant data  
C. Verifying data  
D. None of the above (1 mark)

40. To keep track of the amount of paper generated during an investigation is a challenge in fraud cases. Which of the following is a **NOT** best practice for organising evidence?  
A. File chronologically, by transaction or event  
B. File all documents chronologically  
C. Establish a database early enough as you collect documents related to the investigation  
D. None of the above (1 mark)

41. Before a fraud examiner submits a fraud case for prosecution, which of the following statements **BEST** describes the steps the investigator should take before handing the file to the prosecution or law enforcement?  
A. The fraud examiner should interview all witnesses first.  
B. The fraud examiner should exhaust all the investigate steps first  
C. The fraud examiner should collect all direct evidence first  
D. None of the above (1 mark)

42. Which of the following statements **BEST** describes what the investigator should do if a suspect becomes uncomfortable with the sensitive question being asked by the interviewer?  
A. Ask open questions to allow the suspect to explain themselves  
B. Ask ritualistic questions to make the suspect feel comfortable  
C. Ask hypothetical questions which are non-threatening  
D. None of the above (1 mark)

43. Which of the following is a **NOT** a step of a data post analysis?  
A. Verifying data  
B. Conducting desired tests in response to the findings of the data analysis  
C. Respond to the analysis findings  
D. Monitor the data for future anomalies (1 mark)

44. Which of the following statements is **NOT** accurate in regard to leading questions?  
A. Leading questions are worded in a way that the answer can only be yes  
B. Leading questions can be used during the information-gathering phase to confirm already known facts  
C. Leading questions should not be used at all in admission seeking interviews  
D. Leading questions can be used in admission seeking interviews (1 mark)

45. Which of the following data analysis functions is most useful in testing gaps in sales invoices and check numbers?  
A. Compliance verification  
B. Duplicate searches  
C. Join function  
D. None of the above (1 mark)

46. Fred called Anita's bank, claiming to be Anita, with the intention of stealing his identity. Fred tells the bank representative that he needs to make sure the bank has the correct personal information on his account because he had noticed an error. The bank representative refuses to give the number. Which of the following **BEST** describe the attempted offence by Fred?

- A. Identity theft
- B. Vishing
- C. Phishing
- D. None of the above

(1 mark)

47. Which of the following method of interviewing witnesses is **NOT** recommended?

- A. Interviewing a neutral witness first
- B. Interviewing a suspect last
- C. Interview co-conspirator second to last
- D. None of the above

(1 mark)

48. Which of the following statements is **ACCURATE** in regard to Meta data?

- A. Meta data can be used as digital evidence in a court of law
- B. Meta data cannot be used in court as digital evidence because it is not user generated
- C. Meta data cannot be generated as a computer system report
- D. None of the above

(1 mark)

49. Which of the following **BEST** describes a method of using software to extract usable information from unstructured data?

- A. Data Analysis
- B. Decryption
- C. Data mining
- D. None of the above

(1 mark)

50. Which of the following is **NOT** a sign of deception that can be displayed by a suspect during the interview?

- A. The suspect is usually over friendly
- B. The suspect appears casual and unconcerned
- C. The suspect does not maintain eye contact with the interviewer
- D. The suspect is usually very hostile to the interviewer

(1 mark)

51. Which of the following statements is **NOT** accurate in regard to predication in fraud forensic audits?

- A. Predication is the basis of conducting an investigation based on sufficient suspicion
- B. Predication is the basis of conducting an investigation based on allegations
- C. Predication is the basis of conducting an investigation based on suspicion that fraud has occurred
- D. None of the above

(1 mark)

52. When fraud suspects decide to confess, and give some information as way of releasing inner tension of their guilt and dishonest actions, which of the following **BEST** describes what kind of information they are likely to give?

- A. Under estimated amount of funds defrauded
- B. Provide accurate number of incidences
- C. Provide all the names of other accomplices
- D. None of the above

(1 mark)

53. Which of the following is **NOT** a recommended method of interrupting a suspect's denials when directly accused by an interviewer during an admission seeking interview?

- A. Reasoning with the suspect
- B. Mention other witnesses interviewed before, who pointed at the suspect, without revealing their names
- C. Try to reason with the suspect
- D. Show the suspect physical evidence

(1 mark)

54. A computer creates files on the background as the users do their work. Those files are good sources of digital evidence. Which of the following is **NOT** one of those computer-generated files?

- A. Security log file
- B. System log file
- C. Meta data
- D. None of the above

(1 mark)

55. Which of the following statement is **ACCURATE** in regard to fraud investigation reports?  
A. The investigation report should be specific to the facts in issue  
B. The objectives of a fraud investigation report are similar to those of an audit  
C. The scope part of the investigation report should include all possible misconducts.  
D. None of the above (1 mark)

56. Which of the following statements is **ACCURATE** in regard to the issues a fraud examiner should consider before conducting a computer investigation?  
A. The fraud examiner should open the hard drive first.  
B. The fraud examiner should run through the data to look for evidence  
C. The fraud examiner should consider if they need to engage an outside digital forensic expert at the beginning of the investigation  
D. None of the above (1 mark)

57. Which of the following statements is **NOT** accurate in regard to volatility of digital evidence and admissibility?  
A. Integrity of digital evidence must be maintained for the evidence to be admissible in a court of law  
B. The requirement for admissibility of digital evidence is more stringent than that of tangible evidence  
C. To maintain the integrity of digital evidence, forensic digital experts need to take an image copy of the data using a forensic tool  
D. None of the above (1 mark)

58. In a suspect's interview, when an innocent person is directly accused, they react differently from a guilty person. Which of the following statements is **ACCURATE** in relation to the expected response from an innocent suspect?  
A. How did you know that I am the one?  
B. Do you have evidence for what you are accusing me of?  
C. Can you check with my friends if I can do such a thing?  
D. None of the above (1 mark)

59. Which of the following statements is **NOT** accurate in regard to a person who is guilty when directly accused?  
A. A guilty person answers a question with a question  
B. A guilty person make weak denials  
C. A guilty person strongly denies the accusation  
D. None of the above (1 mark)

60. When an examiner is using textual analytics to look for words that are indicative of employees fraudulent or corrupt activities related to pressure to commit fraud or corruption, which of the following words are indicative of pressure?  
A. Deserve  
B. Write-off  
C. Deadline  
D. None of the above (1 mark)

61. Benford Law can only work with natural numbers to look for red flag patterns of fraud. Which of the following is an example of a natural number?  
A. Utility account numbers  
B. Cell phone numbers  
C. Bank accounts  
D. None of the above (1 mark)

62. Textual Analytics is a text analysis tool that can be used to identify words that are indicative of possible employee's fraudulent activities, related to rationalisation. Which of the following words is indicative of rationalisation?  
A. Deadline  
B. Write-off  
C. Entitled  
D. Quarter (1 mark)

63. Which of the following is data analysis step of the planning phase?  
A. Verifying data  
B. Cleansing and normalising data  
C. Obtaining data  
D. None of the above (1 mark)

64. An interviewer should observe the mechanics of an interview while conducting a fraud related interview, for example one-on-one interview. If a suspect insists on having a representative, which of the following statement is **CORRECT** in regard to the interviewee's rights?  
A. The interviewee has a right to bring a representative to the interviewee  
B. The interviewer has a right to refuse the interviewee to bring a representative  
C. The interviewee has no right to bring a representative to the interviewee  
D. None of the above (1 mark)

65. Which of the following is a type of informational interview questions?  
A. Accusatory questions  
B. Alternative questions  
C. Double-negative questions  
D. None of the above (1 mark)

66. Which of the following is **NOT** accurate in regard to the analysis phase of a digital forensic investigations?  
A. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence only and should not reveal exculpatory evidence because it will undermine the prosecution evidence  
B. During the analysis phase in digital forensic investigations, the fraud examiner should look for both exculpatory and inculpatory evidence.  
C. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to protect the integrity of the digital evidence.  
D. None of the above (1 mark)

67. Which of the following is a **NOT** a type of information gathering interview questions?  
A. Leading questions  
B. Open ended question  
C. Narrative questions  
D. Alternative questions (1 mark)

68. Gerald, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Able, a fraud suspect. Gerald asked Able: "Did you just want extra money, or did you do this because you had an emergency?" Which of the following statements is **NOT** accurate in regard to the question?  
A. Gerald is trying to get a benchmark admission  
B. Gerald is trying to reduce moral condemnation  
C. Gerald is asking an alternative question  
D. None of the above (1 mark)

69. In a verbal confession, the interviewer should be careful of what information he/she should take. Which of the following information should the investigator **NOT** obtain?  
A. The accused's motive for the offence  
B. The accused's intent for the offence  
C. That the offence was a mistake  
D. That the accused knew that the conduct was wrong (1 mark)

70. Cloud forensics experience challenges that are not faced in traditional forensic investigations. Which of the following is **NOT** a challenge faced in cloud forensics?  
A. Lack of frameworks and specialist tools  
B. Lack of accessibility of information  
C. Lack of data control  
D. None of the above (1 mark)

71. In jurisdictions that have privacy laws, which of the following is **NOT** accurate in regard to employees searches at place of work?  
A. In most countries, searching an employee's personal phone would require that the organization have a search policy and employees are aware that personal smart phones are subject to searches.  
B. Searching an employee's 'personal phone where the employee is not aware that such searches can result to claims of invasion of privacy and violation of individual rights  
C. Employees have rights that protect them from invasion of privacy while at the workplace, if they have reasonable expectation of privacy  
D. None of the above (1 mark)

72. Which of the following statements is **NOT** accurate in regard to the types of information that computer forensics experts typically can recover from computer systems?  
A. Computer forensics specialists can recover temporary created files  
B. Computer forensics specialists can recover deleted documents  
C. Computer forensics specialists can recover overwritten files  
D. None of the above (1 mark)

73. A fraud examiner can conduct textual analytics on an email communication among employees and then run a keyword search using the terms like targets, quota, and trouble. These words are indicative of which of the following fraud risk?  
A. Capability  
B. Opportunity  
C. Pressure  
D. Low personal integrity (1 mark)

74. Which of the following is **NOT** an example of a data analysis function that can be performed to detect fraud through an examination of the general ledger?  
A. Comparing budgets and actuals  
B. Analyzing and confirming specific ledger accounts for legitimate transaction activity  
C. Calculating financial ratios  
D. None of the above (1 mark)

75. Which of the following is a data analysis function that is **NOT** found in other software applications apart from data analysis softwares?  
A. Sorting  
B. Joining files  
C. Benford Law  
D. None of the above (1 mark)

76. Which of the following statements is **ACCURATE** in regard to the Benford Law?  
A. Benford Law can only work with unnatural numbers  
B. Benford Law can work with both natural and unnatural numbers  
C. Benford Law can only work with all structured data  
D. None of the above (1 mark)

77. Stella runs a construction development company. She noticed that the cost of paint had increased substantially from the previous year, while the number of houses painted were fewer than in the previous year. Which of the following data analysis function would be **MOST** useful in helping Stella determine if cost of paint is proportionate to the houses painted?  
A. Correlation analysis  
B. Join function  
C. Compliance verification  
D. None of the above (1 mark)

78. When conducting an interview, the investigator must be particular of several issues to ensure the success of the process. Social psychological forces that facilitate communication is one of those elements that an interviewer should be concerned about. Which of the following **BEST** describes a social psychological force of communication that the interviewer should apply in their conversation with the interviewee?  
A. Persuasion  
B. Competing demand for time  
C. Information exchange  
D. None of the above (1 mark)

79. Which of the following is a step of the preparation phase of the data analysis process?  
A. Determining examination objectives  
B. Obtaining data  
C. Determining whether predication exists  
D. None of the above (1 mark)

80. Which of the following is a **BEST** practice for dealing with a hostile or argumentative interviewee during an interview?  
A. Reasoning with the respondent  
B. Trying to reason with the respondent  
C. Reacting to the interviewee hostile behavior and take control of the interview  
D. None of the above (1 mark)

81. Felistus, a Certified Forensic Fraud Examiner, is conducting an interview of an employee who does not know her. Which of the following is **NOT** accurate in regard to best practices for conducting the introduction phase of an interview.  
A. Asking assessment questions  
B. Avoiding titles  
C. Getting commitment for assistance from the interviewee  
D. None of the above (1 mark)

82. Which of the following statements **BEST** describes letter rogatory?  
A. A formal request in which a judge in one country seeks the assistance of government in another country to release a defendant from jail  
B. A formal request by the government of a country seeking information from a defendant residing in another country  
C. A formal request by the courts of one country seeking assistance from the courts of another country to collect evidence in the foreign jurisdiction  
D. None of the above (1 mark)

83. Which of the following statements is **NOT** accurate in regard to clarity in fraud investigation report writing?  
A. The investigator should use clear language not subject to interpretations  
B. The investigator should make sure that they use technical terms in their proper context and where necessary explain the meaning  
C. The investigator should not state whether the suspect committed the crime or not, and avoid mentioning the suspect's name  
D. None of the above (1 mark)

84. Which of the following statements is **NOT** accurate in regard to why an interviewer should observe nonverbal clues of deception?  
A. To determine deception, and document in a memorandum of interview  
B. To establish deception and discontinue the interview as soon as possible because the information will not be useful  
C. To establish deception, but not to confront the witness in regard to their untruthfulness  
D. All the above (1 mark)

85. The interviewer should be able to observe inconsistency behavior from one question to another for nonverbal clues. Which of the following is a nonverbal communication to convey meaning related to time?  
A. Kinetic  
B. Proxemics  
C. Chronemic  
D. None of the above (1 mark)

86. Which of the following elements of report writing would affect the credibility of a forensic audit report?  
A. Accuracy  
B. Vagueness  
C. Impartiality  
D. None of the above (1 mark)

87. Which of the following statements concerning court records is **ACCURATE**?  
A. The courts have multiple databases that contain a comprehensive database of court documents from all court cases in every country  
B. In most countries, court records are public records and can be obtained from the court where the case was heard  
C. When searching for records for a particular court case, a fraud examiner need only to search the national court records as they serve as a repository for all cases heard at all courts  
D. None of the above (1 mark)

88. Which of the following statements **ACCURATE** when preparing a memorandum reflecting the information provided by a confidential source?

- The fraud examiner should write confidential source information in a memorandum
- The fraud examiner should identify the source by name
- The fraud examiner should use symbols to identify the source's identity
- None of the above

(1 mark)

89. Which of the following statements is **NOT** correct in regard to an interviewer's conduct in forensic audit interviews?

- The interviewer should be friendly
- The interviewer must be fair in all his dealings with suspect or witness
- The interviewer must conduct himself in an informal way
- None of the above

(1 mark)

90. Which of the following statements is **NOT** accurate in regard to collection of digital evidence?

- The investigator should collect incriminating evidence only
- The investigator should collect exculpatory evidence
- The investigator should collect inculpatory and exculpatory evidence
- None of the above

(1 mark)

91. Which of the following statements is **ACCURATE** in regard to seizing computers for examination?

- When a forensic investigator is seizing a running computer for examination, he can retrieve data from the computer directly via its normal interface if the evidence is volatile
- When a forensic investigator is seizing a running computer, he should do a graceful shut down
- When a forensic investigator is seizing a computer that is shut down, they should open and review files needed
- None of the above

(1 mark)

92. Which of the following would **NOT** diminish the importance of evidence documented in an investigation report?

- If the forensic auditor documents irrelevant information
- If the forensic auditor is prejudicial in reporting the findings
- If the forensic auditor documents unreliable information
- None of the above

(1 mark)

93. Which of the following statements is an example of a statement that an interviewer can use to depersonalise the victim?

- "I can understand why you had to do this, the management has ignored your long years of service is that right?"
- "I can see why you did this; management is also taking big kickbacks. Yours was only a small gift from the vendor"
- "I can see what you took would not have significant effect on the organisation funds, after all this is a very big corporation"
- None of the above

(1 mark)

94. Which of the following statements is **ACCURATE** in regard to the mechanics of an interview?

- The interviewer should not conduct the interview in the presence of a third party because the third party would undermine the possibility of obtaining an admission.
- The interviewer should conduct the interview in the presence of a third party to protect the investigator from false allegations by the interviewee
- The interviewer should conduct the interview in the presence of a third party to assist the interviewer in taking notes
- None of the above

(1 mark)

95. Which of the following **BEST** describes a word that interviewers can use in fraud investigation interviews?

- Forensic audit
- Embezzlement
- Bribery
- None of the above

(1 mark)

96. Polly, a Certified Fraud Examiner, is conducting an admission-seeking interview of Paul, a fraud suspect. Which of the following is a good technique of obtaining an admission?

- Asking an alternative question to obtain a benchmark admission
- Minimise sympathy and maximise condemnation
- Asking complex questions
- Asking double negative questions

(1 mark)

97. The accuracy of an investigation report is very important. It can make or break a case. Which of the following is **TRUE**?

- A. The credibility of a forensic audit report can only be affected by material inaccuracies
- B. The credibility of an examination report cannot be affected by immaterial inaccuracies
- C. The credibility of an examination report can be affected by both material and immaterial inaccuracies
- D. The credibility of an examination report cannot affect the admissibility of the documented evidence

(1 mark)

98. Which of the following statements is **MOST** accurate in regard to the difference between forensic audit and fraud investigations?

- A. Forensic audit differs from fraud investigations because forensic audits can only be conducted by accountants/auditors
- B. The terms forensic audit, fraud investigations cannot be used inter-changeably because the objective of the engagements are different
- C. Forensic audit differs from fraud investigations because the purpose of a forensic audit is to prove an allegation
- D. None of the above

(1 mark)

99. Which of the following statements is **MOST** accurate in regard to forensic accounting and forensic audit?

- A. Forensic audit differs from forensic accounting because not all forensic accounting, are conducted for court purposes
- B. All forensic audits and forensic accounting are conducted with an assumption that they will end up in court
- C. All forensic auditors can conduct forensic accounting for court purposes
- D. None of the above

(1 mark)

100. Which of the following statements is **NOT** accurate in regard to forensic audit?

- A. Forensic audit is a methodology of resolving fraud issues from inception to disposition
- B. Forensic audit is conducted with an assumption that it will end up in litigation
- C. Forensic auditors do not necessarily have to be accountants
- D. Forensic audits are law intensive, therefore forensic auditors must have good knowledge of laws related to fraud and the rule of evidence

(1 mark)

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 27 April 2023. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. Which of the following statement is **ACCURATE** in regard to accuracy in forensic audit report writing?
  - A. The credibility of a forensic audit report can only be affected by material inaccuracies
  - B. The credibility of an examination report cannot be affected by immaterial inaccuracies
  - C. The credibility of an examination report can be affected by both material and immaterial inaccuracies
  - D. The credibility of an examination report cannot affect the admissibility of the documented evidence
2. Which of the following statement is **NOT** correct in regard to the difference and similarities of forensic audit and fraud investigations?
  - A. Forensic audit or fraud investigations are identical because the purpose of both assignments is to collect evidence to prove or disapprove an allegation
  - B. The terms forensic audit, fraud investigations, or examinations can be used inter-changeably because the objectives of the assignments are the same
  - C. Forensic audit differs from fraud investigations because forensic audit is a type of a special audit conducted to collect more information and details, while fraud investigations are conducted to collect evidence that can be used in a court of law
  - D. An auditor cannot conduct a good fraud forensic audit without a formal training and experience in fraud investigation
3. Forensic auditors and investigators must have good interviewing skills because interviewing is one of the most important investigation methods of fraud and corruption allegations. Which of the following statements is **NOT** correct in regard to fraud and corruption investigations interviews?
  - A. Most of the fraud and corruption activities are off the book, therefore the investigator may have to get information from people
  - B. In most fraud and corruption cases information and evidence is not in the books but with the people
  - C. Most of the fraud and corruption cases the investigator may have to get physical evidence from the suspect
  - D. None of the above
4. Which of the following statements **BEST** describe the effects of a double-negative question in fraud investigations interviews?
  - A. The response to a double-negative question is usually opposite to the desired one
  - B. The response to a double-negative question is usually the desired one
  - C. A double-negative question is usually effective in eliciting information
  - D. A double-negative question is usually effective in obtaining an admission
5. Report writing is a very important function of a fraud forensic audit. Which of the following statements is **ACCURATE** in regard to the contents of the introduction/ background section of a forensic audit report?
  - A. The introduction/background section should include all the objectives of the forensic audit
  - B. The introduction/background section should include the main objective of the audit, which is to prove or disapprove the allegations
  - C. The introduction/background section should include a summary of the findings of the forensic audit
  - D. The introduction/background section should include the scope of the audit

6. For an interview to be effective, the interviewer should be able to ask the right questions at the right time and to the right respondent. Which of the following statements is **ACCURATE** in regard to closing questions?

- A. The interviewer should ask closed questions extensively in closing questions
- B. The interviewer should ask open-ended questions extensively in closing questions
- C. The interviewer should ask narrative questions extensively in closing questions
- D. The interviewer should ask hypothetical questions extensively in closing questions

7. Which of the following statements is **MOST** accurate in relation to a professional fraud investigation interview?

- A. The interviewer should be formal and firm
- B. The interviewer should record the interview to ensure that he does not forget any important information provided during the interview
- C. The interviewer should be informal but firm
- D. The interviewer should be formal and friendly

8. Which of the following **BEST** describes the method of tracing illicit funds by comparing a suspect's major expenditures, and assets acquired with the suspect's known legitimate sources of funds?

- A. Expenditures method
- B. Bank deposit analysis method
- C. Net worth analysis method
- D. Asset method

9. Which of the following is **NOT** accurate in regard to mechanics of an interview?

- A. The Interviewer should avoid taking a lot of notes during an interview
- B. The interviewer should not record the interviewee without their consent
- C. The interviewer should document the interview as soon as possible after the interview
- D. None of the above

10. A professional interview is a structured conversation and not just a question and answer session. Which of the following is an element of conversation that the interviewer must apply during a structured conversation interview?

- A. Sympathetic understanding
- B. Recognition
- C. Rationalisation
- D. Information exchange

11. Which of the following statements is **ACCURATE** in regard to seizing a computer for forensic examination?

- A. When a forensic investigator is seizing a running computer, he should be concerned about the integrity of the data which might be affected by the way the computer is shut down
- B. When a forensic investigator is seizing a running computer, he should be concerned about the confidentiality of the data which might be affected by the way the computer is shut down
- C. When a forensic investigator is seizing a running computer, he should be concerned about the security of the data which might be affected by the way the computer is shut down
- D. All the above

12. A procurement manager was a suspect on alleged corruption. During the investigation, the interviewer asked him to explain the sources of the extra funds that could not be accounted for from the legitimate known sources of his funds. Which of the following statements is **NOT** one of the explanations that the suspect is likely to give?

- A. The procurement manager can explain that the extra funds are from gifts from his friends and relatives living abroad
- B. The procurement manager can explain that the extra funds are from an inheritance
- C. The procurement manager can explain that the extra funds are from the sale of a family property
- D. The procurement manager can explain that the extra funds are from gifts by suppliers and contractors

13. Which of the following Statements is **ACCURATE** in regard to the investigator's ability to accurately observe behavioral clues of an intelligent suspect?

- A. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because they are confident in misleading the investigator by using professional jargon
- B. It is easy for an interviewer to accurately observe behavioral clues of an intelligent suspect like an accountant because he/she would experience a lot of inner tension when caught in their fraudulent activities
- C. It is very hard for an interviewer to accurately observe behavioral clues of an intelligent suspect who have experience in engaging in fraudulent activities, because they are familiar with such interviews and therefore they cannot experience stress during interviews
- D. None of the above

14. Circumstantial evidence that would yield the best results when the suspect is using his illicit funds to accumulate wealth by acquiring assets, and therefore causing his net worth to increase, is **BEST** described as which of the following methods?

- A. The expenditures method
- B. The Assets method
- C. Net worth analysis method
- D. None of the above

15. The CEO and CFO of XYZ Company were accused of fraudulent financial reporting. During an admission-seeking interview of Nelvin, the investigator states: "I know the employees' job security depends on the company's good performance. I am sure you did this to help the employees retain their jobs, Isn't that right?" Which of the following **BEST** describes the interviewing technique?

- A. Sympathetic understanding
- B. Altruism
- C. Recognition
- D. None of the above

16. Which of the following statement is **NOT** correct in regard to preparing an organisation for a formal fraud investigation?

- A. Inform all the managers in the organisation that a fraud investigation has been commissioned and they are expected to cooperate with the investigators
- B. Do not inform legal counsel at the beginning of the investigation, but can call upon him/her if faced with complex legal issues
- C. Inform management and employees to make sure you get cooperation from everyone whose assistance may be required
- D. None of the above

17. Which of the following statements is **ACCURATE** in regard to limitation of conducting a public database search online?

- A. Information from online databases can fully be relied on in terms of accuracy and currency
- B. Online public records searches are not limited in the area they cover, therefore the fraud examiners do not need to search multiple jurisdictions
- C. Online coverage of public records is similar in all jurisdiction
- D. None of the above

18. Fiona, a Certified Fraud Examiner, is conducting an admission-seeking interview of Faith, a fraud suspect. Fiona asks Faith: "Didn't you know that taking the organisation's money without permission is wrong?" Which of the following **BEST** describes this type of question?

- A. Controlled answer technique
- B. Alternative question
- C. Accusatory question
- D. None of the above

19. Which of the following statements is **CORRECT** in regard to data mining?

- A. Data mining is an effective method of collecting digital evidence.
- B. Data mining is the art of searching large volumes of data for patterns
- C. Data mining can be used to modify raw data into understandable patterns
- D. None of the above

20. Which of the following statements is **ACCURATE** in regard to the volatility of digital evidence?

- A. Digital evidence is not as volatile as tangible evidence because data cannot be altered or destroyed easily like tangible documents
- B. Once the integrity of digital evidence has been violated through alteration or destruction, it can be easily restored using special forensic tools
- C. Admissibility of digital evidence is more stringent than that of tangible evidence.
- D. None of the above

21. Which of the following statement is **NOT** most accurate in regard to audit versus fraud examinations or forensic audit?

- A. Audits are conducted on a regular basis while forensic audits or fraud examinations are conducted on the basis of sufficient predication
- B. Audits are general examination of financial data, while forensic audits and fraud examinations are conducted to resolve specific allegations
- C. The objective of a forensic audit or fraud examination is to affix blame, while the objective of an audit is to express an opinion
- D. The presumption of a forensic audit or fraud examination is proof, to prove the allegations of fraud, while that of an audit is professional skepticism

22. Which of the following is a data analysis tool that is effective in conducting money laundering investigations?

- A. Link Analysis
- B. Benford's Law
- C. Textual Analysis
- D. Link Diagram

23. Gregory is planning to conduct an admission-seeking interview of Jones. After introduction, which of the following **BEST** describes the first question that Gregory should ask?

- A. "Jones, can you please tell me what you know about this matter?"
- B. "Jones, who do you think could have embezzled the funds"
- C. "Jones, you advanced yourself with the organization's money without your employer's consent, why did you do that?"
- D. "Did you embezzle the money or not?"

24. During the analysis phase in digital forensic investigations, which of the following is the fraud examiner's primary concern?

- A. To protect disclosure of the evidence
- B. To Protect the availability of evidence
- C. To Protect the confidentiality of the evidence
- D. None of the above

25. When conducting interviews, fraud examiners can ask several type of questions based on what they want to achieve. Fraud examiners would ask accusatory questions during admission seeking interviews. Which of the following is a good example of an accusatory question?

- A. "You are the payables accountant right?"
- B. "Did you take the money because you wanted extra money or you had an emergency?"
- C. "Didn't you know that what you were doing is not right?"
- D. None of the above?

26. Fraud Examiners should not use double negative questions at all when conducting interviews. Which of the following is a good example of a double-negative question?

- A. "You advanced yourself with the company's money, why did you do that?"
- B. "How many times has this happened?"
- C. "Who else was involved in this matter?"
- D. None of the above?

27. When a fraud examiner is documenting the findings of a fraud investigation, the fraud examiner **CANNOT** issue an opinion on which of the following areas?

- A. Whether the entity's financial transactions were recorded in accordance with accounting standards
- B. The effectiveness of the organization's fraud prevention programs
- C. The effectiveness of the entity's operations
- D. None of the above

28. Which of the following is **NOT** a purpose of conducting textual analytics as one of the fraud investigation techniques?

- A. To identify warning signs of dishonest employee behavior
- B. To reveal patterns, sentiments, and red flags of fraud
- C. To use unstructured data to identify red flags of fraud
- D. To measure the effectiveness of the compliance program

29. Which of the following statement is **NOT** correct in regard to the introductory phase of a forensic audit interview?

- A. In a forensic audit interview, it is the responsibility of the interviewer to establish a common ground
- B. In a forensic audit interview it is the responsibility of the interviewer to establish the theme of the interview
- C. In a forensic audit interview it is the responsibility of the interviewer to set the right tone of the interview
- D. In a forensic audit interview, it is the responsibility of the suspect to cooperate so that he/she is not implicated

30. Which of the following statement is **MOST** accurate in regard to forensic audits?

- A. Every forensic audit should begin with the assumption that the case will end in a criminal trial
- B. Forensic audit is the methodology of resolving fraud issues from inception to disposition
- C. The major objective of a forensic audit is to collect information that can be used in a court of law
- D. None of the above

31. Felix, is a public officer. He is accused of engaging in bribery in the course of his duty. During an admission-seeking interview of Felix, the investigator states: "This is a big organisation with a lot of resources. The funds you took are immaterial and would not affect the financial position of the organisation. Is that right?" This interviewing technique is known as:

- A. Rationalisation
- B. Depersonalisation
- C. Altruistic appeals
- D. Extrinsic appeals

32. Which of the following types of records are **NOT** available from the local government?

- A. Building inspector records
- B. Health and fire department records
- C. Birth and death certificates
- D. All of the above

33. Victoria Moraa is a Certified Fraud Examiner. Victoria is conducting an admission-seeking interview of Veronica a fraud suspect. Victoria helps Veronica to rationalise their fraudulent activities by establishing a theme that Veronica was not adequately compensated. The suspect refused to accept this theory. What should Victoria do next?

- A. Ask an open question
- B. Terminate the interview
- C. Ask an alternative question
- D. Choose another theme

34. Which of the following statement is **ACCURATE** in regard to the acquisition process used in investigations involving digital evidence?

- A. Imaging the hard drive help in making sure that the data is acquired at is original form, i.e. date stamps
- B. Printing the evidence record has no effect on the admissibility of evidence
- C. Acquiring the digital evidence from the suspect
- D. All the above

35. Lorna Jepkemoi, a Certified Forensic Fraud Examiner, has obtained an oral admission from James Mwalali, a fraud suspect. Lorna reduced the confession into a short, concise written statement for James to sign. After James signed the statement, he remembered a significant detail that should have been included. Which of the following is a proper way of recording the omitted information?

- A. Omit the information
- B. Destroy the old statement and write another one to include the information omitted
- C. Add an addendum to the earlier statement
- D. None of the above

36. Which of the following is a common method fraudsters use to conceal illegally acquired assets?

- A. Placing assets in probate
- B. Selling the assets
- C. Transferring assets
- D. None of the above

37. Kate a Certified Forensic Fraud Examiner conducted an investigation at ABC PLC. During an admission seeking interview of Tracy, an employee at the ABC PLC, Tracy admits to the interviewer that she received a loan from a commercial bank that was guaranteed and paid for by an ABC contractor. Which of the following pieces of information does the investigator need **NOT** obtain from the suspect?

- A. The approximate date when Tracy received the loan
- B. Any items acquired with proceeds of the loan
- C. Statement with moral excuses for why she received the offer
- D. None of the above

38. Which of the following statements is **ACCURATE** in regard to a well-written fraud investigation report?

- A. The report must include technical professional language to demonstrate expertise on the subject matter
- B. The report must be partial to ensure emphasis of the evidence
- C. The report must not mention individuals
- D. None of the above

39. Link Analysis is particularly useful when investigating which type of fraud scheme?

- A. Bribery
- B. Cash Skimming
- C. Cash Theft
- D. None of the above

40. One of the methods of tracing illicit funds owned by a suspect is to develop his financial profile. Which of the following loan amounts should the investigator use to establish the amount of loan received?

- A. Loan proceeds
- B. Book loan amount
- C. Loan principal and interest amount
- D. None of the above

41. Which of the following is a step in the planning phase of the data analysis process?

- A. Normalising and cleansing data
- B. Identifying relevant data
- C. Verifying data
- D. None of the above

42. Which of the following is **NOT** a step of the preparation phase of the data analysis process?

- A. Normalising and cleansing data
- B. Determining the predication
- C. Verifying data
- D. None of the above

43. Keeping track of the amount of paper generated during an investigation is one of the biggest challenges in fraud cases. Which of the following is a **best practice** when organising evidence?

- A. File chronologically or by transaction
- B. File all papers chronologically
- C. Establish a database after you have collected all the documents related to the investigation
- D. All the above

44. Before a fraud examiner submits a fraud case for prosecution, which of the following statements **BEST** describes the steps the investigator should take before handing the file to the prosecution or law enforcement?

- A. The fraud examiner should interview all witnesses first.
- B. The fraud examiner should collect all circumstantial evidence first
- C. The fraud examiner should collect all direct evidence first
- D. None of the above

45. Which of the following statements **BEST** describes what the investigator should do if a suspect becomes uncomfortable with the sensitive question being asked by the investigator?

- A. Ask open-ended questions to allow the suspect to explain themselves
- B. Ask attitude questions to calibrate the suspect
- C. Ask hypothetical questions because they are non-threatening
- D. None of the above

46. Which of the following statements is **ACCURATE** in regard to leading questions?

- A. Leading questions are worded in a way that the answer can be yes or no
- B. Leading questions should be used extensively during the information-gathering phase
- C. Leading questions should not be used at all in the information gathering phase
- D. None of the above

47. Which of the following data analysis functions is most useful in testing gaps in sales invoices and check numbers?

- A. Correlation analysis
- B. Identifying duplicates
- C. Join function
- D. None of the above

48. Henry calls Roger's bank, claiming to be Roger, with the intention of stealing his identity. Henry tells the bank representative that he needs to make sure the bank has the correct personal information on his account because he had noticed an error on his statement. The bank representative refuses to give the number. Which of the following is an example of the attempted offence by Henry?

- A. Identity theft
- B. Social engineering
- C. Pretexting with the bank
- D. Accounts take over

49. Which of the following methods of interviewing suspects is **NOT** recommended?

- A. Interviewing a neutral witness first
- B. Interviewing a suspect last
- C. Interviewing any witnesses not in any particular order but rather according to their availability to save time
- D. Interview co-conspirator second to last

50. Which of the following statements is **ACCURATE** in regard to Meta data?

- A. Meta data is a user generated file which can be a good source of digital evidence
- B. Meta data cannot be used in court as digital evidence because is a computer generated file
- C. Meta data can only be retrieved using specialized forensic tools
- D. None of the above

51. Which of the following **BEST** describes a method of using software to extract usable information from unstructured data?

- A. Data Analysis
- B. Textual Analytics
- C. Benford Law
- D. All the above

52. Which of the following **BEST** describe the order of interviewing witnesses and suspect

- I. Neutral witness
- II. Co-conspirator
- III. Corroborative witness
- IV. Suspect

- A. I, III, II, I
- B. I, II, III, IV
- C. II, III, IV, I
- D. I, IV, III, I

53. All of the following are signs of deceptive behaviour in the interview of a suspect **EXCEPT**:

- A. The suspect plays with an object during direct questioning
- B. The suspect appears casual and unconcerned
- C. The suspect drops eyes while answering questions
- D. None of the above

54. Which of the following statements is **MOST** accurate in regard to predication in fraud forensic audits?

- A. Predication is the basis of conducting an investigation based on reliable sources
- B. Predication is the basis of conducting an investigation based on relevant sources
- C. Predication is the basis of conducting an investigation based on suspicion that fraud has occurred
- D. None of the above

55. When fraud suspects decide to confess, and give some information as way of releasing inner tension of their guilt and dishonest actions, which of the following **BEST** describes what kind of information they are likely to give?

- A. Provide a good estimate of the amount of funds defrauded
- B. Provide accurate number of incidences
- C. Provide exact number of other individuals involved
- D. None of the above

56. Which of the following statements **BEST** describe a method of interrupting a suspect's denials when directly accused by an interviewer during an admission seeking interview?

- A. Reason with the suspect
- B. Mention and name other witness interviewed before, who pointed at the suspect
- C. Try to reason with the suspect
- D. None of the above

57. A Computer creates files on the background as the user do their work. Those files are good sources of digital evidence. Which of the following is **NOT** one of those computer-generated files?

- A. Security log file
- B. System log file
- C. Encrypted files
- D. Application log files

58. Which of the following statements is **ACCURATE** in regard to fraud investigation reports?

- A. The difference between an audit report and an investigation report is that an investigation report has more and detailed information than an audit report
- B. The objectives of a fraud investigation report are similar to those of an audit
- C. The scope part of the investigation report should be wide enough to document all possible misconducts.
- D. None of the above

59. Which of the following statements is **CORRECT** in regard to the issues a fraud examiner should consider before conducting a computer investigation?

- A. The fraud examiner should open the hard drive first.
- B. The fraud examiner should run through the data to look for evidence
- C. The fraud examiner should not engage an outside digital forensic expert at the beginning of the investigation
- D. None of the above

60. Which of the following statements is **NOT** accurate in regard to volatility of digital evidence?

- A. Integrity of digital evidence if violated through manipulation or destruction cannot be restored
- B. The requirement for admissibility of digital evidence is not the same as that of tangible evidence
- C. Failure to preserve the integrity of the digital evidence could result to evidence being inadmissible
- D. All the above

61. In admission-seeking interviews, when an innocent person is directly accused, they react differently from a guilty person. Which of the following statements is **CORRECT** in relation to the expected response from an innocent suspect?

- A. What makes you think I would do such a thing?
- B. I did not do such a thing
- C. Who told you that I am the one?
- D. How did you know that I am the one?

62. In admission-seeking interviews, when a guilty person is directly accused, they react differently from an innocent person. Which of the following statements is **NOT** correct in regard to a guilty suspect's response?

- A. A guilty person answers a question with a question
- B. A guilty person neither accepts nor denies the accusation
- C. A guilty person strongly denies the accusation
- D. None of the above

63. When an examiner is using textual analytics to look for words that are red flags of fraud, which of the following words would indicate pressure to commit fraud?

- A. Override controls
- B. Deserve
- C. Write-off
- D. None of the above

64. Benford Law can only work with natural numbers to look for red flag patterns of fraud. Which of the following is an example of a natural number?

- A. Employees numbers
- B. Payment vouchers numbers
- C. Sales invoice numbers
- D. None of the above

65. Textual analytics is a text analysis tool that can be used to identify words that are red flags of fraud. Which of the following words is a red flag of rationalisation to commit fraud?

- A. Deadline
- B. Write-off
- C. Deserve
- D. None of the above

66. Which of the following is **NOT** a data analysis step of the planning phase?

- A. Understanding the data
- B. Building a profile of potential frauds
- C. Verifying data
- D. Determining predication

67. An interviewer should observe the mechanics of an interview while conducting a fraud related interview, for example one-on-one interview. If a suspect insists on having a representative, what should the investigator **NOT** do?

- A. The interviewer should not allow the suspect to bring a representative
- B. The interviewer should consider not conducting the interview in the presence of a third party
- C. The interviewer can try and convince the interviewee that the interview is hard and that they already there
- D. None of the above

68. Which of the following is a type of informational interview questions?

- A. Complex questions
- B. Alternative questions
- C. Double-negative questions
- D. None of the above

69. An investigator must take precaution when documenting a written confession, **NOT** to include, which of the following moral excuses?

- A. "I didn't mean to do it."
- B. "I didn't mean to cause any harm."
- C. "I did know that it was wrong"
- D. None of the above

70. Which of the following is **NOT** accurate in regard to the analysis phase of digital forensic investigations?

- A. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence only and should not reveal exculpatory evidence because it will undermine the prosecution evidence
- B. During the analysis phase in digital forensic investigations, the fraud examiner should look for both exculpatory and inculpatory evidence
- C. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to protect the integrity of the digital evidence
- D. None of the above

71. Which of the following is a **NOT** a type of information gathering interview questions?

- A. Leading questions
- B. Open ended question
- C. Narrative questions
- D. None of the above

72. Lucas, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Alfred, a fraud suspect. Lucas asked Alfred: "Did you just want extra money, or did you do this because you had an emergency?" Which of the following statements is **NOT** accurate in regard to asking such a question?

- A. Lucas is trying to get a benchmark admission
- B. Lucas is trying to reduce moral condemnation
- C. Lucas is directly accusing the suspect
- D. All the above

73. In a verbal confession, the interviewer should be careful of what information he/she should take. Which of the following information should the investigator **NOT** obtain?

- A. The accused's motive for the offence
- B. Estimates of the number of instances, dates and amounts involved
- C. That the accused knew that the conduct was wrong
- D. None of the above

74. Which of the following is **NOT** a challenge for cloud forensics not faced in traditional forensic practices?

- A. Lack of frameworks and specialist tools
- B. Lack of accessibility of information
- C. Lack of data control
- D. None of the above

75. In jurisdictions that have privacy laws, which of the following is **NOT** accurate in regard to employee searches at the place of work?

- A. In most countries, searching an employee's personal phone would require that the organisation have a search policy and employees are aware that personal smart phones are subject to searches.
- B. Searching an employee's 'personal' phone where the employee is not aware that such searches can be conducted, amounts to invasion of privacy and violation of individual rights
- C. Employees do not have rights that protect them from invasion of privacy while at the workplace
- D. Employees have reasonable expectation of privacy for information on personal devices if management does not have a search policy

76. Which of the following statements is **NOT** accurate in regard to the types of information that computer forensics experts typically can recover from computer systems?

- A. Computer forensics specialists can recover user created files
- B. Computer forensics specialists can recover deleted documents
- C. Computer forensics specialists cannot recover computer created files
- D. None of the above

77. A fraud examiner can conduct textual analytics on an email communication among employees and then runs a keyword search using the terms like targets, quota, and trouble. These words are indicative of which of the following fraud risks?

- A. Capability
- B. Opportunity
- C. Rationalisation
- D. None of the above

78. Which of the following is **NOT** an example of a data analysis function that can be performed to detect fraud through an examination of the general ledger?

- A. Ageing receivables
- B. Analysing and confirming specific ledger accounts for legitimate transaction activity
- C. Calculating financial ratios
- D. None of the above

79. Which of the following is a data analysis function that is **NOT** found in other software applications apart from data analysis softwares?

- A. Sorting
- B. Joining files
- C. Benford Law
- D. None of the above

80. Which of the following statements is **ACCURATE** in regard to Benford's Law?

- A. Benford's Law can only work with natural numbers
- B. Benford's Law can only work with unnatural numbers
- C. Benford's Law can work with both natural and unnatural numbers
- D. Benford's Law can only work with structured data

81. Stephanie runs a construction development company. She noticed that the cost of paint had increased substantially from the previous year, while the number of houses painted were fewer than in the previous year. Which of the following data analysis functions would be **MOST** useful in helping Stephanie determine if cost of paint is proportionate to the houses painted?

- A. Link analysis
- B. Join analysis
- C. Compliance analysis
- D. None of the above

82. When conducting an interview, the investigator must be particular of several issues to ensure the success of the process. Social psychological forces that facilitate communication are one of those elements that an interviewer should be concerned about. Which of the following **BEST** describe a social psychological force of communication that the interviewer should apply in their conversation with the respondent?

- A. Persuasion
- B. Expression
- C. Information exchange
- D. Fulfilling expectations

83. Which of the following is a step of the preparation phase of the data analysis process?

- A. Determining examination objectives
- B. Develop a profile of potential frauds
- C. Determining whether predication exists
- D. None of the above

84. Which of the following is **NOT** a best practice of dealing with a hostile or argumentative respondent during an interview?

- A. Reasoning with the respondent
- B. Disarm the interviewee by agreeing with his/her points where possible
- C. Avoid reacting to the interviewee hostile behavior
- D. None of the above

85. Dorine, a Certified Forensic Fraud Examiner, is conducting an interview of an employee who does not know her. Which of the following is **NOT** accurate in regard to best practices in conducting the introduction phase of an interview?

- A. Asking attitude questions
- B. Establishing the general theme of the interview
- C. Establish the specific purpose of the interview
- D. Establishing a common ground

86. Which of the following statements **BEST** describes letter rogatory?

- A. A former request in which a judge in one country seek the assistance of government in another country to release a defendant from jail
- B. A formal request by the government of a country seeking information from a defendant residing in another country
- C. A formal request by the law enforcement of one country seeking assistance from the law enforcement of another country to collect evidence in the foreign jurisdiction
- D. None of the above

87. Which of the following statements is **NOT** correct in regard to clarity in fraud investigation report writing?

- A. The investigator should use clear language not subject to interpretations
- B. The investigator should only state facts but not express opinions, other than technical opinions
- C. The investigator should make sure that they use technical terms in their proper context and where necessary explain the meaning
- D. The investigator should not state whether the suspect committed the crime or not, to avoid being prejudicial

88. Which of the following statements is **CORRECT** in regard to why an interviewer should observe nonverbal clues of deception?

- A. To establish deception, and document it in a memorandum of interview
- B. To establish deception and discontinue the interview as soon as possible because the information will not be useful
- C. To establish deception and confront the witness in regard to their untruthfulness
- D. All the above

89. The interviewer should be able to observe inconsistency behavior from question to another for nonverbal clues. Which of the following is **NOT** a category of nonverbal communication to convey meaning?

- A. Kinetic
- B. Proxemics
- C. Chronemic
- D. None of the above

90. Which of the following elements of report writing would **NOT** affect the credibility of a forensic audit or fraud examination report?

- A. Inaccuracy
- B. Lack of clarity
- C. Partiality
- D. None of the above

91. Which of the following statements concerning court records is **CORRECT**?

- A. There are multiple databases that contain a comprehensive database of court documents from all court cases in every country
- B. In most countries, court records are not public records and require judicial authorization to access
- C. When searching for records for a particular court case, a fraud examiner need only to search the national and county court records as they serve as a repository for all cases heard at all court levels
- D. None of the above

92. Which of the following statements **BEST** describe what a fraud examiner should do when preparing a memorandum reflecting the information provided by a confidential source?

- A. The fraud examiner should write confidential source information in a memorandum
- B. The fraud examiner should identify the source by his or her full name
- C. The fraud examiner should use symbols to identify the source's identity
- D. None of the above

93. Which of the following statements is **NOT** correct in regard to professionalism related to fraud investigation interviews?

- A. The interviewer should arrive at the interview on time
- B. The interviewer must be fair in all his dealings with suspect or witness
- C. The interviewer must conduct himself in formal way
- D. The interviewer must be professionally attired

94. Which of the following statements is **ACCURATE** in regard to collection of digital evidence?

- A. The investigator should collect inculpatory evidence only
- B. The investigator should collect exculpatory evidence only
- C. The investigator should collect inculpatory and exculpatory evidence
- D. None of the above

95. Which of the following statements is **ACCURATE** in regard to seizing computers for investigation?

- A. When a forensic investigator is seizing a running computer for examination, he can retrieve data from the computer directly via its normal interface if the evidence needed is volatile
- B. When a forensic investigator is seizing a running computer, he should do a graceful shut down
- C. When a forensic investigator is seizing a computer that is shut down, they should open and review files needed
- D. None of the above

96. Which of the following would **NOT** diminish the importance of evidence documented in an investigation report?

- A. If the investigator documented irrelevant information
- B. If the investigator is not prejudicial in reporting the findings
- C. If the investigator documented unreliable information
- D. If the investigator documented evidence that is inadmissible

97. Which of the following statements is **NOT** an example of a statement that an interviewer can use to help the suspect rationalise their fraudulent or corrupt activities?

- A. "I can understand why you had to do this, the management has ignored your hard work and qualification for a long time, is that right"?
- B. "I can see why you did this; management is also taking big bribes. Yours was only a token from the supplier"
- C. "I can see what you took would not have significant effect on the organisation funds, after all this is a very big entity"
- D. None of the above

98. Which of the following statements is **CORRECT** in regard to what the interviewer should do?

- A. The interviewer should conduct the interview because the presence of a third party would not undermine the possibility of obtaining an admission.
- B. The interviewer should conduct the interview because the presence of a third party would protect the investigator from false allegations
- C. The interviewer should conduct the interview because the presence of a third party would not affect the interview in anyway
- D. None of the above

99. Which of the following **BEST** describes a word that interviewers can use in fraud investigation interviews?

- A. Fraud investigation
- B. Embezzlement
- C. Review
- D. Bribery

100. Rose, a Certified Fraud Examiner, is conducting an admission-seeking interview of Paul, a fraud suspect. Which of the following is **NOT** a good technique of obtaining an admission?

- A. Making an accusatory statement followed by an accusatory question in the absence of a third party
- B. Maximising sympathy and avoid condemnation
- C. Avoiding being compassionate, because doing so might compromise the interviewer's objectivity
- D. Helping the suspect to rationalise their misconduct



## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE TWO

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 8 December 2022. Morning Paper.

Time Allowed: 3 hours.

Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. This paper is made up of one hundred (100) Multiple Choice Questions. Each question is allocated one (1) mark.

1. The ability to conduct an effective interview for investigation purposes is paramount. The introduction phase of an interview during information or admission seeking interview is very important. Which of the following statement is **NOT** true?
  - A. The introduction phase sets the tone of the interview which can be positive or negative
  - B. The investigator should establish the theme of the interview during the introduction phase
  - C. During the introduction phase of an admission seeking interview of a suspect, the investigator should ask accusatory questions
  - D. None of the above
  
2. Which of the following statements concerning court records is **NOT** accurate?
  - A. There are multiple databases that contain a comprehensive database of court documents from all court cases in every country
  - B. In most countries, court records are public records
  - C. In most jurisdictions court records are best obtained from the court in where the case was heard or filed
  - D. None of the above
  
3. Professional interviews for purposes of investigations are useful in eliciting information as well as obtaining admissions from suspects. Which of the following is **NOT** true about professional interviewing?
  - A. Professional interviewing is a structured conversation with answer and question session
  - B. The interviewer must observe the elements of conversation to enable the conversation to go on for a good length of time
  - C. The interviewer must observe verbal and non-verbal, sign of deception from the interviewee so that he/she can indicate the interviewees veracity in the interview record
  - D. The interviewer must be informal when dealing with the interviewee
  
4. Which of the following is a method of tracing illicit funds by comparing major expenditure with the suspect's known legitimate income?
  - A. Expenditures method
  - B. Bank deposit analysis method
  - C. Net worth analysis method
  - D. Asset method
  
5. Which of the following is **NOT** a recommended method of interviewing?
  - A. The interviewer should prepare questions to take to the interviewee to make sure they do not forget important points
  - B. The interviewer should not record the interviewee without their consent
  - C. The interviewer should display interest by maintaining eye contact

D. None of the above

6. Which of the following is an important element of a conversation that is essential in conducting interviews to ensure that the interviewee appreciates that the interviewer needs his/her help?

- A. Persuasion
- B. Ritualistic
- C. Expression
- D. Information exchange

7. Which of the following is **NOT** a recommended method of identifying a confidential source?

- A. The fraud examiner should identify the source by his or her full name
- B. The fraud examiner should not identify the source using his or her initials
- C. The fraud examiner should use symbols to denote the source's identity
- D. None of the above

8. Which of the following statements is **TRUE** about seizing computers for investigation?

- A. When a forensic investigator is seizing a running computer for examination, he can retrieve data from the computer directly via its normal interface if the evidence needed is volatile
- B. When a forensic investigator is seizing a running computer, he should do a graceful shut down
- C. When a forensic investigator is seizing a computer that is shut down, they should open and review files needed
- D. All the above

9. When a suspect is confronted with circumstantial evidence of excess funds that the suspect cannot account for from legitimate known sources of funds, which of the following is **NOT** a defense that the suspect is likely to present?

- A. The suspect claims that the extra funds are from inheritance from his father
- B. The suspect claims that the extra funds are from an insurance compensation
- C. The suspect claims that the extra funds are from facilitation fees
- D. The suspect claims that the extra funds are from his savings over a period of time

10. Which of the following statements is **NOT** correct in regard to an intelligent suspect's interview?

- A. The intelligence level of an interview subject rarely has no effect on an investigator's ability to accurately observe behavioural clues during an interview.
- B. Intelligence suspects will show stress when being deceptive
- C. The intelligence level of an interview subject rarely has effect on an investigator's ability to accurately observe behavioural clues during an interview.
- D. None of the above

11. Circumstantial proof that would yield the best results when the suspect is using his illicit funds to accumulate wealth and acquire assets, thus causing his net worth to increase is referred to as:

- A. The expenditures method
- B. The income method
- C. Net worth analysis method
- D. None of the above

12. The CEO of Kalamu Ltd. company is alleged to have committed financial statement fraud. During an admission-seeking interview with Mr. Chris the investigator, he states: "I know the employee's job security depends on the company's good performance. I am sure you did this to help the employees retain their jobs, isn't that right?" This interviewing technique is known as:

- A. Depersonalisation
- B. Sympathetic understanding
- C. Benchmark admission
- D. None of the above

13. Which of the following should **NOT** be done when preparing an organisation for a formal fraud investigation?

- A. Inform the managers of the employees who will be involved in the investigation
- B. Inform the organisation's legal counsel when the investigation is about to commence
- C. Inform management that the investigation is about to begin
- D. Inform the whole organisation to make sure you get cooperation from everyone whose assistance may be required

14. Which of the following is **NOT** correct with regard to limitation of conducting a public database search online?

- A. Information from online databases are always accurate, current and up to date
- B. Online public records searches are limited in the area they cover, often requiring fraud examiners to search multiple jurisdictions
- C. Online coverage of public records varies widely from jurisdiction to jurisdiction
- D. All of the above

15. Daniel, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Joyce, a fraud suspect. Daniel asks Joyce: "Did you take the organisation's money for leisure, or you had an emergency? Which of the following **BEST** describes this type of question by Daniel?

- A. Benchmark admission question
- B. Alternative question
- C. Double negative question
- D. Complex question

16. Which of the following statements about Financial Intelligence Units (FIUs) is **NOT** true?

- A. FIUs are national centers established to fight national financial crimes
- B. Financial institutions file reports detailing suspicious or unusual financial activity with FIUs
- C. FIUs are established to improve global cooperation and promote mutual exchange of financial intelligence information
- D. None of the above

17. Which of the following statements is **NOT** true in regarding data mining?

- A. Data mining is an effective way for fraud examiners to develop fraud targets for further investigation
- B. Data mining is the art of searching large volumes of data for patterns
- C. Data mining can be used to streamline raw data into understandable patterns
- D. All of the above

18. Which of the following is **NOT** true with regard to volatility of digital evidence?

- A. Digital evidence is more volatile than tangible evidence because data can be altered or destroyed more easily than tangible information
- B. Once the integrity of digital evidence has been violated through alteration or destruction, it can usually be restored
- C. The failure to preserve the integrity of digital evidence could result in evidence being inadmissible in a court proceeding
- D. None of the above

19. Which of the following is a data analysis tool that is effective in identifying indirect relationships and relationships with several degrees of separation?

- A. Link diagram
- B. Benford Law
- C. Textual analysis
- D. None of the above

20. Peter is conducting an admission-seeking interview on Alex. After diffusing alibis, Alex becomes withdrawn. Which of the following should Peter do?

- A. Calibrate the suspect
- B. Ask an alternative question
- C. Ask hypothetical questions
- D. None of the above

21. During the analysis phase in digital forensic investigations, which of the following is the fraud examiner's primary concern?

- To protect disclosure of the evidence
- To protect the integrity of the evidence
- To protect the confidentiality of the evidence
- All the above

22. Fraud Professionals when conducting interviews, should know what question to ask. Which of the following is a good example of an accusatory question?

- "You took the company's money without permission, why did you do that?"
- "When are you planning to return the money?"
- "Didn't you know that what you were doing is not right?"
- "Is it that you just wanted extra money, or you had an emergency then?"

23. Fraud professionals when conducting interviews should be able to ask the right questions at the right time and to the right interviewee. There are questions that an interviewer should avoid, like double negative questions. Which of the following is a good example of a double negative question?

- You advanced yourself the company's money, why did you do that?"
- "When are you planning to return the money?"
- "Didn't you know that what you were doing is not right?"
- "Is it that you just wanted extra money, or you had an emergency then?"

24. When reporting the results of fraud examination matters, a Certified Forensic Fraud Examiner may **NOT** issue an opinion on which of the following?

- Whether the entity's financial statements conform to the International Financial Reporting Standards
- The effectiveness of the entity's internal controls
- The effectiveness of the entity's operations
- The suspect's guilt

25. Which of the following is **NOT** a purpose of conducting textual analytics as one of the fraud investigation techniques?

- To identify warning signs of rogue employee behaviour
- To reveal patterns, sentiments, and relationships indicative of fraud
- To measure the ethics and integrity of employees
- All of the above

26. Jared is a forensic fraud examiner. He is conducting investigations on suspected corruption by the procurement manager. As part of the investigation, he is developing a financial profile of the suspect. Among other things, he wants to see if the suspect has made any significant real estate purchases since the corruption scheme began. Information on real estate transactions such as deeds, grants, transfers, and mortgages is usually found in:

- The local court clerk or judicial records agency
- The jurisdiction's organisational filing agency
- The ministry of health
- None of the above

27. During the introductory phase of an interview, the interviewer is expected to establish rapport. Which of the following **BEST** describe establishing rapport?

- Establishing a common ground
- Establishing the purpose of the interview
- Providing introduction
- None of the above

28. Which of the following documents is **NOT** typically included with the account-opening documents for a corporation's business account?

- A letter from the registrar of companies
- Copies of corporate resolutions of the board of directors naming the person who may authorise payments on the account

C. Copies of corporate resolutions of the board of directors authorising the opening of the account  
D. All of the above

29. Which of the following is **NOT** true about fraud examination/investigation?  
A. Every fraud examination/investigation should begin with the assumption that the case will end in litigation.  
B. Fraud examination/investigation is the methodology of resolving fraud allegations from inception to disposition  
C. The major objective of a fraud examination/investigation is to collect information that can be used in a court of law  
D. None of the above

30. Mr. Kaloki is a public officer. He is accused of skimming money in the course of his duty. During an admission-seeking interview with Mr. Kaloki, the investigator states: "This is a big corporation with a lot of money. The money you took is immaterial and would not affect the financial stability of the organisation. Is that right?" This interviewing technique is known as:  
A. Rationalisation  
B. Extrinsic rewards  
C. Altruistic appeals  
D. None of the above

31. Which of the following is **NOT** a proper legal defense for entrapment against a fraud examiner who is a law enforcement officer?  
A. The suspect made exculpatory statements  
B. The fraud examiner had a suspicion of illegal conduct  
C. The fraud examiner acted with adequate predication  
D. There is proof of the suspect's modus operandi

32. Which of the following types of records is/are **NOT** available from local governments?  
A. Building inspector records  
B. Health and fire department records  
C. Court records  
D. All of the above

33. Aurelia is a Certified Forensic Fraud Examiner. She is conducting an admission-seeking interview of a fraud suspect. Her rationalisation theme is that the suspect is being treated unfairly. The suspect does not accept this theory. What should Aurelia do?  
A. Insist on the theory  
B. Terminate the interview  
C. Ask an alternative question  
D. None of the above

34. Which of the following refers to the inhibitor to communication in which the respondent is unable to generalise a concrete experience?  
A. Inferential confusion  
B. Deduction confusion  
C. Induction confusion  
D. None of the above

35. Which of the following is **NOT** correct in regard to the acquisition process used in examinations involving digital evidence?  
A. Imaging the hard drive help to maintain the integrity of the evidence  
B. Printing the evidence record has no effect on the admissibility of evidence  
C. Acquiring the digital evidence from the suspect  
D. All the above

36. Paula, a Certified Forensic Fraud Examiner, has obtained an oral admission from John, a fraud suspect. Paula reduced the confession into a short, concise written statement for Jacky to sign. After Jacky signed the statement, he

remembered a significant detail that should have been included. Which of the following is a proper way of recording the omitted information?

- A. Omit the information
- B. Destroy the old statement
- C. Prepare a new statement
- D. None of the above

37. Which of the following is a common method fraudsters use to conceal illegally acquired assets?

- A. Placing assets in probate
- B. Selling the assets
- C. Purchasing a used vehicle
- D. None of the above

38. Zawadi is a Certified Forensic Fraud Examiner conducting an investigation at Amua Ltd. During an interview with Stacy, an employee at the Amua Ltd., Fanana confesses to Zawadi that she has been receiving rewards from the vendors. Which of the following pieces of information does Zawadi need **NOT** to obtain from Fanana?

- A. The approximate date Fanana started receiving money from vendors
- B. An estimate of the amount of money received so far
- C. Information about the involvement of other employees of Amua Ltd.
- D. She did not know that what she was doing was wrong

39. Which of the following is an example of a data analysis function that can be performed to detect fraud through examination of the assets account?

- A. Sort asset values by asset type or monetary amount
- B. Summarise cash disbursements by bank account
- C. Identify debits to expense accounts outside the set default accounts
- D. All the above

40. Which of the following conditions is **NOT** an appropriate time to ask admission-seeking questions?

- A. When the interviewer believes there is a reasonable probability that the subject is responsible for the act in question
- B. When all investigative steps and sources have not been exhausted
- C. When the time, place and subject matter discussed can be controlled by the interviewer
- D. None of the above

41. In most jurisdictions, which of the following statements about bankruptcy court records is **NOT** correct?

- A. The party filing for bankruptcy and the creditors may access the bankruptcy record
- B. A bankruptcy file typically contains the bankruptcy petition or filing document
- C. Bankruptcy documents are usually located in any jurisdiction where the debts occurred
- D. None of the above

42. Which of the following is **NOT** a characteristic of a well-written fraud examination report?

- A. Professional jargon
- B. Impartiality
- C. Accuracy
- D. None of the above

43. Which of the following is something that might **NOT** be revealed by analysing a subject's electronic payment records?

- A. The cities and countries in which the subject conducts business
- B. Electronic transfer deposits made by the subject
- C. Assets effectively controlled or held by the subject
- D. All of the above

44. Link analysis is particularly useful when investigating which type of fraud scheme?

- Asset misappropriation
- Money laundering
- Cash skimming
- Cash Theft

45. When developing a suspect's financial profile, an investigator should consider funds generated from loans. Which of the following loan amounts should the investigator use to establish the amount received?

- Loan disbursement amount
- Loan principal amount
- Loan principal and interest amount
- None of the above

46. Which of the following steps is **NOT** included in the planning phase of the data analysis process?

- Building a profile of potential frauds
- Articulating examination objectives
- Verifying data
- All of the above

47. Once a suspect has confessed in an interview, it is important to get copies of as much physical evidence as possible. For example, bank records are important. Which of the following is a recommended method for obtaining bank records after a confession?

- Obtain an oral authorisation for the release of the bank records
- Request the subject to bring the bank records to the investigator's office
- Request to meet the subject the next day at his bank
- None of the above

48. In most jurisdictions, searches of all of the following sources of information can be useful in developing background information for pre-employment purposes **EXCEPT**:

- Criminal court records searches
- Bankruptcy records searches
- Civil court records searches
- None of the above

49. Isaac, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview. Which of the following is a good strategy of obtaining an admission?

- Avoid asking accusatory questions in the presence of outsiders
- Maximise sympathy and avoid condemnation
- Conduct the interview in a firm manner without showing compassion
- All the above

50. Keeping track of the amount of paper generated is one of the biggest challenges in fraud cases. Which of the following is generally **NOT** a recommended practice when organising evidence?

- Segregate documents by witness
- File all papers chronologically
- Make a document file
- Establish a database early into the investigation

51. Generally, if a fraud examiner wants to submit a fraud case for prosecution, at what point should he send the case to government authorities?

- After all witnesses have been interviewed
- Immediately after obtaining an oral confession from the suspect
- After the fraud examiner has finished collecting documentary evidence
- None of the above

52. If a fraud examiner when conducting a forensic document examination notices some very faint indented writings, which of the following would **NOT** be the fraud examiner's **BEST** course of action in analysing these indented writings?

- Performing the pencil scratching method
- Performing the pencil shading method

C. Use fraud examiner to conduct the analysis  
D. None of the above

53. When a Certified Forensic Fraud Examiner is interviewing a suspect and in the course of the interview, the suspect becomes uncomfortable with the sensitive nature of the questions. Which of the following BEST describe what the investigator should do under the circumstances?  
A. Ask double negative questions  
B. Stop asking sensitive questions completely  
C. Ask an alternative question only  
D. None of the above

54. A bank credit department generally maintains which of the following types of loan records?  
A. The credit or loan file  
B. The master appropriation file  
C. The accounting journal  
D. The cash record

55. Which of the following is **ACCURATE** in regard to closed questions?"  
A. They are worded in a way that makes it difficult for the respondent to answer "yes" or "no."  
B. They are worded in a way that, the respondent can only answer "yes" or "no."  
C. They are worded in a way that makes it difficult for the respondent to answer "yes"  
D. They are worded in a way that makes it difficult for the respondent to answer "no"

56. The terms "induction" and "deduction" are most often associated with which inhibitor to communication?  
A. Chronological confusion  
B. Physiological confusion  
C. Trauma  
D. None of the above

57. In interviews, introductory questions are designed to meet which of the following objectives?  
A. To establish the truth  
B. To establish the credibility of the witness  
C. To get commitment for assistance  
D. All of the above

58. Which of the following data analysis functions is most useful in testing for hidden journal entries?  
A. Aging data  
B. Identifying duplicates  
C. Join function  
D. None of the above

59. Ali Baba's calls Baba's bank, claiming to be Baba, with the intention of stealing Dorothy's identity. Ali tells the bank representative that he needs to make sure the bank has the correct government identification number on his account because he had noticed an error on his statement. The bank representative refuses to give the number. Which of the following is an example of the attempted offence by Ali?  
A. Corruption  
B. Embezzlement  
C. Bank fraud  
D. None of the above

60. When planning for an interview, which of the following steps should the interviewer **NOT** take?  
A. Contemplate what the interview is intended to accomplish and state an objective  
B. Ensure that the interview is held in a venue where the subject will not be comfortable  
C. Prepare a brief list of key points to discuss during the interview  
D. All of the above

61. Which of the following is **NOT** correct in regard to Meta Data?  
A. Metadata information can help determine who wrote a document  
B. Metadata information can help determine when a document was created  
C. Metadata is a computer-generated file which can be a good source of evidence

D. Metadata is a user created file which can be a good source of evidence

62. Which of the following is **ACCURATE** in regard to mutual legal assistance (MLA)?

- A formal request by the government of a country seeking information from a defendant residing in another country
- A process by which countries request and provide assistance in civil law enforcement matters
- A letter whereby a criminal defendant requests that the government releases exculpatory information
- None of the above

63. Which of the following is a method of using software to extract usable information from unstructured data?

- Extracting an exact copy of the data
- Data analytics
- Benford Law
- None of the above

64. Which of the following witnesses should be interviewed second last?

- Neutral witnesses
- An accomplice witness
- Corroborative witness
- None of the above

65. Which of the following is **NOT** correct in regard to closing questions in interview situations?

- The purpose of closing questions is to maintain goodwill
- The purpose of closing questions is to reconfirm facts
- Closing questions can be, open, closed or leading questions
- None of the above

66. Which of the following is **NOT** a recommended procedure for protecting a fraud investigation's case information?

- Store all confidential documents in locked file cabinets or rooms accessible only to those who have a business need-to-know
- Avoid talking about the investigation in public or in any place where other employees could hear the communications
- Using email or other electronic means to transmit confidential case information
- All of the above

67. Which of the following is an indirect method of proving illicit income circumstantially by showing that a person's assets or expenditures for a given period exceed that which can be accounted for from known or legitimate sources of income?

- Income method
- Expenditure method
- Assets method
- None of the above

68. All of the following are signs of deceptive behavior in an interview subject **EXCEPT**:

- The subject plays with an object during direct questioning
- The subject appears casual and unconcerned
- The subject does not maintain eye contact
- None of the above

69. Which of the following is **ACCURATE** in regard to predication in relation to investigations?

- The means by which individuals conceal their fraudulent activities
- The basis of conducting an investigation based on rumour that fraud has occurred
- The basis of conducting an investigation based on sufficient suspicion that fraud has occurred
- All the above

70. It is general knowledge that when fraud suspects decide to confess, they tend to do one of the following as a way of releasing inner tension of their guilt and dishonest actions.

- Provide lesser estimate of the amount of funds defrauded
- Provide accurate number of incidences
- Provide exact number of other individuals involved

D. None of the above

71. During an admission-seeking interview, Terry accuses a suspect of committing fraud. The suspect begins to deny the accusation. Which of the following methods should Terry **NOT** do to interrupt the denials?

- A. Reason with the suspect
- B. Discuss the inconsistent statements made by the suspect
- C. Try discuss with the suspect
- D. All the above

72. An experienced digital forensic expert is aware of where to look for evidence in the computer. Computer created files are good sources of digital evidence. Which of the following is **NOT** one of those computer-generated files?

- A. Application logs
- B. Events logs
- C. Emails and user generated files
- D. None of the above

73. Which of the following is **NOT** true with regard to fraud examination reports?

- A. The conclusion part of the report should include the recommendations on actions to be taken based on the evidence collected
- B. The recommendation part of the report should make recommendation on the controls that need to be put in place to avoid future occurrences
- C. The scope part of the investigation report should be based on the specific allegations and the period of the investigation
- D. All the above

74. Which of the following is **NOT** one of the things a fraud examiner should consider before starting to conduct a computer investigation?

- A. Whether there is a need to notify law enforcement
- B. Running through the data to look for evidence
- C. If there is need to engage an outside digital forensic expert
- D. None of the above

75. Which of the following is **NOT** true in regard to volatility of digital evidence?

- A. Integrity of digital evidence if violated through manipulation or destruction can be restored
- B. Digital evidence is more volatile than tangible evidence because data can be easily altered
- C. Failure to preserve the integrity of the digital evidence could result to evidence being inadmissible
- D. All the above

76. In admission-seeking interviews, when an innocent person is directly accused, they react differently to the initial accusation than a culpable person. Which of the following is **NOT** a reaction expected from a culpable person?

- A. Weak denials
- B. Strong denials
- C. Silence
- D. None of the above

77. When an examiner is using textual analysis to look for words indicative of fraud, which of the following words would be indicative of pressure to commit fraud

- A. Deadline
- B. Deserve
- C. Write off
- D. All the above

78. Benford Law can only work with natural numbers to look for patterns indicative of fraud. Which of the following is an example of natural number?

- A. Telephone numbers
- B. Vendors invoice numbers
- C. Sales invoice numbers
- D. None of the above

79. In textual analytics, which of the following word is indicative of rationalisation to commit fraud

- A. Override
- B. Write off
- C. Entitled
- D. Quota

80. Lawrence, a nonunion suspect, arrived at a scheduled admission-seeking interview with his manager and insisted that the manager be allowed to sit in. Should this interview be allowed to continue?

- A. No, because the presence of a third party would undermine the possibility of obtaining a confession.
- B. No, because the manager's presence would be unlawful.
- C. No, because the manager is not a lawyer
- D. Yes, because a third-party witness to a confession is valuable in court

81. Which of the following is a type of informational interview questions?

- A. Narrative questions
- B. Alternative questions
- C. Double negative questions
- D. None of the above

82. Which of the following is an appropriate moral excuse to include in a signed confession?

- A. "I don't mean to do it."
- B. "I didn't do it."
- C. "I didn't mean to cause any harm."
- D. "I didn't know it was illegal."

83. Which of the following is **NOT** true in regard to digital forensic investigations?

- A. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence.
- B. During the analysis phase in digital forensic investigations, the fraud examiner should look for exculpatory evidence.
- C. During the analysis phase in digital forensic investigations, the fraud examiner should look for inculpatory evidence only
- D. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to protect the integrity of the digital evidence.

84. Which of the following is **NOT** a characteristic of a financial vehicle that a fraudster would be looking for to conceal assets?

- A. Accessibility
- B. Security
- C. Liquidity
- D. Transparency

85. When tracing financial transactions, the method that involves using the subject's books and records to analyse the relationship between the subject's receipt and subsequent disposition of funds or assets is called?

- A. The direct method
- B. The asset method
- C. The bank records method
- D. The indirect method

86. Which of the following **BEST** describes letter rogatory?

- A. A letter in which a judge in one country orders the government in another country to release a defendant from jail
- B. A formal request by the government of a country seeking information from a defendant residing in another country
- C. A formal request by the courts of one country seeking judicial assistance from the courts of another country
- D. A letter whereby a criminal defendant requests that the government releases exculpatory information

87. Which of the following is a **NOT** a type of informational interview questions?

- A. Leading questions
- B. Closed questions

- C. Alternative question
- D. Closing Questions

88. Jared, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Wanabe, a fraud suspect. Jared asked Wanabe: "Did you just want extra money, or did you do this because you had an emergency?" Which of the following **BEST** describe this type of question?

- A. Open question
- B. Narrative question
- C. Double negative question
- D. None of the above

89. In taking a verbal confession, which of the following items of information should the interviewer NOT obtain?

- A. The accused's motive for the offence
- B. Estimates of the number of instances, dates and amounts involved
- C. That the accused did not know that the conduct was wrong
- D. All of the above

90. Which of the following is **NOT** a challenge of cloud forensics not faced in traditional forensic practices?

- A. Lack of frameworks and specialist tools
- B. Accessibility of information
- C. Lack of data control
- D. All of the above

91. D is conducting a fraud examination of S, an employee at his organisation, a government entity. D has strong reason to believe that S has incriminating evidence on a personal smart phone that he brings to work. Which of the following statements is most **ACCURATE**?

- A. In most countries, D may search the phone if his organisation has a search policy and employees are aware that personal smart phones are subject to search.
- B. D may conduct search of S's smart phone because S's privacy rights do not attach to the contents of smart phones.
- C. S has an international right to privacy for information on his personal smart phone, and D must obtain a search warrant to search the device.
- D. Employees have no expectation of privacy for information on personal devices they bring to work, so D may search the phone

92. Which of the following is **NOT** true in regard to the types of information that computer forensics experts typically can recover from computer systems?

- A. Computer forensics specialists can recover time and date information about files
- B. Computer forensics specialists can recover deleted documents that have been overwritten
- C. Computer forensics specialists can recover information about websites visited
- D. All of the above

93. A fraud examiner is conducting textual analytics on a journal entry data and runs a keyword search using the terms deadline, quota, and trouble. These words are indicative of which of the following fraud risk?

- A. Pressure
- B. Capability
- C. Opportunity
- D. Rationalisation

94. Which of the following is **NOT** an example of a data analysis function that can be performed to detect fraud through an examination of the general ledger?

- A. Create sales and purchases comparison reports
- B. Analyse and confirm specific ledger accounts for legitimate transaction activity
- C. Calculate financial ratios
- D. All of the above

95. Which of the following is a core data analysis function that **CANNOT** be performed with most data analysis software applications?

- A. Sorting
- B. Joining files
- C. Duplicate searches
- D. None of the above

96. Which of the following **BEST** describes the limitation of Benford Law?

- A. Benford Law can only be applied to data sets listed in currency amounts.
- B. Benford Law applies best to data sets with three-digit numbers.
- C. Benford Law cannot be applied to data sets with non-natural numbers, such as cheque or invoice numbers.
- D. Benford Law only works on data sets with assigned numbers, such as bank account or telephone numbers.

97. Brown owns a real estate company. He notices paint expenses have increased substantially from the previous year, which is not expected because the company had much less business this year and they painted fewer houses. Which of the following data analysis functions would be most useful in helping Brown determine if cost of paint is proportionate to the houses painted?

- A. Link analysis
- B. Data Analysis
- C. Correlation analysis
- D. None of the above

98. Text-based data is typically what type of data:

- A. Structured data
- B. Unstructured data
- C. Documentary data
- D. Natural data

99. Which of the following steps is included in the preparation phase of the data analysis process?

- A. Determining examination objectives
- B. Develop a profile of potential frauds
- C. Determining whether predication exists
- D. Cleansing and normalising data

100. Which of the following is **NOT** a recommended approach of dealing with a hostile or argumentative respondent during an interview?

- A. Make it difficult for the interviewee to say “no”
- B. Attempt to reason with the interviewee
- C. Disarm the interviewee by agreeing with his/her points where possible
- D. Avoid reacting to the interviewee’s hostile behaviour

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## CERTIFIED FORENSIC FRAUD EXAMINER (CFFE)

### MODULE II

#### PLANNING AND CONDUCTING FORMAL INVESTIGATIONS

THURSDAY: 4 August 2022. Morning paper.

Time Allowed: 3 hours.

The paper is made up of a hundred (100) multiple choice questions. Answer ALL questions by indicating the letter (A, B, C or D) that represents the correct answer. Each question is allocated one (1) mark.

1. Emily, a Certified Fraud Examiner, is conducting a routine interview of an employee who does not know her. Which of the following **BEST** describes the professional interviewing practices that Emily should use in conducting the introduction phase of the interview.
  - A. Ask ritualist questions
  - B. Introduce herself and avoid titles
  - C. Establish rapport
  - D. All the above

(1 mark)
2. Which of the following statements concerning court records is most accurate?
  - A. There are multiple databases that contain a comprehensive database of court documents from all court cases in every country
  - B. In most countries, court records are not public records and require judicial authorisation to access
  - C. When searching for records for a particular court case, a fraud examiner need only to search the central/federal court records as they serve as a repository for all cases heard at all court levels
  - D. In most countries, reliable court records are best obtained from the court in where the case was heard or filed

(1 mark)
3. Which of the following is a social physiological force that facilitates communication and makes the interviewee identify with a higher value beyond immediate self-interest?
  - A. Extrinsic rewards
  - B. Catharsis
  - C. Altruism
  - D. Recognition

(1 mark)
4. Which of the following is a method of tracing illicit funds by comparing bank deposits with the suspect's known legitimate income?
  - A. Expenditures method
  - B. Bank deposit analysis method
  - C. Net worth analysis method
  - D. Asset method

(1 mark)
5. Which of the following is a recommended mechanic of interviewing?
  - A. The Interviewer should avoid taking written down questions to the interview
  - B. The interviewer should not record the interviewee without their consent
  - C. The interviewer should accord the interviewee privacy
  - D. All the above

(1 mark)

6. Which of the following is an important element of conversation that is essential in conducting interviews but has little significance, such as "Good morning" and "How are you today?"  
A. Catharsis  
B. Ritualistic  
C. Expression  
D. Information exchange (1 mark)

7. When a fraud examiner prepares a memorandum reflecting the information furnished by a confidential source, how should the fraud examiner identify the source?  
A. The fraud examiner should not write confidential source information in a memorandum  
B. The fraud examiner should identify the source by his or her full name  
C. The fraud examiner should identify the source using his or her initials  
D. The fraud examiner should use symbols to denote the source's identity (1 mark)

8. Which of the following statements is **TRUE** about seizing computers for investigation?  
A. When a forensic investigator is seizing a running computer for examination, he can retrieve data from the computer directly via its normal interface if the evidence needed is volatile  
B. When a forensic investigator is seizing a running computer, he should do a hard shut down  
C. When a forensic investigator is seizing a computer that is shut down, they should not open it  
D. All the above (1 mark)

9. When a suspect is confronted with circumstantial evidence of excess funds that the suspect cannot account for from legitimate known sources of funds, which of the following is **NOT** a defence that the suspect is likely to present?  
A. The suspect claim that the extra funds are from inheritance from his father  
B. The suspect claim that the extra funds are from an insurance compensation  
C. The suspect claim that the extra funds are gifts or rewards from the organization's vendors and contractors  
D. The suspect claim that the extra funds are from his savings over a period of time (1 mark)

10. Before removing a computer system from a scene for further analysis, it is important to document the system's setup with photographs or diagrams.  
A) True  
B) False (1 mark)

11. The intelligence level of an interview subject rarely has no effect on an investigator's ability to accurately observe behavioral clues during an interview.  
A) True  
B) False (1 mark)

12. Circumstantial proof that would yield the best results when the suspect is using his illicit funds to accumulate wealth and acquire assets, thus causing his net worth to increase is referred to as:  
A. The asset method  
B. The expenditures method  
C. The income method  
D. Net worth analysis method (1 mark)

13. A CFO at a major company, is alleged to have committed financial statement fraud. During an admission-seeking interview with Fredrick the investigator, he states: "I know the employee's job security depend on the company's good performance. I am sure you did this to help the employees retain their jobs, Isn't that right?" This interviewing technique is known as:  
A. Rationalisation  
B. Recognition  
C. Altruism appeals  
D. Benchmark Admission (1 mark)

14. Which one of the following should be done to prepare an organization for a formal fraud investigation?  
A. Inform the managers of the employees who will be involved in the investigation  
B. Inform the organization's legal counsel when the investigation is about to commence  
C. Inform management that the investigation is about to begin  
D. All of the above (1 mark)

15. To preserve the confidentiality of a fraud investigation, management should always implement a blanket policy prohibiting employees from discussing anything related to employee investigations.  
A) True  
B) False (1 mark)

16. Which of the following is a limitation of conducting a public database search online?  
A. Information from online databases must be checked for accuracy and also if the data is current and up to date  
B. Online public records searches are limited in the area they cover, often requiring fraud examiners to search multiple jurisdictions  
C. Online coverage of public records varies widely from jurisdiction to jurisdiction  
D. All of the above (1 mark)

17. James, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview of Rose, a fraud suspect. James asks Rose: "Did you do take the money for the leisure, or there was a good reason?" Rose replies: "I had a good reason." Which of the following is the most appropriate response to be made by James?  
A. "What good reason would you have to steal?"  
B. "That is not a good reason at all"  
C. "Tell me the truth, stop lying"  
D. "I see you had a good reason to do so" (1 mark)

18. Playing with an object while talking is an example of a displacement behavior for reducing nervousness that a subject might exhibit during an interview.  
A) True  
B) False (1 mark)

19. ABC Services is a new business, which has just been registered as a corporation in a particular country. ABC's management wants to expand business outside of the country. Which of the following is most accurate?  
A. Being incorporated in one country automatically gives ABC Corp rights to conduct business in most countries  
B. ABC can only be incorporated in one country  
C. ABC must register the business entity in the foreign jurisdiction in which it wishes to conduct business  
D. All the above (1 mark)

20. Which of the following statements is **TRUE** regarding data mining?  
A. Data mining is an effective way for fraud examiners to develop fraud targets for further investigation  
B. Data mining is the science of searching large volumes of data for patterns  
C. Data mining can be used to streamline raw data into understandable patterns  
D. All of the above (1 mark)

21. Which of the following is a measure that can be taken to avoid alerting perpetrators who are under investigation?  
A. Only inform those who need to know  
B. Investigate during off hours  
C. Know what information the suspect can access  
D. All of the above (1 mark)

22. Which of the following is a data analysis tool that is effective in identifying indirect relationships and relationships with several degrees of separation?  
A. Link diagram  
B. Benford Law  
C. Link analysis  
D. All the above (1 mark)

23. Sospeter is conducting an admission-seeking interview with Gregory. After diffusing alibis, Gregory becomes withdrawn. Which of the following should Sospeter do?  
A. Wait until the suspect makes a confession  
B. Ask an alternative question  
C. Ask a closed question  
D. None of the above (1 mark)

24. During the analysis phase in digital forensic investigations, the fraud examiner's primary concern is to:

- A. Protect the availability of the evidence
- B. Collect all incriminating evidence
- C. Protect the integrity of the evidence
- D. Protect the confidentiality of the evidence

(1 mark)

25. Forensic Fraud Examiners when conducting interviews should be able to ask the right questions at the right time and to the right interviewee. There are questions that an interviewer should avoid, like double negative questions. Which of the following is a good example of a double negative question?

- A. "You advanced yourself the company's money, why did you do that?"
- B. "When are you planning to return the money?"
- C. "Didn't you know that what you were doing is an offense?"
- D. "Is it that you just wanted extra money, or you had an emergency then?"

(1 mark)

26. When reporting the results of fraud examination matters, the Certified Forensic Fraud Examiner (if qualified as an expert on such matters) may issue an opinion on which of the following?

- A. Whether the entity's financial statements conform to the International Financial Reporting Standards
- B. The effectiveness of the entity's internal controls
- C. The effectiveness of the entity's operations
- D. All of the above

(1 mark)

27. A fraud examiner is commissioned to conduct an organized crime investigation. He believes a particular commercial restaurant is being used as a front business for the suspect's operation. Which of the following types of records would likely help the fraud examiner discover who owns the building?

- A. Building permit records
- B. Fire department records
- C. Health department records
- D. All the above

(1 mark)

28. What is the purpose of conducting textual analytics as one of the fraud investigation techniques?

- A. To identify warning signs of rogue employee behavior
- B. To reveal patterns, sentiments, and relationships indicative of fraud
- C. To measure the pressures/ incentives, opportunities, and rationalizations to commit fraud
- D. All of the above

(1 mark)

29. Robert, a forensic fraud examiner, is investigating a suspected embezzlement by one of XYZ Corporation's employees. As part of the investigation, he is developing a financial profile of the suspect. Among other things, he wants to see if the suspect has made any significant real estate purchases since the embezzlement scheme began. Information on real estate transactions such as deeds, grants, transfers, and mortgages is usually found in

- A. The jurisdiction's land registry office
- B. The local court clerk or judicial records agency
- C. The jurisdiction's organisational filing agency
- D. All the above

(1 mark)

30. During the introductory phase of the interview, the interviewer is expected to establish the theme of the interview. The interviewer should avoid certain terms. Which of the following is an example of those terms?

- A. Fraud Investigation
- B. Fraud examination
- C. Forensic audit
- D. All of the above

(1 mark)

31. George, a forensic fraud examiner, has seized a computer's hard drive as potential evidence in an investigation. He creates a memorandum to record the chain of custody and documents what item was received, when it was received, and from whom it was received. To meet the minimum standard for a chain of custody memorandum, what else would George need to include?

- A. Information why the item was collected
- B. The value of the item received
- C. Where the item is maintained
- D. None of the above

(1 mark)

32. Which of the following documents is typically included with the account-opening documents for a corporation's business account?

- A signature card
- Copies of corporate resolutions of the board of directors naming the person who may authorize payments on the account
- Copies of corporate resolutions of the board of directors authorizing the opening of the account
- All of the above

(1 mark)

33. Which of the following is NOT true about fraud examination/investigation?

- Every fraud examination/investigation should begin with the assumption that the case will end in litigation.
- Fraud examination/investigation is the methodology of resolving fraud allegations from inception to disposition
- Fraud examination/investigation is the methodology of resolving fraud issues from inception to disposition
- The major objective of a fraud examination/investigation is to collect evidence that can be used in a court of law

(1 mark)

34. Donald, is a public officer. He is accused of skimming money in the course of his employment. During an admission-seeking interview with Donald, the investigator states: "This is a big corporation with a lot of money. The money you took is immaterial and would not affect the financial stability of the organization Is that right?" This interviewing technique is known as:

- Rationalisation
- Extrinsic rewards
- Depersonalising the victim
- Altruistic appeals

(1 mark)

35. Which of the following is a valid legal defense to allegations of entrapment against a fraud examiner who is a law enforcement officer?

- The suspect made exculpatory statements
- The fraud examiner had a suspicion of illegal conduct
- The fraud examiner acted with adequate predication
- There is proof of the suspect's modus operandi

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36. Which of the following types of record(s) is/are commonly available from county governments?

- Building inspector records
- Health and fire department records
- Utility company records
- All of the above

(1 mark)

37. Alberto is a Certified Forensic Fraud Examiner. Alberto is conducting an admission-seeking interview of a fraud suspect. Alberto's rationalisation theme is that the suspect was inadequately compensated for his work. But the suspect does not accept this theory. What should Alberto do at that point

- Insist on the theory
- Use another theory
- Terminate the interview
- Ask an alternative question

(1 mark)

38. Which of the following refers to the inhibitor to communication in which the respondent confuses the order of events?

- Inferential confusion
- Unconscious confusion
- Chronological confusion
- None of the above

(1 mark)

39. Which of the following is **CORRECT** in regard to the image acquisition process used in examinations involving digital evidence?

- Imaging the hard drive involves taking an exact copy of the hard drive using forensic tools for purposes of collecting digital evidence which help to maintain the integrity of the evidence
- Imaging the hard drive involves mining data in stored in the system
- Acquiring the digital evidence from the suspect
- All the above

(1 mark)

40. A forensic fraud examiner is preparing his full case report at the conclusion of a fraud investigation. When including information regarding the interviews conducted during the examination, the fraud examiner should:  
A. Report the details of each witness interview in a separate memorandum  
B. Use signed copies of his notes from the interviews as the primary recording document  
C. Include all information provided by all the witnesses, regardless of the relevance  
D. Include only the facts provided by the witnesses that substantiate the fraud allegation. (1 mark)

41. Dan, a Certified Forensic Fraud Examiner, has obtained an oral admission from Pen, a fraud suspect. Dan reduced the confession into a short, concise written statement for Pen to sign. After Dan signed the statement, he remembered a significant detail that should have been included. How should Dan record this omitted information?  
A. Add an addendum to the existing statement  
B. Omit the information  
C. Destroy the old statement and prepare a new one  
D. None of the above (1 mark)

42. Which of the following is a common method fraudsters use to conceal illegally acquired assets?  
A. Placing assets in probate  
B. Transferring assets into another person's name  
C. Purchasing a used vehicle  
D. Creating a will to allocate assets at death (1 mark)

43. Jean is a Certified Forensic Fraud Examiner working on an investigation at ABC Ltd. During an interview, Paul, an employee at the company confesses to Jean that she has been embezzling money from the company. Which of the following pieces of information does Jean **NOT** have to obtain from Paul?  
A. The approximate date Paul started embezzling the money  
B. An estimate of the amount of money Paul embezzled  
C. A statement stating that Paul's conduct was an accident  
D. Information about the involvement of other employees (1 mark)

44. Which of the following is an example of a data analysis function that can be performed to detect fraud through examination of accounts payable?  
A. Sort asset values by asset type or monetary amount  
B. Summarise cash disbursements by bank account  
C. Select samples for asset existence verification  
D. Identify debits to expense accounts outside the set default accounts (1 mark)

45. Which of the following pieces of information is **NOT** usually contained on the signature card of a personal bank account?  
A. The thumbprint of the person opening the account  
B. The telephone number of the person opening the account  
C. The identification number of the person opening the account  
D. The address of the person opening the account (1 mark)

46. Which of the following conditions indicates that it is the appropriate time to ask admission-seeking questions?  
A. The interviewer believes there is a reasonable probability that the subject is responsible for the act in question  
B. All reasonable investigative steps and sources have been exhausted  
C. The time, place and subject matter discussed in the interview can be controlled by the interviewer  
D. All of the above (1 mark)

47. In most jurisdictions, which of the following statements about bankruptcy court records is **CORRECT**?  
A. Only the party filing for bankruptcy and the creditors may access the bankruptcy record  
B. A bankruptcy file typically contains the bankruptcy petition or filing document  
C. Bankruptcy documents are usually located in the jurisdiction where the most debt was incurred  
D. All of the above (1 mark)

48. Characteristics of a well-written fraud examination report include which of the following characteristics?  
A. Clarity  
B. Impartiality  
C. Accuracy  
D. All of the above (1 mark)

49. Which of the following is something that might be revealed by analyzing a subject's electronic payment records?

- A. The cities and countries in which the subject conducts business
- B. Assets the subject has purchased
- C. Assets effectively controlled or held by the subject
- D. All of the above

(1 mark)

50. Dennis, a nonunion suspect, arrived at a scheduled admission-seeking interview with his manager and insisted that the manager be allowed to sit in. Should this interview be allowed to continue?

- A. Yes, because a third-party witness to a confession is valuable
- B. No, because the manager's presence would not be lawful
- C. Yes, because the manager is not an attorney and therefore may not interfere in a legitimate investigatory interview
- D. No, because the presence of a third party could have negative impact

(1 mark)

51. Link analysis is particularly useful when investigating which type of fraud scheme?

- A. Shell company
- B. Money laundering
- C. Fictitious vendor
- D. All of the above

(1 mark)

52. When developing a suspect's financial profile, an investigator should consider funds generated from loans. Which of the following loan amounts should the investigator use to establish the amount received?

- A. Loan disbursement amount
- B. Loan principal amount
- C. Loan principal and interest amount
- D. Loan proceeds

(1 mark)

53. Which of the following steps is included in the planning phase of the data analysis process?

- A. Building a profile of potential frauds
- B. Articulating examination objectives
- C. Determining whether predication exists
- D. All of the above

(1 mark)

54. Once a suspect has confessed in an interview, it is important to get copies of as much physical evidence as possible. For example, bank records are important. Which of the following is the recommended method for obtaining bank records after a confession?

- A. Obtain a separate written authorization for the release of the bank records
- B. Obtain an oral authorization for the release of the bank records
- C. Request the subject to bring the bank records to the investigator's office
- D. Request to meet the subject the next day at his bank

(1 mark)

55. In most jurisdictions, searches of all of the following sources of information can be useful in developing background information for pre-employment purposes **EXCEPT**:

- A. Criminal court records searches
- B. Income tax records
- C. Bankruptcy records searches
- D. Civil court records searches

(1 mark)

56. James, a Certified Forensic Fraud Examiner, is conducting an admission-seeking interview. Which of the following strategies should James follow in his attempt to obtain admission?

- A. Avoid potential liability by making the accusation in the presence of outsiders
- B. Minimize sympathy and maximize the perception of wrongdoing
- C. Conduct the interview in a firm, but also in a compassionate manner
- D. Imply that time is of essence to pressure the subject into confessing

(1 mark)

57. Keeping track of the amount of paper generated is one of the biggest challenges in fraud cases. Which of the following is generally **NOT** a recommended practice when organizing evidence?

- A. Segregate documents by witness
- B. File all papers chronologically
- C. Make a document file
- D. Establish a database early on

(1 mark)

58. Generally, if a fraud examiner wants to submit a fraud case for prosecution, at what point should he send the case to government authorities?  
A. After all witnesses have been interviewed  
B. Immediately after obtaining an oral confession from the suspect  
C. After the fraud examiner has finished collecting documentary evidence  
D. After the investigation has been completed (1 mark)

59. An organization can lower employees' expectation of privacy in their workspaces by issuing written privacy policies communicating the organization's policy to search such spaces, it is not necessary for such policies to address personal electronic devices are not subject to searches because they private  
A) True  
B) False (1 mark)

60. Which one of the following information can be obtained from public real estate records in most jurisdiction?  
A. A property's historical sales price  
B. The addresses of a property's buyer and seller  
C. Who financed the purchase of the property  
D. All the above (1 mark)

61. Which of the following methods can be used to obtain documentary evidence?  
A. Subpoena  
B. Written consent  
C. Oral consent  
D. All of the above (1 mark)

62. While examining a document, a fraud examiner notices some very faint indented writings that might aid the examination if revealed. Which of the following would be the fraud examiner's **BEST** course of action in analysing these indented writings?  
A. Performing the pencil scratching method  
B. Performing the pencil shading method  
C. Employing an expert to use an electrostatic detection apparatus  
D. Applying a few drops of liquid and observing the liquid's flow in the indentations (1 mark)

63. Undercover covert operations use disguise and deceit to obtain evidence directly from people involved in the offence, whereas surveillance operations use the skill of observation to gather information about individuals' activity.  
A) True  
B) False (1 mark)

64. When reporting the results of a fraud examination, the Certified Forensic Fraud Examiner generally should include his opinion regarding the credibility of the witnesses.  
A) True  
B) False (1 mark)

65. During the analysis phase in digital forensic investigations, it is best to use just one forensic tool for identifying, extracting, and collecting digital evidence.  
A) True  
B) False (1 mark)

66. When a Certified Forensic Fraud Examiner is interviewing a suspect and in the course of the interview, the suspect becomes uneasy with the sensitive nature of the questions, it is recommended that the investigator do one of the following  
A. Ask a non-sensitive question but later return to the sensitive questions  
B. Ask an alternative question only  
C. Keep away the sensitive questions  
D. Ask Rationalization questions (1 mark)

67. A bank credit department generally maintains which of the following types of basic loan records?  
A. The credit or loan file  
B. The master appropriation file  
C. The accounting journal  
D. The cash record (1 mark)

68. Fraud examiners should take which of the following steps when securing a computer to enhance the machine analysis?  
A. Examine and document the machine's surroundings  
B. Implement a system to manage the evidence  
C. Inspect the machine for traps  
D. All of the above (1 mark)

69. In data analysis, date fields are generally not a problem when importing and exporting data because standard formats are always used.  
A) True  
B) False (1 mark)

70. Closed questions are worded in a way that makes it difficult for the respondent to answer "yes" or "no."  
A) True  
B) False (1 mark)

71. The terms "induction" and "deduction" are most often associated with which inhibitor to communication?  
A. Chronological confusion  
B. Inferential confusion  
C. Trauma  
D. None of the above (1 mark)

72. As a general rule, the more intelligent the witness, the less reliable his verbal and nonverbal clues of deception will be.  
A) True  
B) False (1 mark)

73. In interviews, introductory questions are designed to meet which of the following objectives?  
A. To establish rapport  
B. To establish the interview theme  
C. To provide the introduction  
D. All of the above (1 mark)

74. A forensic fraud examiner is conducting an investigation involving ABC Company, a multi-national, publicly traded company, and wants to obtain regulatory securities records regarding the company. Which of the following best describes where the fraud examiner should check to find these records?  
A. Both domestic and foreign securities exchanges, including those in jurisdictions where the company has minimal business presence  
B. Only the securities exchange in the jurisdiction where the company does most of its business  
C. Only domestic securities exchanges located in the jurisdiction where the company is incorporated  
D. Only domestic securities exchanges and exchanges in jurisdictions where the corporation has a substantial business presence (1 mark)

75. Which of the following data analysis functions is most useful in testing for hidden journal entries?  
A. Aging data  
B. Identifying duplicates  
C. Gap testing  
D. Statistical sampling (1 mark)

76. Edward calls Peter's bank, claiming to be Peter, with the intention of stealing Peter's identity. Edward tells the bank representative that he needs to make sure the bank has the correct government identification number on his account because he had noticed an error on his statement. The bank representative refuses to give the number. Which of the following is an example of the attempted offence by Edward?  
A. Pretexting with a financial institution  
B. False misrepresentation  
C. Embezzlement  
D. Bank fraud (1 mark)

77. When planning for an interview, which of the following steps should be taken?  
A. Contemplate what the interview is intended to accomplish and state an objective  
B. Ensure that the interview is held in a venue where the subject will feel comfortable  
C. Prepare a brief list of key points to discuss during the interview  
D. All of the above (1 mark)

78. If you are seizing a computer for forensic analysis, the investigator should seize copiers and any other devices connected to it.  
A) True  
B) False (1 mark)

79. Which of the following is **TRUE** about using computer-created metadata in forensic investigations?  
A. Metadata information can help determine who wrote a document  
B. Metadata information can help determine when a document was created  
C. Metadata information can help determine who received a document  
D. All of the above (1 mark)

80. What is mutual legal assistance (MLA)?  
A. A formal request by the government of a country seeking information from a defendant residing in another country  
B. A process by which countries request and provide assistance in criminal law enforcement matters  
C. A letter whereby a criminal defendant requests that the government releases exculpatory information  
D. A formal request by the courts of one country seeking judicial assistance from the courts of another country (1 mark)

81. Which of the following is a method of using software to extract usable information from unstructured data?  
A. Extracting an exact copy of the data  
B. Textual analytics  
C. Benford's Law  
D. None of the above (1 mark)

82. Which of the following witnesses should be interviewed by surprise?  
A. Neutral witnesses  
B. Volatile witnesses  
C. Friendly witnesses  
D. None of the above (1 mark)

83. Which of the following is a purpose of closing questions in interview situations?  
A. To maintain goodwill  
B. To reconfirm facts  
C. To obtain additional facts  
D. All of the above (1 mark)

84. In the course of establishing rapport, it is important that an interviewer observes a subject's reaction to normal conversation to establish a baseline against which answers to more sensitive questions can be compared.  
A) True  
B) False (1 mark)

85. The records of a wire transfer identify the amount of the wire, where it was sent, and the date it was sent, but they do not identify who sent the wire.  
A) True  
B) False (1 mark)

86. Which of the following is a recommended procedure for protecting a fraud investigation's case information?  
A. Store all confidential documents in locked file cabinets or rooms accessible only to those who have a business need-to-know  
B. Avoid talking about the investigation in public or in any place where other employees could hear the communications  
C. Avoid using email or other electronic means to transmit confidential case information  
D. All of the above (1 mark)

87. Which of the following is an indirect method of proving illicit income circumstantially by showing that a person's assets or expenditures for a given period exceed that which can be accounted for from known or legitimate sources of income?

- A. Net-worth (or comparative net-worth) method of analysis
- B. Expenditure method
- C. Assets method
- D. All the above

(1 mark)

88. All of the following are signs of deceptive behavior in an interview subject **EXCEPT**:

- A. The subject plays with an object during direct questioning
- B. The subject appears casual and unconcerned
- C. The subject frequently uses quiet hand gesture when talking
- D. The subject sits casually

(1 mark)

89. Which of the following best describes predication?

- A. The means by which individuals justify/rationalize their unethical actions
- B. The Planning phase of the investigative process
- C. The totality of circumstance that would make a well trained and experienced professional believe that fraud has occurred, and that would be the basis of conducting an investigation
- D. The evidence collection phase

(1 mark)

90. It is general knowledge that when fraud suspects decide to confess, they tend to do one of the following as a way of releasing inner tension of their guilt and dishonest actions.

- A. Provide an accurate amount of funds defrauded
- B. Provide accurate number of incidences
- C. Provide exact number of other individuals involved
- D. None of the above

(1 mark)

91. During an admission-seeking interview, Sylvia has just accused a suspect of committing a crime. The suspect begins to deny the accusation. Which of the following methods should Sylvia **NOT** apply to interrupt the denials?

- A. Try to reason with the suspect
- B. Reason with the suspect
- C. Discuss other witnesses without naming them
- D. All the above

(1 mark)

92. Incriminating files that have been deleted and overwritten from a target computer might be possible to recover by forensic experts by use of forensic tools.

- A) True
- B) False

(1 mark)

93. An experienced digital forensic expert is aware of where to look for evidence in the computer. Computer created files are good sources of digital evidence. Which of the following is one of those computer-generated files?

- A. Meta data
- B. Events logs
- C. System logs
- D. All the above

(1 mark)

94. Which of the following is **TRUE** in regard to fraud examination reports?

- A. The conclusion part of the report should include the summary of the findings
- B. The recommendation part of the report should make recommendation on the controls that need to be put in place to avoid future occurrences
- C. The scope part of the investigation report should be based on the specific allegations and the period of the investigation
- D. All the above

(1 mark)

95. Which of the following should a fraud examiner consider before starting to conduct a computer investigation?

- A. Whether there is a need to notify law enforcement
- B. What to look for and where
- C. If there is need to engage an outside digital forensic expert
- D. All the above

(1 mark)

96. Which of the following is **TRUE** in regard to volatility of digital evidence?

- A. Once the integrity of digital evidence has been violated through manipulation or destruction it cannot be restored
- B. Digital evidence is more volatile than tangible evidence because data can be easily altered
- C. Failure to preserve the integrity of the digital evidence could result to evidence being inadmissible
- D. All the above

(1 mark)

97. In admission-seeking interviews, when an innocent person is directly accused, they react differently to the initial accusation than a culpable person. Which of the following reactions is expected from a culpable person?

- A. Weak denials
- B. Strong denials
- C. Silence
- D. None of the above

(1 mark)

98. When an examiner is using textual analysis to look for words indicative of fraud, which of the following words would be indicative of pressure to commit fraud?

- A. Deadline
- B. Trouble
- C. Quota
- D. All the above

(1 mark)

99. Benford law can only work with natural numbers to look for patterns indicative of fraud. Which of the following is an example of a natural number?

- A. Employees numbers
- B. Telephone numbers
- C. Vendors invoice numbers
- D. Sales invoice numbers

(1 mark)

100. Under textual analytics, which of the following words is indicative of rationalization to commit fraud?

- A. Override
- B. Write off
- C. Deserve
- D. Quota

(1 mark)

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