



**Free Questions for CFE-Fraud-Prevention-and-Deterrence by  
certsdeals**

**Shared by Shannon on 05-09-2022**

**For More Free Questions and Preparation Resources**

**Check the Links on Last Page**

## Question 1

---

**Question Type:** MultipleChoice

---

Employees should be kept unaware that management is watching for lifestyle and behavior changes in staff members that might indicate fraud

**Options:**

---

- A) True
- B) False

**Answer:**

---

A

## Question 2

---

**Question Type:** MultipleChoice

---

In response to a risk identified during a fraud risk assessment, management decides to purchase fidelity insurance to help protect the company against the associated risk of loss. This response is known as:

**Options:**

---

- A) Mitigating the risk
- B) Assuming the risk
- C) Avoiding the risk
- D) Transferring the risk

**Answer:**

---

D

## Question 3

---

**Question Type: MultipleChoice**

---

According to modern criminological studies, which of the following is the determinant aspect of white-collar crime'?

**Options:**

---

- A) Organizational opportunity
- B) Absence of risk factors
- C) Potential legal punishment
- D) Social status

**Answer:**

---

D

## Question 4

---

**Question Type: MultipleChoice**

---

Effectively documenting and communicating organizational hierarchies, including the proper flow of information, can be a helpful tool in preventing fraud

**Options:**

---

- A) True

**B) False**

**Answer:**

---

A

## Question 5

---

**Question Type: MultipleChoice**

---

The Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing states that

**Options:**

---

- A)** The internal auditor must apply the skill and care of an expert whose primary responsibility is investigating fraud
- B)** The internal auditor must apply the skill and care of an expert whose primary responsibility is detecting fraud.
- C)** The internal auditor must apply the skill and care of an unbiased, infallible audit professional.
- D)** The internal auditor must apply the skill and care of a reasonably prudent and competent internal auditor

**Answer:**

---

C

## Question 6

---

**Question Type:** MultipleChoice

---

The International Organization of Securities Commissions' (IOSCO) Principles for Auditor Oversight states that auditor oversight should involve a regular review process designed to ascertain whether audit firms adhere to quality control policies and procedures.

**Options:**

---

A) True

B) False

**Answer:**

---

A

## Question 7

---

**Question Type:** MultipleChoice

---

According to Diane Vaughan, which of the following factors increases an organization's inherent inclination toward committing crime?

**Options:**

---

- A) Management links employee performance goals with company performance goals
- B) Rewards are given to employees who challenge the status quo
- C) Management seeks out diversity in attitudes and perspectives when hiring employees
- D) All of the above

**Answer:**

---

B

## Question 8

---

**Question Type: MultipleChoice**

---

Independent auditors play a critical role in enhancing the reliability of financial information by financial position and performance in compliance with accepted accounting standards.

**Options:**

---

- A) True
- B) False

**Answer:**

---

A

## Question 9

---

**Question Type:** MultipleChoice

---

Open-door management policies are a fraud prevention mechanism that addresses which leg of the Fraud Triangle?

**Options:**

---

- A) Opportunity
- B) Willingness
- C) Lack of integrity



D) Pressure

**Answer:**

---

A

## Question 10

---

**Question Type: MultipleChoice**

---

Julia is conducting a formal assessment of XYZ Corporation's ethical culture. To which of the five components of the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) Internal Control---Integrated Framework (the Framework) does her assessment pertain?

**Options:**

---

- A) Control environment
- B) Monitoring
- C) Control activities
- D) Information and communication

**Answer:**

---

A

## Question 11

---

**Question Type:** MultipleChoice

---

Which of the following is FALSE regarding a background check policy for employees?

**Options:**

---

- A)** Where permitted by law, management should run a background check on any existing employee who is being promoted to a position that includes access to sensitive or valuable company resources, even if a background check was run on the individual at the time of hire
- B)** When verifying past employment, management should only ask previous employers to verify the dates the candidate was employed.
- C)** As part of the screening process, management should contact the references provided by the job candidate
- D)** At a minimum, management should conduct a background check on any candidate who will have constant access to cash, checks, and credit card numbers, or other easily stolen items.

**Answer:**

---

B



**To Get Premium Files for CFE-Fraud-Prevention-and-Deterrence  
Visit**

**<https://www.p2pexams.com/products/cfe-fraud-prevention-and-deterrence>**

**For More Free Questions Visit**

**<https://www.p2pexams.com/acfe/pdf/cfe-fraud-prevention-and-deterrence>**

