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### Question: 1

Which of the following is NOT true with regard to tracing the disposition of loan proceeds?

- A. Tracing loan proceeds can reveal previous civil offenses committed by the subject
- B. Tracing loan proceeds can determine if the proceeds were deposited into hidden accounts
- C. Tracing loan proceeds can uncover previously unknown witnesses
- D. Tracing loan proceeds can determine if hidden accounts were used for loan payments.

**Answer: A**

Explanation:

### Question: 2

If you are seizing a computer for forensic analysis, why is it generally necessary to seize any copiers connected to it?

- A. Many copiers connect via parallel cables, which store and transmit copy job data.
- B. Most copiers store, process, and transmit data in a cloud environment
- C. Many copiers have internal hard drives that might contain information relevant to a fraud examination
- D. Most copiers today are nonimpact copiers, meaning that they store copied images indefinitely.

**Answer: C**

Explanation:

### Question: 3

Which of the following can be obtained from a wire transfer record?

- A. The name of the receiving institution's registered agent
- B. The recipient's government identification number
- C. The name of the sender or originator
- D. The sending institution's accreditation type

**Answer: C**

Explanation:

### Question: 4

When planning for the interview phase of an investigation, which of the following steps should NOT be taken by the fraud examiner?

- A. Consider what the interview is intended to accomplish and state an objective.

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- B. Review the case file to ensure that important information has not been overlooked
  - C. Prepare a detailed list of questions to ask the subject during the interview.
  - D. Ensure that the interview is held in a venue where the subject will feel Uncomfortable

**Answer: D**

Explanation:

### Question: 5

Jackson, a digital forensic examiner for a government agency, is conducting a criminal investigation into the alleged embezzlement of funds from the government's Welfare Department (WD). Ginny, a WD employee, is the prime suspect. Jackson obtains a court order authorizing him to seize Ginny's personal computer for forensic examination. Which of the following is the MOST ACCURATE statement?

- A. If Ginny's computer is running. Jackson should perform a graceful shutdown by turning it off using the normal shutdown process
- B. If Ginny's computer is off and Jackson needs evidence that exists only in the form of volatile data, he should turn the computer on and retrieve data directly via the computer's normal interface.
- C. If Ginny's computer is off. Jackson should not turn it on unless he plans to use an encryption device that can guarantee that the system's hard drive will not be accessed during startup.
- D. If Ginny's computer is running. Jackson may retrieve data from the computer directly via its normal interface if the evidence that he needs exists only in the form of volatile data

**Answer: D**

Explanation:

### Question: 6

Which of the following terms refers to a process of resolving allegations of fraud from inception to disposition?

- A. Forensic methodology
- B. Fraud theory
- C. Fraud assessment
- D. Fraud examination

**Answer: D**

Explanation:

### Question: 7

Eugene is conducting an admission-seeking interview of a suspect. During the interview, the suspect frequently looks away from Eugene while responding to questions. Eugene can safely conclude that the suspect is dishonest due to his failure to maintain eye contact.

- A. True
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B. False

**Answer: B**

Explanation:

**Question: 8**

Anne used Will as a confidential informant in her investigation. Anne listed information provided by Will in her final report, referring to him using his initials. She paid Will in cash and obtained a receipt for the transaction. Which of Anne's methods was NOT considered a best practice when using informants?

- A. Referring to Will using his initials
- B. Obtaining a receipt from Will
- C. Using information provided by Will in her report
- D. Using cash to pay Will

**Answer: A**

Explanation:

**Question: 9**

Jan

a. the controller of XYZ Company, notices that the company's hotel expenses increased substantially from the prior year. She wants to check to see if this increase is reasonable by comparing hotel expenses from both years to the number of days XYZ's employees traveled. Which of the following data analysis functions would be the MOST USEFUL in helping Jana analyze these two variables?

- A. Correlation analysis
- B. Duplicate testing
- C. Verifying multiples of a number
- D. Benford's Law analysis

**Answer: A**

Explanation:

**Question: 10**

When a fraud examiner is conducting an examination and is in the process of collecting documents, the fraud examiner should:

- A. Dust all physical key documents for fingerprints
- B. Establish a document database early in the investigation
- C. Make copies of originals and leave the originals where they were found
- D. Organize all the documents obtained in chronological order

**Answer: B**

Explanation:

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### Question: 11

Which of the following is the LEAST ACCURATE statement about seizing a computer for examination?

- A. When taking a computer for examination, if the computer is off, it should remain off when it is removed.
- B. When seizing a computer that is running, it is acceptable for a fraud examiner to review the files contained on the machine prior to seizing it.
- C. Before removing a computer system from a scene for further analysis, it is important to document the system's setup with photographs or diagrams.
- D. When seizing a computer for examination, the seizing party should look around the area for passwords because many people leave passwords near their computers.

**Answer: B**

Explanation:

### Question: 12

Which of the following is the MOST ACCURATE statement concerning the volatility of digital evidence?

- A. Digital evidence is more volatile than tangible evidence because digital evidence is subject to claims of spoliation, whereas tangible evidence is not.
- B. Digital evidence is more volatile than tangible evidence because the rules of admissibility for digital evidence are stricter than such rules for tangible evidence.
- C. If the integrity of digital evidence is violated, it can often be restored through a digital cleansing process.
- D. The failure to preserve the integrity of digital evidence could result in evidence being deemed inadmissible in a legal proceeding.

**Answer: D**

Explanation:

### Question: 13

Allison, a Certified Fraud Examiner (CFE), is investigating a potential procurement fraud scheme. While interviewing a subject, she asks, "Why did you choose to do business with that vendor?" This question can BEST be described as a(n):

- A. Open question
- B. Complex question
- C. Leading question
- D. Closed question

**Answer: A**

Explanation:

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**Question: 14**

Marilyn, a Certified Fraud Examiner (CFE), is reasonably sure that Shelly, her primary suspect, committed the fraud in question. Before scheduling an admission-seeking interview with Shelly, Marilyn should be reasonably sure of all of the following EXCEPT:

- A. That all reasonable investigative steps have been taken
- B. That the interview's time and location can be controlled
- C. That no other person was involved in the fraud in question
- D. That the interview's subject matter can be controlled

**Answer: C**

Explanation:

**Question: 15**

Sam needs to obtain the most accurate court records possible in a particular jurisdiction concerning a fraud suspect. The BEST place for Sam to look is a global database that compiles court cases from various jurisdictions

- A. True
- B. False

**Answer: A**

Explanation:

**Question: 16**

Which of the following is a common method that fraudsters use to hide their ill-gotten gains?

- A. Purchasing a used vehicle
- B. Creating a will to allocate assets at death
- C. Placing assets in probate
- D. Transferring assets into foreign trusts

**Answer: A**

Explanation:

**Question: 17**

Which of the following is considered a best practice for preserving the confidentiality of a fraud investigation?

- A. Suspend all employees involved in the investigation pending the investigation's outcome.
- B. Ensure that the investigation is conducted at the direction of, or under the supervision of, a government official

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- C. Avoid using email or other electronic means to transmit confidential case information
  - D. Implement a blanket policy prohibiting all employees from discussing anything related to employee investigations

**Answer: B**

Explanation:

**Question: 18**

Which of the following is the MOST IMPORTANT question for a fraud examiner to ask before commencing a legal action to recover assets?

- A. "Has the defendant been previously arrested for allegedly committing a white-collar crime?"
- B. "Does the defendant have sufficient property or money to satisfy a money judgment?"
- C. "Is there a relevant statute of limitations?"
- D. "Is the suspect guilty of the fraudulent act?"

**Answer: C**

Explanation:

**Question: 19**

Which of the following is one of the purposes of closing questions in a routine interview?

- A. To close the interview positively and maintain goodwill
- B. To assess whether the subject is ready to confess
- C. To confirm the credibility of the witness being interviewed
- D. To reduce testimony to a signed, written statement

**Answer: A**

Explanation:

**Question: 20**

Jackson, a Certified Fraud Examiner (CFE), is analyzing Elm Company's accounts payable data to identify anomalies that might indicate fraud. Which of the following is the MOST EFFECTIVE data

analysis function that Jackson could use to look for potential fraud in accounts payable?

- A. Compare book and tax depreciation and indicate variances
- B. Identify paychecks with amounts over a certain limit
- C. Summarize large invoices by amount and vendor
- D. All of the above

**Answer: C**

Explanation:

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**Question: 21**

If your suspect is spending suspected illicit funds on consumables (e.g., travel and entertainment) and you need to prove their illicit income circumstantially, which of the following methods of tracing assets would yield the BEST result?

- A. expenditures method
- B. The consumables method
- C. The income method
- D. The asset method

**Answer: A**

Explanation:

**Question: 22**

Fraud examination reports should be written with which of the following audiences in mind?

- A. The media
- B. Opposing legal counsel
- C. Investors and owners
- D. All of the above

**Answer: D**

Explanation:

**Question: 23**

Tyson, a fraud examiner, is planning an interview with Briann

a. the girlfriend of the central suspect in Tyson's investigation. Previous interviews with others have revealed that Brianna tends to be very protective of her boyfriend. How should Tyson approach the interview with Brianna?

- A. Avoid interviewing Brianna if possible due to Brianna's potential volatility.
- B. Conduct the interview with as little notice as possible so Brianna will be unprepared.
- C. Provide Brianna with advance notice prior to the interview to inhibit resentment.
- D. Ask Brianna when she would prefer to be interviewed in an effort to provoke cooperation.

**Answer: D**

Explanation:

**Question: 24**

If the following statements were included in a fraud examination report of a qualified expert, which of them would be IMPROPER?

- A. "When asked a second time about the amount of funds missing, the suspect contradicted their previous testimony."

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- B. "The evidence shows that between \$1 million and \$1.5 million in assets were transferred to an offshore account."
- C. "The organization must address the inadequate separation of accounting duties to prevent such an event from happening again."
- D. "In light of all the evidence, the suspect is most likely guilty of fraud against the organization."

**Answer: D**

Explanation:

**Question: 25**

Which of the following is a factor that fraud examiners should consider when determining whether to dispose of evidence following the conclusion of a fraud examination?

- A. Whether the information was presented by a lay witness or an expert witness
- B. Whether the evidence is documentary or testimonial
- C. Whether the evidence is direct or circumstantial
- D. Whether the organization has a general document retention policy in place

**Answer: D**

Explanation:

**Question: 26**

Beta, a Certified Fraud Examiner (CFE), is conducting an admission-seeking interview of Delta, a fraud suspect. In establishing a rationalization, Beta says to Delta

a. "I know you didn't do this for yourself: it was for your family." This technique seeks to establish rationalization by:

- A. Reducing Delta's stress about possibly being fired
- B. Claiming Delta's action was for altruistic reasons
- C. Reducing Delta's perception of the legal seriousness of the matter
- D. Establishing that Delta's family was being treated unfairly

**Answer: D**

Explanation:

**Question: 27**

A law enforcement officer receives a reliable tip from an informant that a government employee is soliciting bribes in exchange for awarding contracts to the employee's agency. To investigate, the officer poses as a potential contractor and contacts the suspect employee about the possibility of getting a contract with the agency. During the conversation, the suspect demands a cash payment for the officer to be considered for upcoming contracts. If the suspect claims entrapment at trial, then which of the following is MOST LIKELY to occur?

- A. The suspect's claim will succeed because the investigator used deceit
- B. The suspect's claim will succeed because the investigator lacked probable cause
- C. The suspect's claim will fail because the investigator had adequate predication

D. The suspect's claim will fail because the investigator is a law enforcement agent

**Answer: C**

Explanation:

**Question: 28**

Janet suspects that a local restaurant is being used as a front business for a criminal operation. Which of the following types of records would be the MOST LIKELY to help Janet discover who owns the restaurant building?

- A. Commercial filings
- B. Building permit records
- C. Local court records
- D. Voter registration records

**Answer: B**

Explanation:

**Question: 29**

If an important witness becomes hostile and argumentative during an interview, the interviewer should generally.

- A. Avoid reacting to the witness.
- B. Refute the witness's arguments
- C. Try to reason with the witness
- D. Terminate the interview.

**Answer: A**

Explanation:

**Question: 30**

Which of the following is the MOST ACCURATE statement about the privacy of information shared through social media?

- A. To access any user-posted information on social media sites, fraud examiners must obtain some type of legal order from the jurisdiction in which the user resides.
- B. A fraud examiner cannot be held liable for violating a user's privacy rights if they hack or break into areas of a social networking site designated as private because all social media information is public.
- C. The Privacy of Social Networks Treaty is a binding international treaty that makes it illegal for law enforcement to seek social media log-in credentials from users.
- D. Hacking or breaking into information on social media sites that is restricted as private could result in liability for fraud examiners due to violation of users' privacy rights.

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**Answer: D**

Explanation:

**Question: 31**

Which of the following statements about how fraud examiners should approach fraud examinations is FALSE?

- A. In most examinations, fraud examiners should start interviewing the least involved candidates and proceed toward those who are potentially more involved.
- B. When conducting fraud examinations, fraud examiners should start with specific details and move toward more general information.
- C. When conducting fraud examinations, fraud examiners should adhere to the fraud theory approach.
- D. When conducting fraud examinations, fraud examiners should begin with general information that is known and then move to the more specific details.

**Answer: B**

Explanation:

**Question: 32**

Which of the following questions would be MOST EFFECTIVE when establishing a baseline during an interview?

- A. "Do you know who had access to the file?"
- B. "Are you familiar with the company's policies regarding ethics?"
- C. "Have you committed any misconduct against the company?"
- D. "How long have you been in this department?"

**Answer: D**

Explanation:

**Question: 33**

Rachel, a fraud suspect, has decided to confess to Linda, a Certified Fraud Examiner (CFE). In obtaining a verbal confession from Rachel, Linda should obtain all of the following items of information EXCEPT:

- A. The approximate beginning and end dates of the fraud
- B. A statement from Rachel that her conduct was an accident
- C. A general estimate of the amount of money involved
- D. Rachel's motive for the offense

**Answer: B**

Explanation:

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**Question: 34**

Which of the following is NOT a step a fraud examiner must take before seizing evidence in a digital forensic investigation?

- A. Obtain and become familiar with any legal orders that apply to the investigation
- B. Assemble an investigation team comprised only of outside digital forensic experts
- C. Ensure that only trained professionals employ any software used in a forensic capacity
- D. Determine whether there are privacy issues related to the item(s) to be searched.

**Answer: A**

Explanation:

**Question: 35**

Which of the following types of data is BEST suited for a BenfordTs Law analysis?

- A. Employee identification numbers
- B. Telephone numbers
- C. A listing of payment amounts
- D. Vendor addresses

**Answer: C**

Explanation:

**Question: 36**

When documenting interviews, it is best practice for the interviewer to.

- A. Covertly record all interviews with potential suspects.
- B. Note impressions regarding the subject's guilt or innocence.
- C. Err on the side of taking too few notes rather than too many.
- D. Write down verbatim all the information that the subject provides

**Answer: C**

Explanation:

**Question: 37**

Which of the following data analysis functions is used to determine whether company policies are met by employee transactions, such as verifying that traveling employees book their accommodations at approved hotels?

- A. The correlation analysis function
  - B. The Join function
  - C. The gap testing function
-

D. The compliance verification function

**Answer: D**

Explanation:

### Question: 38

Which of the following is NOT a recommended strategy when conducting admission-seeking interviews?

- A. Conduct admission-seeking interviews only when time is not a factor.
- B. Ensure that accusations are made under conditions of privacy to avoid potential liability
- C. Minimize empathy while emphasizing the perception of moral wrongdoing
- D. Present a morally acceptable reason for the subject's behavior

**Answer: C**

Explanation:

### Question: 39

Which of the following is FALSE regarding link analysis?

- A. Link analysis is a poor tool to use for investigating a money laundering scheme
- B. Link analysis can be used to map connections between entities that share an address
- C. Link analysis helps identify indirect relationships with several degrees of separation
- D. Link analysis is an effective tool for demonstrating complex networks

**Answer: A**

Explanation:

### Question: 40

Which of the following is NOT a best practice for obtaining a signed statement?

- A. Add subsequent facts to the statement as an addendum.
- B. Have the suspect write out the entire statement in their own handwriting
- C. Prepare separate statements for unrelated offenses
- D. Have two individuals witness the signing of the document when possible.

**Answer: B**

Explanation:

### Question: 41

An investigator is preparing to administer what is likely to be an intense and extended interview with a fraud suspect. To organize their thoughts prior to the interview, the fraud examiner should:

- A. Provide the suspect with a list of questions to ensure detailed responses-

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- B. Make a list of key points to go over with the respondent.
  - C. Develop a list of questions ranked in order of importance.
  - D. Memorize a detailed list of questions, but avoid taking a written list to the interview

**Answer: B**

Explanation:

### **Question: 42**

Which of the following questions is MOST HELPFUL for fraud examiners to ask themselves when determining the legality of electronically recording a conversation?

- A. "Can the recording include both audio and video?"
- B. "Will the recording equipment produce a digital file?"
- C. "Will the recorded conversation take place before or after work?"
- D. "How long is the anticipated recording expected to last?"

**Answer: B**

Explanation:

### **Question: 43**

Gilbert is preparing to conduct a covert investigation. Before acting, he wants to write a memorandum documenting his plan. Which of the following pieces of information should he include in this memorandum?

- A. The information expected to be gained from the operation
- B. The identities of any confidential sources to be used in the operation
- C. His first impression regarding the subject's culpability
- D. All of the above

**Answer: A**

Explanation:

### **Question: 44**

Which of the following is a common characteristic that asset hidiers look for in the financial vehicles they use to conceal their assets?

- A. Accessibility
- B. Transparency
- C. Exclusivity
- D. Traceability

**Answer: D**

Explanation:

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### Question: 45

Tara

a. a Certified Fraud Examiner (CFE). is searching social media sites for evidence in a fraud investigation. Which of the following is the MOST ACCURATE statement regarding what Tara should do when mining social media sites for evidence of fraud?

- A. Tara should preserve the information by saving the links of the postings as bookmarks in her browser.
- B. Tara should preserve the metadata by printing out the web pages of each of the postings.
- C. Tara should conduct a forensic shutdown of the computer to preserve the metadata on the social networking sites.
- D. Tara should preserve the information from the sites so that it can be established as authentic if used in court.

**Answer: B**

Explanation:

### Question: 46

All of the following are true with regard to textual analytics EXCEPT:

- A. When conducting textual analysis, the fraud examiner should come up with a list of fraud keywords to search for.
- B. Textual analytics is used to reveal patterns, sentiments, and relationships indicative of fraud
- C. The purpose of textual analytics is to search for and find an admission of fraud that can be presented in court
- D. Textual analytics provides the ability to uncover warning signs of potentially fraudulent employee behavior

**Answer: C**

Explanation:

### Question: 47

Which of the following statements about fraud response plans is FALSE?

- A. A fraud response plan outlines the actions an organization will take when suspicions of fraud have arisen.
- B. A fraud response plan should create an environment to minimize risk and maximize the potential for success
- C. A fraud response plan must be simple to understand and administer
- D. A fraud response plan should specify how every fraud examination should be conducted regardless of the type of fraud

**Answer: A**

Explanation:

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**Question: 48**

Which of the following is a reason why a subject's credit card records and statements can be useful in tracing investigations?

- A. Credit card records can provide leads to help identify a subjects hidden assets
- B. Credit card records can show signs that the subject has skimmed funds.
- C. Credit card statements show the source of the funds used to pay a credit card bill.
- D. Credit card statements provide insight into the subject's litigation history

**Answer: A**

Explanation:

**Question: 49**

Which of the following is NOT true about observing the reactions of interview subjects?

- A. The interpretation of an interview subject's reactions requires specific skills on the part of the interviewer.
- B. The observation of a subjects body language is often just as important as the observation of the words used by the subject.
- C. Emotive words should be used early in the interview to observe the respondents emotional reaction.
- D. To effectively observe reactions, an interviewer should move from less sensitive to more sensitive questions as the interview progresses.

**Answer: C**

Explanation:

**Question: 50**

Lisa, a fraud examiner at a private company, receives an anonymous call from a potential whistleblower. The whistleblower is hesitant to reveal their identity but will do so if it can be kept fully confidential. Which of the following statements is MOST ACCURATE?

- A. Lisa may offer the whistleblower full confidentiality because they are not a suspect
- B. Lisa should explain that she will try her best to keep the whistleblower's identity confidential.
- C. Lisa should state that she will not be able to keep the whistleblower's identity confidential because all information must be disclosed to management
- D. Lisa may promise the whistleblower full confidentiality, even if she knows her statement is untrue, because the lie is ultimately beneficial to her employer.

**Answer: C**

Explanation:

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### Question: 51

Delta, an interviewer with little experience, asks Sigma, the respondent, the following question: "Were you aware that the signature was forged, and why didn't you tell anyone earlier?" This kind of question is called a \_\_\_\_\_ question

- A. Complex
- B. Controlled answer
- C. Free narrative
- D. Double-negative

**Answer: B**

Explanation:

### Question: 52

Which of the following is the MOST APPROPRIATE measure when seeking to avoid alerting suspected perpetrators who are under investigation?

- A. Terminate the suspected employee.
- B. Delay taking any action.
- C. Investigate during nonbusiness hours.
- D. Disclose the investigation to all employees

**Answer: C**

Explanation:

### Question: 53

Which of the following is the MOST ACCURATE statement regarding a fraud examiner's ability to trace cryptocurrency transactions?

- A. Each Blockchain transaction contains a user's cryptographic address, which can help identify patterns that might link the user to criminal activity.
- B. Most jurisdictions do not require digital wallet providers to record any personal information about cryptocurrency users
- C. Cryptocurrency ownership cannot be determined through an analysis of details on a subject's bank statements.
- D. Most cryptocurrencies rely on private block chains, which allow users' transactions to be completely anonymous and therefore difficult to trace.

**Answer: A**

Explanation:

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**Question: 54**

Which of the following statements concerning access to nonpublic records is FALSE?

- A. When civil litigation has commenced, a party often may obtain a subpoena or legal order for an individual's relevant bank records.
- B. A fraud examiner can request a business's bank records even if the business is not legally obligated to comply.
- C. An audit clause can be designed to allow a party to inspect the books of a business partner or vendor.
- D. During the government's criminal investigation, a fraud examiner not employed by the government has a right to access relevant documents that the government has obtained.

**Answer: D**

Explanation:

**Question: 55**

Which of the following is a purpose of an admission-seeking interview?

- A. To establish that the confessor regrets committing the act
- B. To obtain a valid confession from a culpable individual
- C. To verify that the accused mistakenly committed the act
- D. To determine whether the subject's responses are credible

**Answer: B**

Explanation:

**Question: 56**

Which of the following is NOT one of the main limitations of conducting a search for public records

using online databases?

- A. Online public records searches are limited in the jurisdictions they cover.
- B. Public records database companies are difficult to find.
- C. Online coverage of public records varies widely from jurisdiction to jurisdiction
- D. The timeliness and accuracy of information in online databases must be validated

**Answer: C**

Explanation:

**Question: 57**

Which of the following statements about the process of obtaining a verbal confession is NOT true?

- A. The transition from the accusation to the confession should occur when the accused supplies the first

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detailed information about the offense.

- B. Fraudsters tend to overestimate the amount of funds involved in the offense to relieve themselves of the guilt of their dishonest actions.
- C. If the subject lies about an aspect of the offense in the process of confessing, it is best to proceed initially as if the falsehood has been accepted as truth.
- D. The three general approaches to obtaining a verbal confession are chronologically, by transaction, or by event.

**Answer: D**

Explanation:

### **Question: 58**

Which of the following BEST describes the data analytics approach known as predictive analytics?

- A. The employment of a learning algorithm that identifies similarities, patterns, or anomalies within a data set on its own, without human involvement
- B. The configuration of a business program to emulate and integrate the actions of a human to execute certain business processes thus increasing efficiency and automating repetitive manual tasks
- C. The use of historical data, along with analyses, statistics, and machine learning components, to build a mathematical model that captures important trends and creates a quantitative forecast
- D. The use of layered artificial neural networks to accommodate more data and more sophisticated algorithms to identify complex patterns

**Answer: C**

Explanation:

### **Question: 59**

Steve, a Certified Fraud Examiner (CFE), was interviewing Michelle, a fraud suspect. During the first part of the interview, Michelle was attentive. However, when he asked her more direct questions

about the fraud, she suddenly seemed unconcerned, alternately chewing on her pen cap and picking at a loose piece of fabric on the arm of her chair. From this conduct, Steve is likely to conclude that Michelle

- A. Is feeling bored by the interview process
- B. Is being deceptive
- C. Does not know the answers to Steve's questions
- D. Is telling the truth

**Answer: B**

Explanation:

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**Question: 60**

Scarlett, a Certified Fraud Examiner (CFE), is conducting an admission-seeking interview of Plum, a fraud suspect. After Scarlett defused Plum's alibis. Plum became withdrawn and slowly began to slouch in her chair, bowing her head. What should Scarlett do now?

- A. Discourage Plum from showing any emotion.
- B. Remain silent until Plum makes a confession.
- C. Insist that Plum sit up straight in her chair
- D. Continue to display evidence that implicates Plum

**Answer: D**

Explanation:

**Question: 61**

Elizabeth, a Certified Fraud Examiner (CFE), is conducting an admission-seeking interview with Shannon, a fraud suspect. Shannon is seated approximately five feet away from Elizabeth in an empty room. The room has several pictures and posters on the wall, and the door is closed. According to admission-seeking interview best practices, what change should Elizabeth make to the interview environment to increase the chances of the interview's success?

- A. Move the interview to a room without pictures or wall hangings to prevent distractions
- B. Open the door so that Shannon feels free to leave at any time
- C. Place a table between her and Shannon to create a psychological barrier
- D. All of the above

**Answer: A**

Explanation:

**Question: 62**

When reporting the results of a fraud examination, it is BEST to include copies (not originals) of important documents in the formal report.

- A. True
- B. False

**Answer: B**

Explanation:

**Question: 63**

Which of the following is the MOST ACCURATE statement about trying to locate a subject using online records?

- A. Most public records services do not maintain a list of past addresses
- B. Obtaining a past address of the subject should be the first step in trying to locate a

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subject using online records

- C. The first step in locating someone using online records is to obtain a list of past employers
- D. Online records are generally not useful in locating subjects whose address is unknown

**Answer: B**

Explanation:

### Question: 64

Which of the following situations would probably NOT require access to nonpublic records to develop evidence?

- A. Obtaining personal health care records
- B. Accessing banking records to trace assets
- C. Reviewing a company's business filings
- D. Analyzing an individual's personal mobile phone records

**Answer: C**

Explanation:

### Question: 65

Vishal, a Certified Fraud Examiner (CFE), has just initiated an interview with Steve, a fraud suspect. After a short introduction, Vishal jokes about the fact that he and Steve are wearing the same tie and then proceeds to ask Steve about the previous night's major sporting event Vishal is attempting to

- A. Establish the interview theme
- B. Condition the witness.
- C. Establish rapport
- D. Exhibit passive listening.

**Answer: A**

Explanation:

### Question: 66

Arnold, a Certified Fraud Examiner (CFE) for Integra Wealth, learns that Elizabeth, an accounts payable clerk, recently purchased an expensive ski boat Arnold also knows that Elizabeth recently purchased a vacation home on a nearby lake Arnold has sufficient predication to:

- A. Notify management of the possibility that Elizabeth has committed fraudulent acts
  - B. Search Elizabeth's mobile phone for evidence of misconduct.
  - C. Accuse Elizabeth directly of having committed fraud
  - D. Conduct discreet inquiries into Elizabeth's responsibilities as an accounts payable clerk
-

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**Answer: A**

Explanation:

**Question: 67**

Which of the following types of information would LEAST LIKELY be found when searching external sources without the subject's consent or a legal order?

- A. A witness's address
- B. Assets owned by a subject
- C. A subject's employee personnel file
- D. A competitor's ownership information

**Answer: D**

Explanation:

**Question: 68**

Scarlett, a Certified Fraud Examiner (CFE), is assigned to the internal audit department of the ABC Company. She is getting ready to conduct an interview with another company employee who might be involved in a fraud. Which of the following is the MOST APPROPRIATE introduction for Scarlett to use with the employee?

- A. "Hello, myname is Scarlett, and I'm with the ABC Company."
- B. "Hello, myname is Scarlett. I'm an auditor with the ABC Company."
- C. "Hello, myname is Scarlett. I'm a Certified Fraud Examiner and an auditor with the ABC Company."
- D. "Hello, myname is Scarlett. I'm a Certified Fraud Examiner with the ABCCompany."

**Answer: A**

Explanation:

**Question: 69**

Charles, a fraud examiner, accuses George of fraud during an admission-seeking interview. George immediately denies the charge. How should Charles respond to George's denial?

- A. Counter the denial by arguing with George until further denials are futile
- B. Use a delaying tactic to interrupt the denial
- C. Remind George he has to tell the truth or face perjury.
- D. Allow George to continue denying the charge.

**Answer: B**

Explanation:

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**Question: 70**

Which of the following statements concerning a well-written fraud examination report is MOST ACCURATE?

- A. The report should convey all Information provided by witnesses
- B. Only relevant facts that support the fraud allegation should be included in the report
- C. The report writer should avoid technical jargon where possible
- D. Signed copies of the fraud examiner's interview notes should be used to report interview details

**Answer: B**

Explanation:

**Question: 71**

Which of the following is the MOST ACCURATE statement about imaging suspect computers' hard drives?

- A. Imaging enables the retrieval of data from the suspect computer directly via its operating system.
- B. Imaging prohibits access to the suspect computer's hard drive by individuals not professionally trained in forensic analysis
- C. Imaging creates pictures of the suspect computer system and its wires and cables
- D. Imaging allows for the analysis of data from a suspect computer without altering or damaging the original data in any way

**Answer: C**

Explanation:

**Question: 72**

Which of the following is NOT a function of a fraud examination report?

- A. To convey all the evidence necessary for other parties to thoroughly evaluate the case
- B. To add credibility to the fraud examiner's work
- C. To corroborate previously known facts
- D. To communicate the fraud examiner's qualifications for providing opinions about the case

**Answer: D**

Explanation:

**Question: 73**

Which of the following is a unique challenge of cloud forensics that is not encountered in traditional forensic practices?

- A. Lack of corroborating evidence

- 
- B. Lack of data control
  - C. Lack of trust from cloud providers
  - D. Lack of relevant data

**Answer: B**

Explanation:

### Question: 74

Jade, a Certified Fraud Examiner (CFE), is conducting an internal investigation in which an employee is suspected of stealing inventory and selling it through a possible shell company called Hidden Finds, LLC. When Jade tries to check Hidden Finds' website, a message appears that redirects customers to a web address that ends with onion To view the website's content. Jade will need to install a specialized web browser that enables her to access which of the following?

- A. The deep archives
- B. The free web
- C. The dark web
- D. The internet archives

**Answer: D**

Explanation:

### Question: 75

Lmdsey, a Certified Fraud Examiner (CFE), has been retained to investigate allegations of bribery and kickbacks allegedly committed by a member of an organization's procurement department. Lindsey conducts an interview during which one of the accused's colleagues states that they overheard the accused discussing a free tnp received from one of the organization's vendors. Which type of evidence would the interviewee's statement be considered?

- A. Documentary evidence
- B. Testimonial evidence
- C. Verbal evidence
- D. Inconclusive evidence

**Answer: C**

Explanation:

### Question: 76

Which of the following would be MOST USEFUL in determining who created a specific document file?

- A. Operating system partition
  - B. Internet activity data
-

- 
- C. The system log
  - D. The document's metadata

**Answer: C**

Explanation:

### Question: 77

Which of the following is NOT a common use of public sources of information?

- A. Searching an individual's income tax filings
- B. Obtaining background information on individuals
- C. Locating people and their assets
- D. Corroborating or refuting witness statements

**Answer: B**

Explanation:

### Question: 78

A fraud examiner is based in the United States, a non-European Union (EU) country, and is collecting personal information from their company's human resources (HR) files about an employee based in Spain, an EU country. Based on these facts, the fraud examiner would need to comply with the EU's General Data Protection Regulation (GDPR) when conducting their internal investigation.

- A. True
- B. False

**Answer: A**

Explanation:

### Question: 79

Which of the following is TRUE of a follow-up/recommendations section in a written fraud examination report?

- A. A follow-up/recommendations section is not a required part of every written fraud examination report
- B. A follow-up/recommendations section calculates the amount of loss caused by any misconduct identified during the investigation
- C. A follow-up/recommendations section must include a list of organizational failings that contributed to the fraud
- D. All of the above

**Answer: D**

Explanation:

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**Question: 80**

Tonya, a suspect in a kickback scheme, is being interviewed by Carlos, a fraud examiner. As the interview progresses, Carlos notices that Tonya is exhibiting signs of stress, such as repeatedly touching her face, crossing and uncrossing her legs, and darting her eyes around the room. Carlos should conclude that Tonya's behavior is the result of deception.

- A. True
- B. False

**Answer: A**

Explanation:

**Question: 81**

Leslie, a fraud examiner for ACME Corporation, suspects that a salesperson for another company has defrauded ACME. Leslie wants to obtain a copy of the suspect individual's credit report and personal data from a third-party information broker. If Leslie works in a jurisdiction that regulates the distribution of personal credit information, she generally can obtain the information if she has the consent of the individual.

- A. True
- B. False

**Answer: A**

Explanation:

**Question: 82**

Due to risks of illicit transactions, most jurisdictions require financial institutions to obtain information about which of the following from an institution with which they have a foreign correspondent relationship?

- A. The institution's ownership details
- B. The institution's investment portfolio
- C. The institution's client loan profiles
- D. The institution's tax statements

**Answer: B**

Explanation:

**Question: 83**

Assuming that a jurisdiction has prohibited pretexting with financial institutes, which of the following actions would constitute illegal pretexting?

- 
- A. Withdrawing another person's funds using a stolen bank account number and PIN
  - B. Digging through a person's trash to obtain their bank account information
  - C. Making purchases with a credit card account under a fictitious identity
  - D. Falsely claiming to be the spouse of an account holder to access bank records

**Answer: D**

Explanation:

### **Question: 84**

Amanda needs to know the location of the principal office and the date of incorporation of a company she is investigating. Which of the following would be the BEST source of this information?

- A. The organizational filing with the government of the jurisdiction in which the company is incorporated
- B. The company's income tax filings
- C. The contractual records of any real property owned by the corporation
- D. The comprehensive litigation file in the local court in the jurisdiction in which the company is headquartered

**Answer: A**

Explanation:

### **Question: 85**

Which of the following is the MOST ACCURATE statement regarding the analysis phase in digital forensic investigations?

- A. When analyzing data for evidence, fraud examiners should look for exculpatory evidence But not inculpatory evidence
- B. During the analysis phase, it is best to use just one forensic tool for identifying, extracting, and collecting digital evidence
- C. The primary concern when analyzing digital evidence is to maintain the integrity of the data at all times
- D. The analysis phase of digital forensic investigations should not commence unless it is verified that the suspect devices do not contain relevant data

**Answer: C**

Explanation:

### **Question: 86**

Talia has been hired by SBS Inc. to implement a new data analysis program to search for warning signs of potential fraud within the company. Which of the following steps should Talia conduct first to MOST EFFECTIVELY use data analysis techniques for such an initiative?

- A. Build a profile of potential frauds.

- 
- B. Monitor the data.
  - C. Cleanse and normalize the data.
  - D. Identify the relevant data

**Answer: A**

Explanation:

**Question: 87**

Baker, a Certified Fraud Examiner (CFE), contacts Dierdre for the purpose of conducting a routine, information-gathering interview. Dierdre expresses a desire that her coworker, Matthew, whom Baker also plans to interview, be interviewed at the same time. Baker should:

- A. Interview Dierdre and Matthew separately.
- B. Interview Dierdre and Matthew at the same time, but bring in a second interviewer
- C. Interview Dierdre and Matthew at the same time by himself
- D. Allow Matthew to be present as a silent observer.

**Answer: A**

Explanation:

**Question: 88**

Christopher, a fraud examiner, is conducting an admission-seeking interview with Jennifer, an employee suspected of stealing cash. Which of the following is the LEAST EFFECTIVE phrasing for Christopher to use when posing an admission-seeking question to Jennifer?

- A. "Did you steal the money?"
- B. "What did you do with the money?"
- C. "Why did you take the money?"
- D. "How much of the money do you have left?"

**Answer: A**

Explanation:

**Question: 89**

Gunn, a Certified Fraud Examiner (CFE), was hired to trace Kelly's financial transactions. During his investigation, Gunn obtains records of electronic payments that Kelly made during the past three years. Which of the following are these records MOST LIKELY to reveal?

- A. If Kelly has been skimming funds
  - B. The cities and countries in which Kelly conducts business
  - C. The division and distribution of Kelly's assets
  - D. The market value of any real property Kelly owns
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**Answer: C**

Explanation:

**Question: 90**

Marcus is trying to locate the financial statements of Acme Airlines, a multinational publicly traded corporation. Which of the following sources would be MOST EFFECTIVE for finding this information?

- A. Commercial filings
- B. Civil litigation records
- C. Organizational filings
- D. Regulatory securities records

**Answer: A**

Explanation:

**Question: 91**

Misty, a fraud investigator, is interviewing Larry, who she suspects has been embezzling company funds. Which of the following is NOT a recommended sequence in which Misty should ask Lam/ questions?

- A. Ask questions in random order to prevent Larry from knowing what question comes next.
- B. Start with questions about known information and work toward unknown information
- C. Start with general questions and move toward specific questions
- D. Ask questions seeking general information before seeking details

**Answer: A**

Explanation:

**Question: 92**

Susan, a Certified Fraud Examiner (CFE), is conducting an ad mission-seeking interview of Beth, a

fraud suspect. After Susan gave Beth a suitable rationalization for her conduct. Beth continued her denials, giving various alibis. Which of the following would be the LEAST EFFECTIVE technique for Susan to use in this situation?

- A. Displaying evidence that specifically contradicts Beth's alibis
- B. Discussing some of Beth's prior deceptions
- C. Discussing the testimony of other witnesses
- D. Displaying all the evidence she has against Beth at once

**Answer: D**

Explanation:

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### Question: 93

Which of the following should be done to prepare an organization for a formal fraud investigation?

- A. Inform the subject that they are under investigation.
- B. Issue an organization-wide communication that notifies all employees about the investigation
- C. Notify all managers about the investigation, explaining why it is happening and who is involved.
- D. Prepare the managers of the employees who will be involved in the investigation

**Answer: C**

Explanation:

### Question: 94

Which of the following data is the MOST DIFFICULT to recover during a digital forensic examination?

- A. Time and date information about files
- B. Websites visited
- C. Files that have been overwritten
- D. Communications sent via instant messenger

**Answer: C**

Explanation:

### Question: 95

Which of the following sources of information is usually considered to be the MOST IMPORTANT in tracing a subject's assets?

- A. Credit card statements
- B. Paystuds
- C. Surveillance footage
- D. Financial institution records

**Answer: D**

Explanation:

### Question: 96

Which of the following is a reason why a person or organization might engage a fraud examiner to trace illicit transactions?

- A. A victim of fraud wants to facilitate the recovery of criminal proceeds.
  - B. An employer wants to know if an employee is falsifying regulatory reports
  - C. An attorney wants to evaluate an expert's financial report
  - D. An entity needs to find hidden relationships in big data that otherwise would not be discovered.
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**Answer: A**

Explanation:

**Question: 97**

During an interview, Alex asked a fraud suspect if he could retrieve the suspect's account records from her bank. The suspect said, "yes." but she did not provide consent in writing. Although the suspect orally consented, the suspect's bank is NOT required to allow Alex to access the suspect's account records at this point.

- A. True
- B. False

**Answer: A**

Explanation:

**Question: 98**

Which of the following statements is MOST ACCURATE regarding covert operations?

- A. Fraud examiners should conduct covert operations only after attempting conventional methods of evidence-gathering
- B. Mistakes in covert operations generally do not cause damage to their associated investigations
- C. Covert operations rarely prove beneficial to investigations even when planned properly.
- D. Most jurisdictions provide protections for investigators conducting covert operations that shield them from reputational, financial, and legal consequences.

**Answer: C**

Explanation:

**Question: 99**

Which of the following statements is MOST ACCURATE regarding how a fraud examiner should prepare for an interview with a subject from a different jurisdiction?

- A. A fraud examiner does not need to research cultural considerations such as personal space and eye contact.
- B. A fraud examiner should find out whether there are limitations on the use of information obtained during an interview
- C. Failing to observe cultural norms is not a concern if the interviewer is from a different country than the interviewee
- D. Consulting with legal counsel is only necessary when an investigation spans multiple jurisdictions

**Answer: B**

Explanation:

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**Question: 100**

Management at First Choice Inc. suspects that Nathan, its chief financial officer (CFO), has been embezzling funds. It hires Rein

a. a Certified Fraud Examiner (CFE), to investigate the matter When conducting the fraud examination. Reina should proceed as though;

- A. After Nathan is terminated, the case will end
- B. The case will end in litigation.
- C. Nathan is guilty
- D. The matter will be resolved completely internally.

**Answer: B**

Explanation:

**Question: 101**

Smith, a Certified Fraud Examiner (CFE) for the Ajax Co.. observes Jones, an accounts payable clerk, driving an expensive sports car to work. Smith also has knowledge that Jones recently had extensive remodeling done on her residence. Smith has sufficient predication to:

- A. Conduct discreet inquiries into Jones's responsibilities as an accounts payable clerk
- B. Notify management of the possibility that Jones has committed fraudulent acts.
- C. Search Jones's mobile phone for evidence of misconduct
- D. Accuse Jones directly of having committed fraud.

**Answer: B**

Explanation:

**Question: 102**

Which of the following is a measure that can help avoid alerting suspected perpetrators who are under investigation?

- A. Terminate the suspected employee.
- B. Notify everyone in the affected department
- C. Delay taking any action.
- D. Inform only those who need to know.

**Answer: D**

Explanation:

**Question: 103**

Cynthia is preparing to conduct a covert investigation. Prior to conducting surveillance of her subject, she creates a memorandum outlining the basis for her operation Which of the following pieces of information should she include in her memorandum?

- A. The name of the subject she will be observing

- 
- B. Her first impression regarding the subject's culpability
  - C. The identities of any confidential sources to be used in the operation
  - D. All of the above

**Answer: A**

Explanation:

**Question: 104**

Pedro, a Certified Fraud Examiner (CFE), is conducting an admission-seeking interview of Manuel, a fraud suspect. After Pedro diffused Manuel's alibis, Manuel became withdrawn and stowty began to slouch in his chair, bowing his head and beginning to cry. What should Pedro do now?

- A. Leave the room for a short lime
- B. Ask Manuel to sit up straight
- C. Demand that Manuel stop crying.
- D. Present an alternative question.

**Answer: D**

Explanation:

**Question: 105**

Naveed, a fraud suspect, has decided to confess to Omar, a Certified Fraud Examiner (CFE). In obtaining a verbal confession from Naveed, Omar should obtain all of the following items of information EXCEPT:

- A. A general estimate of the amount of money involved
- B. The approximate number of instances
- C. The location of any residual assets
- D. A statement from Naveed that his conduct was an accident

**Answer: D**

Explanation:

**Question: 106**

The term \_\_\_\_\_ refers to a process of resolving allegations of fraud from inception to disposition.

- A. Fraud theory
- B. Forensic investigation
- C. Fraud management
- D. Fraud examination

**Answer: D**

Explanation:

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**Question: 107**

Al needs to know the location of the principal office and the initial shareholders of a company he is investigating. Which of the following would be the BEST source of this reformation?

- A. The organizational filings with the government of the jurisdiction in which the company is incorporated
- B. The contractual documents regarding real property owned by the corporation
- C. The utility records in the municipality where the corporation has its principal office
- D. The shareholder data form filed with the World Bank

**Answer: A**

Explanation:

**Question: 108**

Andrew wants to use a confidential informant in his investigation. He plans to compensate the informant with cash and obtain a receipt. He also plans to identify his source in a memorandum and his final report using only the informant's initials. Which of Andrew's plans is NOT considered a best practice when using an informant?

- A. Referring to the informant in the memorandum using the informant's initials
- B. Using information from the informant in his final report
- C. Creating a receipt regarding the cash payment
- D. Compensating the informant with cash

**Answer: A**

Explanation:

**Question: 109**

Martin, a fraud examiner, is conducting an interview of Stephanie, a fraud suspect. Although Stephanie heard all of the questions during the introductory part of the interview, she began asking Martin to repeat almost every question when they became more focused. If Stephanie is being deceptive, which of the choices below is MOST LIKELY the cause of Stephanie's behavior?

- A. Stephanie is testing Martin to determine whether he is able to ask consistent questions
- B. Stephanie is trying to make sure she understands the question so that she will not make a misstatement.
- C. Stephanie is delaying the answer so that she has more time to think of what to say.
- D. Stephanie is having trouble recalling the events or details related to Martin's questions.

**Answer: C**

Explanation:

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**Question: 110**

Bobbie, a fraud examiner, is preparing to interview Craig, a close friend and coworker of the primary suspect in the case. Craig has been described by others as "easily angered" and "intense" How should Bobbie approach her interview of Craig?

- A. Provide Craig with plenty of notice prior to the interview to not provoke resentment
- B. Conduct the interview with as little notice as possible so Craig will be unprepared
- C. Ask Craig when he would prefer to be interviewed in an effort to engender cooperation
- D. Avoid interviewing Craig if possible due to Craig's potential volatility

**Answer: C**

Explanation:

**Question: 111**

Orlando is conducting a fraud examination regarding Fast Freight, a large publicly traded corporation, and wants to find the current officers and directors of the company. Which of the following would be the best source of information for this purpose?

- A. Commercial filings
- B. Real property records
- C. The company's corporate bylaws
- D. Regulatory securities records

**Answer: A**

Explanation:

**Question: 112**

Anita is interviewing her client's employee, whom she suspects committed check fraud. During the interview, Anita asks if she can obtain account records from the suspect's bank. If the suspect only gives Anita oral consent, the suspect's bank is required to allow Anita access to the suspect's account records.

- A. True
- B. False

**Answer: B**

Explanation:

**Question: 113**

Which of the following is usually considered the most useful source of financial information available to fraud examiners in tracing a subject's assets?

- 
- A. Financial institution records
  - B. Service bills
  - C. Paystubs
  - D. Credit card statements

**Answer: A**

Explanation:

### Question: 114

Which of the following is NOT one of the main limitations of conducting a search for public records using online databases?

- A. Online records companies are difficult to find.
- B. Fraud examiners must validate the accuracy of the records obtained online
- C. The online record might only be a brief abstract of the original.
- D. Fraud examiners often must search for public records in multiple jurisdictions.

**Answer: A**

Explanation:

### Question: 115

Jason is an investigator who is conducting an interview with Dina, a fraud suspect. After introducing himself, Jason attempts to be amiable by asking about Dina's favorite sports team and complimenting her eyeglass frames. Jason is attempting to:

- A. Establish the interview theme.
- B. Establish rapport.
- C. Calibrate the witness.
- D. Exhibit passive listening

**Answer: B**

Explanation:

### Question: 116

A fraud examiner is based in Mexico, a non-European Union (EU) country, and is collecting personal information from their company's human resources (HR) files about an employee based in Germany, an EU country. Based on these facts, the fraud examiner would need to comply with the EU's General Data Protection Regulation (GDPR) when conducting their internal investigation.

- A. True
- B. False

**Answer: A**

Explanation:

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**Question: 117**

When documenting interviews, it is BEST practice for the interviewer to:

- A. Document notes for each interview separately, including those for electronic recordings.
- B. Write down verbatim all of the information that the subject provides during the interview
- C. Err on the side of taking too many notes rather than too few.
- D. Note impressions regarding the subject's guilt or innocence.

**Answer: A**

Explanation:

**Question: 118**

Which of the following statements is MOST ACCURATE regarding how a fraud examiner should prepare for an interview with a subject from a different jurisdiction?

- A. Failing to observe cultural norms is not a concern if the interviewer is from a different country than the interviewee.
- B. Consulting with legal counsel is only necessary when an investigation spans multiple
- C. A fraud examiner should find out whether the interviewee can insist upon the presence of a legal representative
- D. A fraud examiner does not need to research cultural considerations such as appropriate greetings and eye contact.

**Answer: C**

Explanation:

**Question: 119**

Which of the following types of files is the most difficult to recover during a digital forensic examination?

- A. Overwritten files
- B. Deleted until
- C. Deleted link (shortcut) files
- D. Hidden files

**Answer: A**

Explanation:

**Question: 120**

Nathaniel, a Certified Fraud Examiner (CFE), is investigating an alleged inventory theft scheme. While interviewing a subject, he asks, "When were you promoted to manager of the department?" This can BEST be described as a(n):

- 
- A. Leading question
  - B. Open question
  - C. Complex question
  - D. Closed question

**Answer: D**

Explanation:

**Question: 121**

Which of the following sets of numbers could a fraud examiner MOST LIKELY benefit from running a Benford's Law analysis on?

- A. Telephone numbers
- B. Vendor invoice amounts
- C. Employee identification numbers
- D. Bank account numbers

**Answer: B**

Explanation:

**Question: 122**

Why is it necessary to image a seized computer's hard drive for forensic analysis?

- A. To prohibit access to the suspect computer's hard drive by individuals not professionally trained in forensic analysis
- B. To allow for the analysis of data from a suspect computer without altering or damaging the original data in any way
- C. To create pictures of the suspect computer system and its wires and cables
- D. To enable the retrieval of data from the suspect computer directly via its operating system

**Answer: C**

Explanation:

**Question: 123**

Which of the following statements would be IMPROPER if included in the fraud examination report of a Certified Fraud Examiner (CFE) who is also qualified as an accounting expert?

- A. "The company's internal controls were wholly inadequate to prevent this type of violation and should be remediated at the earliest possible time."
  - B. "The evidence shows that expenses in excess of \$5 million were omitted from the company's financial statements "
  - C. "Based on statements the suspect made to me, it is my assessment that the suspect has a
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dishonest disposition."

D. "From my examination, it appears that the company's financial statements were not presented in accordance with generally accepted accounting principles "

**Answer: C**

Explanation:

**Question: 124**

Which of the following can be obtained from a wire transfer record?

- A. The amount of the transfer in question
- B. The type of money order used to make the transfer
- C. The location of the customs port of entry for the transfer
- D. The recipient's government identification number

**Answer: A**

Explanation:

**Question: 125**

Sylvia, a novice interviewer, asks Adam, the respondent, the following question: "Didn't you know that something wasn't right?" This kind of question is called a \_\_\_\_\_ question.

- A. Double-negative
- B. Free narrative
- C. Controlled answer
- D. Complex

**Answer: A**

Explanation:

**Question: 126**

After completing all necessary investigative steps, Erica, a Certified Fraud Examiner (CFE), is reasonably sure that Justine, her primary suspect, committed the fraud in question. Before scheduling an admission-seeking interview with Justine, what else should Erica be reasonably sure of?

- A. That Justine will confess to the accusation when prompted
- B. That Justine's employer will take disciplinary action against Justine if she confesses
- C. That the interview's time, place, and content can be controlled
- D. That no other person was involved in the fraud in question

**Answer: C**

Explanation:

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**Question: 127**

Barnes, a Certified Fraud Examiner (CFE), is using data analysis to identify anomalies that might indicate fraud in XYZ Company's accounts payable transactions. Which of the following is the MOST EFFECTIVE data analysis function that Barnes could use to look for potential fraud in accounts payable?

- A. Compare book and tax depreciation and indicate variances
- B. Identify paycheck amounts over a certain limit
- C. Review recurring monthly expenses and compare to posted/paid invoices
- D. All of the above

**Answer: C**

Explanation:

**Question: 128**

Which of the following is NOT an advantage to using link analysis in a fraud investigation?

- A. Link analysis visually displays financial ratio analysis
- B. Link analysis is an affective tool to demonstrate complex networks
- C. Link analysis helps identify indirect relationships with several degrees of separation.
- D. Link analysis allows the investigator to discover patterns in data.

**Answer: A**

Explanation:

**Question: 129**

Which of the following statements about the process of obtaining a verbal confession is TRUE?

- A. The only acceptable approaches to obtaining a verbal confession are chronologically or by transaction
- B. The transition from the accusation to the confession should occur when the accused supplies the first detailed information about the offense.
- C. If the subject lies about an aspect of the offense in the process of confessing, it is best to correct the records immediately before proceeding
- D. Fraudsters tend to overestimate the amount of funds involved in the offense to relieve themselves of the guilt of their dishonest actions.

**Answer: B**

Explanation:

**Question: 130**

Which of the following is the MOST IMPORTANT question for a fraud examiner to ask before commencing a legal action to recover assets?

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- 
- A. "Is there a relevant statute of limitations?"
  - B. "Does the suspect already have a criminal record?"
  - C. "Is the suspect guilty of the fraudulent act?"
  - D. "Are nonlegal recovery methods or remedies available?"

**Answer: A**

Explanation:

### Question: 131

When planning for the interview phase of an investigation, which of the following steps should NOT be taken by the fraud examiner?

- A. Consider what the interview is intended to accomplish and state an objective.
- B. Review the case file to ensure that important information has not been overlooked
- C. Prepare a detailed list of questions to ask the subject during the interview.
- D. Ensure that the interview is held in a venue where the subject will feel Uncomfortable

**Answer: D**

Explanation:

### Question: 132

Sarah is conducting an admission-seeking interview of a suspect. Throughout the interview, the suspect makes little eye contact with Sarah. Based on this information alone, can Sarah conclude that the suspect is being deceptive?

- A. Yes, because it is safe to assume that suspects who avoid eye contact are most likely being deceptive.
- B. Yes, because avoiding eye contact is a sign of deceptive.
- C. No, because this is not enough information to conclude that the suspect is being deceptive
- D. No, because avoiding eye contact is not directly linked to deception.

**Answer: C**

Explanation:

### Question: 133

Which of the following situations would MOST LIKELY require access to nonpublic records to develop evidence?

- A. Finding out where a person lives
  - B. Reviewing an individual's personal mobile phone records
  - C. Obtaining a company's business filings
  - D. Determining who owns a piece of real estate
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**Answer: C**

Explanation:

**Question: 134**

Thea is conducting a fraud examination for a company and suspects one of the company's vendors (a one-person operation) of fraudulent billing. Thea wants to obtain a copy of the suspect individual's credit report and personal data from a third-party information broker. If Thea works in a jurisdiction that regulates the distribution of personal credit information, she cannot obtain the suspect's personal credit data under any circumstances.

- A. True
- B. False

**Answer: B**

Explanation:

**Question: 135**

Which of the following is TRUE of a well-written fraud examination report?

- A. The details of witness interviews should be reported in a separate memorandum.
- B. The report should discuss only the evidence that substantiates the fraud allegation
- C. All information provided by witnesses, regardless of relevance, should be included in the report.
- D. Technical terms should be included whenever possible to convey professionalism.

**Answer: B**

Explanation:

**Question: 136**

John, a fraud investigator, is interviewing Mary, who he suspects has been embezzling company funds. Which of the following is the recommended approach John should use to ask Mary questions?

- A. Start with questions about unknown information and work toward known information
- B. Ask questions in random order to keep Mary from guessing the next question
- C. Start with specific questions and move toward general questions
- D. Seek general information before seeking specific details

**Answer: D**

Explanation:

**Question: 137**

Which of the following is the MOST ACCURATE statement about how fraud examiners should approach fraud examinations?

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- A. Fraud examinations should begin with general information that is known, starting at the periphery, and then move to the more specific details.
  - B. When conducting fraud examinations, fraud examiners should adhere to the means-and-ends approach
  - C. When conducting fraud examinations, fraud examiners should operate under the assumption that the subjects are guilty
  - D. In most examinations, fraud examiners should interview those who are more involved in the matters at issue before interviewing those who are less involved.

**Answer: A**

Explanation:

**Question: 138**

Boyd, a Certified Fraud Examiner (CFE), was hired to trace Lottie's financial transactions. During his investigation, Boyd obtains records of electronic payments that Lottie made during the past five years. Which of the following are these records MOST LIKELY to reveal?

- A. The market value of any real property Lottie owns
- B. The assets that Lottie has purchased
- C. The division and distribution of Lottie's assets
- D. If Lottie is skimming her employer's funds

**Answer: B**

Explanation:

**Question: 139**

A fraud examiner contacts a witness regarding an interview. If the respondent says, "I'm too busy," how should the fraud examiner react?

- A. Explain that the respondent will be subject to discipline if they do not participate
- B. Stress that the interview will be short.
- C. Caution the witness that avoidance of the interview will be considered suspicious.
- D. Inquire about a more convenient time

**Answer: B**

Explanation:

**Question: 140**

Which of the following is a recommended strategy when conducting admission-seeking interviews?

- A. Increase sympathy while downplaying implications of wrongdoing.
  - B. Ensure that accusations are made in the presence of a third party to avoid potential liability
  - C. Emphasize a lack of morality in the subject's actions to induce them into confessing.
  - D. Use time constraints as a means to pressure the subject into making a confession.
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**Answer: A**

Explanation:

**Question: 141**

Which of the following BEST describes the data analytics approach known as predictive analytics?

- A. The configuration of a business program to emulate and Integrate the actions of a human to execute certain business processes, thus increasing efficiency and automating repetitive manual tasks
- B. The use of historical data, along with analyses, statistics, and machine learning components, to build a mathematical model that captures important trends and creates a quantitative forecast
- C. The employment of computer systems to perform human-like tasks such as visual perception and decision-making
- D. The use of layered artificial neural networks to accommodate more data and more sophisticated algorithms to identify complex patterns

**Answer: B**

Explanation:

**Question: 142**

Which of the following statements concerning access to nonpublic records is MOST ACCURATE?

- A. Once a criminal case is filed, all records obtained by the government are considered public records
- B. Nonpublic records cannot be obtained by subpoena or legal order in a civil action
- C. In most jurisdictions, banks are allowed to turn over a suspect's account information directly to a fraud victim when there is adequate evidence of wrongdoing.
- D. The government usually will not share nonpublic records with a fraud victim during an investigation into the underlying fraud.

**Answer: D**

Explanation:

**Question: 143**

Which of the following is a reason why a subject's credit card records are useful in tracing investigations?

- A. Credit card statements show source of the funds used to pay a credit card bill
  - B. Credit card records show the movements and habits of the subject
  - C. Credit card records provide insight into the subject's litigation history
  - D. Credit card records contain information about the division and distribution of the subject's assets
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**Answer: D**

Explanation:

**Question: 144**

In response to an accusation made during an admission-seeking interview, the subject begins to voice a denial to the charge. How should the interviewer react to the first indication of a subject's denial?

- A. Allow the subject to continue denying the charge
- B. Argue the point directly with the subject until a confession is obtained
- C. Remind the subject of the laws against perjury.
- D. Interrupt the denial by using a delaying tactic.

**Answer: D**

Explanation:

**Question: 145**

Assuming that a jurisdiction has prohibited pretexting against financial institutions, which of the following actions would constitute illegal pretexting?

- A. Intentionally making false statements on loan applications
- B. Stealing a person's mail to obtain the person's bank account number
- C. Impersonating an account holder to access their bank records
- D. Setting up a bank account in an assumed name

**Answer: C**

Explanation:

**Question: 146**

During an interview with Alice, a suspect in an embezzlement case, the interviewer observes several signs of stress in Alice's behavior, such as shifting around in her chair, exhibiting shallow breathing, and occasionally stuttering during her replies. The interviewer should conclude that these symptoms are caused by deception.

- A. True
- B. False

**Answer: A**

Explanation:

**Question: 147**

Gamma, a Certified Fraud Examiner (CFE), was conducting an admission-seeking interview of Delta, a fraud

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suspect. Gamma tells Delta, "It isn't like you took something from a friend or neighbor I can see how you could say. 'Well, this would be okay as long as it is the company and not my coworkers.' Isn't that right?" This technique seeks to establish rationalization by:

- A. Convincing DDU that the incident had sufficient justification
- B. Reducing Delta's perception of the legal seriousness of the matter
- C. Depersonalizing the victim
- D. Developing revenge as a motive

**Answer: A**

Explanation:

**Question: 148**

Baker, a Certified Fraud Examiner (CFE), is assigned to the internal audit department of the ABC Company. He is getting ready to conduct an interview with another company employee who might be involved in a fraud. In general, what title should Baker use in his introduction to the employee?

- A. Baker should omit a title altogether
- B. Investigator
- C. Auditor
- D. Certified Fraud Examiner

**Answer: A**

Explanation:

**Question: 149**

Louis, a Certified Fraud Examiner (CFE), is investigating a potential internal fraud case originating from a whistleblower tip about embezzlement. He discovers that the organization purportedly affected by the embezzlement recorded the tip in a memorandum. Which type of evidence would the memorandum be considered?

- A. Testimonial evidence
- B. Incriminating evidence
- C. Documentary evidence
- D. Verbal evidence

**Answer: C**

Explanation:

**Question: 150**

A fraud examiner believes that a suspect might have used illicit funds to construct a commercial building to fit a restaurant. Which of the following records would be the MOST helpful in confirming the owner of the building?

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- A. Local court records
  - B. Commercial filings
  - C. Building permit records
  - D. Voter registration records

**Answer: C**

Explanation:

### Question: 151

Why do fraud examiners perform analysis on unstructured, or textual, data?

- A. To determine whether the footnotes to the financial statements are fairly presented
- B. To find an admission of fraud in an email or other communication that can be presented in court
- C. To categorize data to reveal patterns, sentiments, and relationships indicative of fraud
- D. To figure out whether someone is lying or telling the truth based on context

**Answer: C**

Explanation:

### Question: 152

Antonio is the former boyfriend of Hannah, a fraud suspect. He approaches Ashley, a fraud examiner at Hannah's company, and offers to provide critical information about Hannah's fraud in exchange for

full confidentiality. Which of the following is the MOST APPROPRIATE response for Ashley to make?

- A. Ashley should explain that Antonio may have qualified confidentiality but that she cannot make any absolute assurances
- B. Ashley should promise Antonio unqualified confidentiality over all information provided
- C. Ashley should explain that all information must be disclosed to management so nothing Antonio says will be confidential
- D. Ashley should promise Antonio that his identity will not become known.

**Answer: C**

Explanation:

### Question: 153

Which of the following is INCORRECT with regard to locating individuals using online records?

- A. Before engaging in a search the fraud examiner should know the most powerful and useful search engines
  - B. If an individual has moved, obtaining a past address is usually of no help
  - C. Online records are very useful in locating subjects whose whereabouts are unknown
  - D. Obtaining a past address of the subject should be the first step in trying to locate a subject using online records.
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**Answer: B**

Explanation:

**Question: 154**

Which of the following would be most useful in determining when a specific document file was created?

- A. The document's metadata
- B. Internet activity data
- C. The system log
- D. Operating system partition

**Answer: C**

Explanation:

**Question: 155**

Shane, a Certified Fraud Examiner (CFE), is investigating Larsen, who is active on various social networking sites. Shane wants to search and extract information from Larson's social media postings so that it can be used in court as evidence. Which of the following is the MOST ACCURATE statement regarding what Shane should do when conducting a social media investigation of Larsen?

- A. Shane should conduct a forensic shutdown of his computer to preserve the metadata in the social networking sites.
- B. Shane should preserve the information from the social networking sites so that it can be established as authentic if used in court.
- C. Shane should email himself the links of the postings so that he can retrieve them later.
- D. Shane should preserve the information by saving the links of the postings in his "bookmarks"

**Answer: B**

Explanation:

**Question: 156**

Martin is a fraud examiner. He contacts Dianne for the purpose of conducting a routine, information-gathering interview. Dianne says that she wants her coworker, Sheila, whom Martin also plans to interview, to be present during the interview. Martin should:

- A. Interview Dianne and Sheila separately
- B. Allow Sheila to be present but only if she does not speak
- C. Interview Dianne and Sheila together by himself
- D. Interview Dianne and Sheila together, but bring in a second interviewer

**Answer: D**

Explanation:

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**Question: 157**

Management at Oak Company has asked Arthur, an internal auditor, to implement a data analysis program to search for warning signs of potential fraud within the company. Which of the following steps should Arthur conduct first to MOST effectively use data analysis techniques for such an initiative?

- A. Analyze the data.
- B. Cleanse and normalize the data
- C. Build a profile of potential frauds.
- D. Obtain the data.

**Answer: C**

Explanation:

**Question: 158**

Nobles, a digital forensic examiner for a government agency, is conducting a criminal investigation of Lucas, a construction company executive, for alleged bribery of foreign officials. Nobles obtains a court order authorizing him to seize Lucas's personal computer for forensic examination. Which of the following is the MOST ACCURATE statement?

- A. If Lucas's computer is running, Nobles may retrieve data from the computer directly via its normal interface. The evidence that he needs exists only in the form of volatile data.
- B. If Lucas's computer is off and Nobles needs evidence that exists only in the form of volatile data, he should turn the computer on and retrieve data directly via the computer's normal interface.
- C. If Lucas's computer is off, Nobles should not turn it on unless he plans to use an encryption device that can guarantee that the system's hard drive will not be accessed during startup.
- D. If Lucas's computer is running, Nobles should perform a graceful shutdown by turning it off using the normal shutdown process.

**Answer: A**

Explanation:

**Question: 159**

Butler, a Certified Fraud Examiner (CFE), needs to obtain a copy of a statement that the chief executive officer (CEO) of Accord Investments, a venture capital firm, posted on the firm's website sometime last year. Unfortunately, the quote has been removed from the website. Which of the following resources would be the BEST choice for Butler to consult to find an earlier version of the web page that he needs?

- A. The invisible archives
  - B. The free web
  - C. The internet archives
  - D. The deep web
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**Answer: C**

Explanation:

**Question: 160**

Which of the following is a best practice for obtaining a signed statement?

- A. Make sure that everything is included in the signed statement and that no addendum are made
- B. Have the suspect write out the entire statement in their own handwriting
- C. Have two individuals witness the signing of the document when possible.
- D. Include all of the subject's offenses, whether related or not, in a single document.

**Answer: C**

Explanation:

**Question: 161**

Which of the following questions would be most effective when starting the calibration process during an interview?

- A. "Did you commit any misconduct against the company?"
- B. "Do you know what the punishment is for violations like this?"
- C. "Do you know who might have defrauded the company?"
- D. "How many jobs have you had before this one?"

**Answer: D**

Explanation:

**Question: 162**

Baker, a Certified Fraud Examiner (CFE), is getting prepared to conduct a lengthy and complex interview. To prepare himself, Baker should:

- A. Write down a detailed list of questions in advance
- B. Avoid bringing any notes with him to the interview
- C. Write down key points to go over with the respondent
- D. Take only the documents he wishes to go over

**Answer: C**

Explanation:

**Question: 163**

Which of the following is TRUE of a follow-up/recommendations section in a written fraud examination report?

- A. A follow-up/recommendations section is a required part of every written fraud examination report.
- B. A

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follow-up/recommendations section calculates the amount of fraud-related loss sustained by the organization

- C. A follow-up/recommendations section should state remedial measures for the organization to undertake
- D. All of the above

**Answer: C**

Explanation:

### Question: 164

Tony, a fraud examiner, believes that vendors might be submitting multiple invoices for the same sales with the hope that they will be paid more than once. He wants to ensure that no two invoices in the system have the same number. Which of the Mowing data analysis functions would be most useful for this test?

- A. Duplicate search
- B. Benford's Law analysis
- C. Correlation analysis
- D. Linear regression

**Answer: A**

Explanation:

### Question: 165

Which of the following is NOT true with regard to tracing the disposition of loan proceeds?

- A. Tracing loan proceeds can determine if the proceeds were deposited into hidden accounts.
- B. Tracing loan proceeds can uncover previously hidden assets
- C. Tracing loan proceeds can determine if hidden accounts were used for loan payments
- D. Tracing loan proceeds can identify the presence of internal control weaknesses.

**Answer: D**

Explanation:

### Question: 166

Beta, a Certified Fraud Examiner (CFE), is conducting an admission-seeking interview of Gamma, a fraud suspect. After Beta gave Gamma an appropriate rationalization for his conduct, Gamma continued his denials, giving various alibis. These alibis can usually be diffused by all of the following techniques EXCEPT:

- A. Discussing the testimony of witnesses
  - B. Displaying physical evidence
  - C. Discussing Gamma's prior deceptions
  - D. Downplaying the strength of the evidence
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**Answer: D**

Explanation:

**Question: 167**

Which of the following is the MOST ACCURATE statement regarding the analysis phase in digital forensic investigations?

- A. The analysis phase of digital forensic investigations should not commence unless it is verified that the suspect devices do not contain relevant data.
- B. During the analysis phase, it is best to use a combination of the various forensic tools that can assist in identifying, extracting, and collecting digital evidence
- C. When analyzing data for evidence, fraud examiners should look for exculpatory evidence but not exculpatory evidence
- D. The primary concern when analyzing digital evidence is to protect the collected information from seizure

**Answer: B**

Explanation:

**Question: 168**

Mil

a. a Certified Fraud Examiner (CFE). needs to obtain court records and wants to be as sure as possible that the records are accurate In most countries, the most reliable way to obtain these documents is to obtain them directly from the court authorities.

- A. True
- B. False

**Answer: A**

Explanation:

**Question: 169**

Caroline, a fraud examiner, is conducting an admission-seeking interview with John, an employee suspected of stealing cash. Which of the following is the MOST effective phrasing for Caroline to use when posing an admission-seeking question to John?

- A. "Why did you take the money?"
- B. "What do you know about the stolen money?"
- C. "Do you know who took the money?"
- D. "Did you steal the money?"

**Answer: D**

Explanation:

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**Question: 170**

Due to risks of illicit transactions, most jurisdictions require financial institutions to obtain information about which of the following from an institution with which they have a foreign correspondent relationship?

- A. The institution's branch addresses
- B. The institution's licenses or certifications
- C. The institution's tax statements
- D. The institution's client loan profiles

**Answer: A**

Explanation: