

1. The forensic accounting field is broader than fraud auditing.
 - *a. True
 - b. False

2. Forensic accountant qualifications work together to support each other like a four-layered wedding cake.
 - a. True
 - *b. False

3. A forensic accountant can normally assume that the books and records are true and correct.
 - a. True
 - *b. False

4. Forensic accounting courses in universities and colleges have been growing rapidly in numbers since 1983.
 - a. True
 - *b. False

5. Knowledge of both statute law and case law may be relevant to the goals or objectives of a forensic accountant.
 - *a. True
 - b. False

6. Criminology is one area of the forensic accountant's knowledge base.
 - *a. True
 - b. False

7. Courtroom procedures are one area of the necessary forensic accountant's knowledge base.
 - *a. True
 - b. False

8. A psychology course would not be helpful for a forensic accountant.
 - a. True
 - *b. False

9. Both professors and practitioners ranked "Fundamentals of Fraud" number 1 with respect to the importance of content in a forensic accounting course.

- *a. True
- b. False

10. Professors ranked "Effective Report Writing" number 2 with respect to the importance of content in a forensic accounting course.

- a. True
- *b. False

11. In 2002, a magazine ranked forensic accounting as one of the most secure career tracks.

- *a. True
- b. False

12. Salaries for forensic accountants range from \$40,000 to \$115,000.

- a. True
- *b. False

13. Shoplifters steal more than employees.

- a. True
- *b. False

14. On a Kessler survey, more than 85% of employees admitted to stealing office supplies and falsifying expense reports.

- *a. True
- b. False

15. On a Kessler survey, more than 90% of the employees said they lied on their job applications that asked whether they stole from a previous employer.

- *a. True
- b. False

16. Cr.FA is an advanced credential that recognizes the holder with an expertise in valuation and damage analysis.

- a. True
- *b. False

17. The Certified Fraud Examiner (CFE) designation is provided by the National Association of Certified Valuation Analysts.

- a. True
- *b. False

18. The CFFA certificate refers to a Certified Financial Fraud Analyst.

- a. True
- *b. False

19. Data-driven forensic techniques will always detect fraud schemes, including bribery and kickbacks.

- a. True
- *b. False

20. CFEs gather evidence, take statements, write reports, and assist in investigating fraud.

- *a. True
- b. False

21. A CFE should not express an opinion regarding the guilt or innocence of any person or party.

- *a. True
- b. False

22. The FASNA is a member-driven network of CPA firms who adhere to high standards of quality and services.

- *a. True
- b. False

23. In order to obtain the FASNA certificate, a person must pass a 500-question examination.

- a. True
- *b. False

24. In order to obtain a CVA certificate, a person must hold a valid CPA certificate.

- *a. True

b. False

25. In order to obtain the NLSSA certificate, a person must hold a valid CPA certificate.

- a. True
- *b. False

26. The Network of Independent Forensic Accountants is a group of independent forensic accountants in the United States.

- a. True
- *b. False

27. The Institute of Business Appraisers (IBA) is the oldest not-for-profit organization devoted solely to the appraisal of closely held businesses.

- *a. True
- b. False

28. A kick-back scheme can normally be caught by a data-driven approach.

- *a. True
- b. False

29. Fraud is much like an iceberg: many of the behavioral factors lurk on top of the water ready to sink a corporation.

- a. True
- *b. False

30. A bribery scheme can best be caught by behavioral factors.

- *a. True
- b. False

31. Just like termites, fraud can destroy an organization.

- *a. True
- b. False

32. Recessions often increase fraud and abuse.

- *a. True

b. False

33. The stimulus packages should decrease the need for forensic accountants.

- a. True
- *b. False

34. AICPA research indicates that CPAs represent more than 90 percent of forensic accounting experts hired over a two year period.

- *a. True
- b. False

35. According to the FBI's definition of fraud, there should be an application or threat of physical force or violence.

- a. True
- *b. False

36. One need not be a CPA to obtain the Certified in Financial Forensics (CFF).

- a. True
- *b. False

37. Forensic accountants need an understanding of:

- a. Accounting.
- b. Law.
- c. Criminology.
- d. Investigative auditing.
- *e. All of the above.

38. Which curriculum content item was ranked number 1 by practitioners in a recent research study?

- a. Effective report writing.
- b. Financial statement fraud.
- c. Cooking the books.
- d. Elements of fraud (e.g., pressure).
- *e. None of the above ranked number 1.

39. Which curriculum content item was ranked number 1 by professors in a recent research study?

- a. Effective report writing.

- *b. Fundamentals of fraud.
- c. Shareholder litigation.
- d. Internal control evaluation.
- e. None of the above ranked number 1.

40. What would be a task of a litigation services practitioner?

- a. Issue identifications.
- b. Expert testimony.
- c. Mediation.
- d. Arbitration.
- *e. All of the above.

41. An AICPA committee did not suggest the following area would be available to an accounting litigation consultant:

- a. Computations.
- b. Business valuation.
- c. Tax issues assessment.
- *d. Auditing issues.
- e. All of the areas were listed.

42. Which organization or group controls forensic accounting?

- a. ACFEI.
- b. Association of Certified Fraud Specialists.
- c. ACFE.
- d. NACVA.
- *e. None of the above.

43. Which certificate is provided by the American College of Forensic Examiners?

- a. CFE.
- b. CFA.
- c. CFFA.
- *d. Cr.FA.
- e. None of the above.

44. Which forensic certificate is provided by the National Association of Certified Valuation Analysts?

- a. CFE.
- b. Cr.FA.
- *c. CFFA.
- d. FASNA.
- e. None of the above.

45. Which task probably would not be required of a Certified Fraud Examiner?

- a. Gather evidence.
- b. Write reports.
- c. Assist in investigating fraud.
- d. Testify in the courtroom.
- *e. All of the above may be required.

46. Which is not a forensic-type certificate?

- *a. FASNA.
- b. CFE.
- c. Cr.FA.
- d. CFFA.
- e. None of the above.

47. The National Association of Certified Valuation Analysts does not provide the following certification:

- a. CVA.
- b. AVA.
- c. CFFA.
- *d. CFA.
- e. None of the above.

48. Which is the oldest professional organization devoted to the appraisal of closely held businesses?

- *a. Institute of Business Appraisers.
- b. National Association of Certified Valuation Analysts.
- c. American Association of Appraisers.
- d. Certified Forensic Investigator.
- e. None of the above.

49. Which certification program requires the passing of a two-year university program?

- a. American Association of Appraisers.
- *b. CA.IFA.
- c. Certified Forensic Investigator.
- d. Cr.FA.
- e. None of the above.

50. Which of the following is not included in a forensic accountant's knowledge base?

- a. Computer science.
- b. Criminology.

- c. Accounting.
- d. Law.
- *e. All of the above are included.

51. Which statement is false?

- a. Fraud courses are increasing in the United States.
- b. Practitioners rank litigation services higher than educators.
- c. Finding fraud is not easy.
- *d. Arthur Anderson was the auditor at HealthSouth during the massive fraud.
- e. None of the above.

52. Which Italian company had major fraudulent financial statements?

- *a. Parmalat.
- b. Carlo Z Industries.
- c. Monsanto Company.
- d. Dairy Food, Inc.
- e. None of the above.

53. Which would not be useful in searching for hidden assets?

- a. Looking at lifestyles of major players.
- b. Computing industry ratios.
- c. Comparing cash flow with income.
- d. Using the net worth method.
- *e. None of the above.

54. Which certification is given by the AICPA?

- a. CVA.
- b. CFE.
- *c. CFF.
- d. Cr.FA.
- e. All of the above.

55. In the Kessler International Survey, _____ was the major motivation for employee fraud.

Correct Answer(s) :

- a. Greed

56. The primary requirement of a CVA certificate is _____.

Correct Answer(s) :

- a. Hold a valid CPA license

57. A forensic accountant should _____ express an opinion in a report regarding the guilt or innocence of any person or party.

Correct Answer(s) :

- a. not or never

58. The forensic certification provided by the NACVA is the _____.

Correct Answer(s) :

- a. CFFA. Certified Forensic Financial Analyst

59. The American College of Forensic Examiners' certification is _____.

Correct Answer(s) :

- a. Cr.FA. Certified Forensic Accountant

60. _____ organization basically controls the forensic accounting area.

Correct Answer(s) :

- a. No

61. One need *not* be a CPA to obtain the Certified in Financial Forensics (CFF).

- a. True
- *b. False

62. _____ was the major Italian company that had major fraudulent financial statements.

Correct Answer(s) :

- a. Parmalat

63. To become a CFE, a person must be a CPA.

- a. True
- *b. False

64. The _____ is the oldest appraisal certification.

Correct Answer(s) :

a. CBA. Certified Business Appraisers

65. _____ was the bumbling television detective who wore a crumpled raincoat in the 1970s.

Correct Answer(s) :

a. Columbo

66. The smaller layer on the three-layered wedding cake refers to what qualification of a forensic accountant?

Correct Answer(s) :

a. Legal qualification

67. Two professors' AICPA research found the most important skill of a forensic accountant was:

a. Problem solving

b. Interviewing

*c. Analytical

d. Accounting

e. Computer

68. _____ steal more than _____.

Correct Answer(s) :

a. Employees, shoplifters

69. Fighting fraud is a _____ and not a sprint.

Correct Answer(s) :

a. marathon

70. The bad guy in the Canadian Mountie illustration dealing with the \$2.5 trillion worth of fake bonds was a _____.

Correct Answer(s) :

a. Scotland Yard scientist

71. _____-_____ approaches do not catch all fraud schemes such as bribery and kickbacks.

Correct Answer(s) :

- a. Data-driven

72. _____ is a court, regulatory body or governmental body. Also included could be an agent, a grand jury, an arbitrator, or a mediator.

Correct Answer(s) :

- a. Trier-of-the fact

73. The forensic certification of the AICPA is the:

- a. CFFA
- b. Cr. FA
- c. CFE
- d. FCPA
- *e. CFF

74. The _____ organization mission is to help practitioners win back assets that rightfully belong to victims.

Correct Answer(s) :

- a. International Association of Asset Recovery (IAAR)