

ETHICS FOR FRAUD EXAMINERS

1. The reason the Certified Fraud Examiner Code of Professional Ethics restricts the types of opinions CFEs may express is to protect the fraud examiner from claims of:
 - A. Compounding a felony .
 - B. False imprisonment. *
 - ~~C.~~ Libel .
 - D. None of the above
2. Professional organisations, such as the Association of Certified Fraud Examiners, have codes of ethics because:
 - A. They provide more direct solutions to professional ethical dilemmas than might exist under general ethical principles
 - B. They facilitate practical enforcement and profession-wide internal discipline
 - C. They serve as an ethical reference and a benchmark
 - ~~D.~~ All of the above
3. Which of the following is an example of a violation of the CFE Code of Professional Ethics' requirement for diligent, professional behaviour?
 - A. Obtaining more evidence than the minimum amount needed to prove a case ✓~~X~~
 - ~~B.~~ Skipping vital investigation steps to improve the efficiency of a fraud examination ✓
 - C. Delegating a task to a lower-level employee and overseeing that individual's performance ✓
 - D. All of the above
4. Certified Fraud Examiners are absolutely prohibited from expressing opinions regarding the guilt or innocence of any party. ✓
 - ~~A.~~ True
 - B. False
5. A Certified Fraud Examiner was hired to investigate a company. After he carefully examined the company, he issued a report that stated, in part, "... in my opinion, this operation is free of material fraud." Such an opinion is permitted under the Certified Fraud Examiner Code of Professional Ethics.
 - ~~A.~~ True
 - B. False
6. Certified Fraud Examiners are strictly prohibited from revealing confidential client information under any circumstances.
 - A. True
 - ~~B.~~ False
7. The Certified Fraud Examiner Code of Professional Ethics contains sections covering which of the following?
 - A. Professional improvement
 - B. Basis for opinions ✓
 - C. Confidential information ✓
 - ~~D.~~ All of the above

8. Under the Certified Fraud Examiner Code of Professional Ethics, evidence and conclusions are considered _____ if knowledge of them would affect clients' decisions based on a Certified Fraud Examiner's report.
- A. Material
 - B. Confidential
 - C. Circumstantial
 - D. Reliable
9. In the context of a fraud examination, a mindset of professional scepticism means:
- A. The fraud examiner's professional skepticism can be dispelled only by evidence
 - B. Fraud examiners should always begin their assignments with the belief that something is amiss
 - C. Fraud examiners should relax their attitude of skepticism only when the evidence shows no signs of fraud
 - D. All of the above
10. During a fraud examination, Johan, a CFE, becomes aware of a situation that might appear to others as though he has a conflict of interest, even though there is no actual conflict. To address the situation, Johan's best course of action is to:
- A. Continue working on the assignment without disclosing the potential conflict but take care to avoid any areas where an actual conflict might arise.
 - B. Immediately withdraw from the engagement without disclosing the potential conflict to management
 - C. Immediately disclose the situation to company management
 - D. None of the above
11. Under the CFE Code of Professional Ethics, fraud examiners are strictly prohibited from expressing opinions on technical matters.
- A. True
 - B. False
12. Failing to properly supervise all assistants and others who are delegated work on a fraud examination engagement is a violation of the CFE Code of Professional Ethics.
- A. True
 - B. False
13. Which of the following is a fraud examiner permitted to express an opinion regarding?
- A. The innocence of a particular individual ✓
 - B. The effectiveness of an organization's internal controls ✓
 - C. The guilt of a particular individual ✗
 - D. None of the above
14. Certified Fraud Examiners generally are not entitled to claim ignorance of the law.
- A. True
 - B. False
15. In the context of fraud examination, integrity requires:
- A. Independence of mental attitude and avoidance of conflict of interest ✓
 - B. Subordination of desires for personal gain to the interests of clients, employers and the public ✓

- C. An ability to analyze situations where no professional rules are specifically applicable and determine right from wrong ✓
- ~~D.~~ All of the above
16. Rachel, an independent Certified Fraud Examiner, was hired by Laura, the CEO of Black and White, Inc., to investigate a case of alleged vendor overbilling. During the investigation, Rachel learns that Laura is involved in an unrelated fraud scheme. Under the Certified Fraud Examiner Code of Professional Ethics, Rachel should resign from the engagement without disclosing the evidence against Laura.
- A. True
- ~~B.~~ False
17. In general, the lowest level of reference for making moral decisions is:
- A. Philosophical principles ✓
- B. The law ✓
- C. Individual standards ✓
- ~~D.~~ None of the above
18. The CFE Code of Professional Ethics explicitly prohibits which of the following?
- A. Unethical conduct ✓
- B. Conflicts of interest ✓
- C. Illegal conduct ✓
- ~~D.~~ All of the above
19. Leo, a Certified Fraud Examiner, conducted a fraud examination at Blue Corp. Anna was a prime suspect in the disappearance of money, but Leo could not prove it. Later, Leo discovered Anna had been recently hired by Red Corp., another client of his. Under the Certified Fraud Examiner Code of Professional Ethics, Leo must:
- ~~A.~~ Inform Red Corp. if the evidence is clear and convincing
- B. Not inform Red Corp. ✓
- ~~C.~~ Inform Red Corp. ✓
- D. None of the above
20. As part of their responsibilities under the CFE Code of Professional Ethics, in collecting evidence, CFEs must:
- A. Ensure that all necessary evidence is obtained ✓
- B. Preserve the integrity of relevant evidence ✓
- C. Obtain and document evidence such that the chain of custody is preserved ✓
- ~~D.~~ All of the above
21. Which of the following statements is TRUE regarding the disclosure of confidential client information?
- A. A CFE is only allowed to respond to a lawful court order when his client grants him authorization to do so. ✓
- ~~B.~~ A CFE can reveal confidential client information when responding to a lawful court order.
- C. Confidential information provided to a CFE by a client is considered privileged and therefore legally exempt from disclosure in all circumstances.

- D. CFEs are always bound by confidentiality, even when refusing to disclose information violates the law.
22. There are five principal characteristics that distinguish professional fields from other vocations. Which of the following is NOT one of them?
- A. Standards of conduct governing professional's relationships with clients, colleagues and the public
 - B. Recognition and acceptance by society
 - C. A requirement for all members to have earned advanced degrees ✗
 - D. A specialized body of knowledge
23. Bryan, a CFE, locks the door to the interview room and refuses to allow the suspect to leave despite repeated requests. Later, the suspect sues (successfully), claiming that he was falsely imprisoned. Which of the following statements is true?
- A. This conduct would be a violation of the CFE code of Professional Ethics. ✓
 - B. This conduct would be a violation of the CFE Code of Professional Ethics ONLY IF Bryan knew the conduct was illegal. ✗
 - C. This conduct would be a violation of the CFE Code of Professional Ethics ONLY IF the suspect was innocent of fraud. ✗
 - D. This conduct would NOT be a violation of the CFE Code of Professional Ethics under any circumstances. ✗
24. In considering general ethics, a person's primary goal is to arrive at a set of acceptable methods for making ethical decisions to fulfil all his roles.
- A. True
 - B. False
25. To be in compliance with the CFE Code of Professional Ethics, CFEs must have an expert level of skill and knowledge for every circumstance that might be encountered in a fraud examination.
- A. True
 - B. False
26. If a fraud examiner makes a mistake in judgement, he should avoid admitting to the error, as it could compromise the integrity of his case.
- A. True
 - B. False
27. During an admission-seeking interview of a fraud suspect, Gary, a Certified Fraud Examiner, accuses the suspect of having committed a fraud. Gary's accusation violates the Certified Fraud Examiner Code of Professional Ethics.
- A. True
 - B. False
28. If a Certified Fraud Examiner fails to meet the specified annual minimum continuing professional education requirements, he will be in violation of the Certified Fraud Examiner Code of Professional Ethics.
- A. True
 - B. False

29. To be considered a profession, a field such as fraud examination must have a body of knowledge unique to itself.
- A. True
~~B. False~~
30. Justine, a CFE, was contacted regarding an engagement to investigate a complex insurance fraud case involving an organised crime ring. Justine had previously taken a self-study CPE course on insurance fraud schemes, but she had no other training or experience in such cases. However, she accepted the engagement and chose to conduct the work herself. Justine's conduct would likely be a violation of the Certified Fraud Examiner Code of Professional Ethics.
- ~~A. True~~
~~B. False~~
31. In reporting the results of a fraud examination, a CFE is required to disclose any information which, if not disclosed, would change a user's perceptions and conclusions.
- ~~A. True~~
~~B. False~~
32. Materiality in a CFE's report is determined by the perceptions and conclusions of the report's user.
- ~~A. True~~
~~B. False~~
33. Fraud examiners should consider the nature of the assignment and the preliminary information available in forming the engagement hypothesis.
- ~~A. True~~
~~B. False~~
34. The CFE Code of Professional Ethics prohibits CFEs from engaging in conflicts of interest. Which of the following situations should a CFE avoid to ensure compliance with this rule?
- A. Undertaking an engagement to secretly infiltrate the CFE's employing organization and transmit inside information to another party ✗
B. Undertaking engagements that create a hardship or loss to the CFE's full-time employer ✗
C. Undertaking engagements for both sides to a particular controversy or issue ✗
~~D. All of the above~~
35. The function of ethical principles is to provide individuals with a straightforward means to determine the answer to any problem they face.
- A. True
~~B. False~~
36. A Certified Fraud Examiner is strictly prohibited from accepting an assignment to uncover fraud in a company in which he has a major interest.
- A. True
~~B. False~~
37. Roger has just completed a fraud examination report containing confidential information for ABC, Inc., a client. He received a call from the local police requesting a copy of the report. Which of the following statements is FALSE?
- A. Rodger can turn over the report if the information is requested in a search warrant.

- ~~B.~~ Rodger can turn over the report without any repercussions because he owns the information contained in the document. ✓
- C. Rodger can turn over the report if it is demanded by a court order. ✓
- D. Rodger can turn over the report if his client consents. ✓
38. Under the Certified Fraud Examiner Code of Professional Ethics, information provided to a CFE by a client is considered privileged information and is therefore protected from being legally demanded by outside parties.
- A. True
- ~~B.~~ False
39. During the course of a fraud examination, Omar, an employee of XYZ Inc., approaches Maryam, a Certified Fraud Examiner and fellow employee of XYZ, and tells Maryam that he knows of a major fraud being committed by company management. However, Omar says he can only provide details if Maryam promises him absolute confidentiality. In response to Omar's condition, Maryam should agree to keep the source of the information confidential, even though she knows she will eventually have to reveal Omar's identity.
- A. True
- ~~B.~~ False
40. In the context of a fraud examination, the preservation of integrity requires that the CFE avoid all differences of opinion regarding all material matters with the other parties to the engagement.
- A. True
- ~~B.~~ False

INTERVIEWING

1. Which of the following is NOT a recommended approach to dealing with a hostile or argumentative respondent during an interview?
- A. Avoid showing any kind of reaction to the respondent's hostile behavior.
 - B. Disarm the respondent by agreeing with his points whenever possible.
 - C. Attempts to reason with the respondent.
 - D. Make it difficult for the respondent to say "no" to any points raised.
2. When planning for an interview, which of the following steps should be taken?
- A. Prepare a brief list of key points to discuss during the interview ✓
 - B. Ensure that the interview is held in a venue where the subject will feel comfortable ✓
 - C. Contemplate what the interview is intended to accomplish and state an objective ✓
 - D. All of the above
3. Gamma, a Certified Fraud Examiner, is interviewing Beta, a fraud suspect. Gamma asks Beta, "Who in the company could be responsible for this situation?" If Beta is guilty, he is more likely to say:
- A. "It wasn't me, that's for sure."
 - B. "It wasn't anyone I work with." ✓
 - C. "It could be Green, but I'm not sure." ✓
 - D. "It could have been anybody." ✓
4. When conducting interviews as part of a fraud examination, it is usually best to seek known information before seeking unknown information.
- A. True
 - B. False
5. The verbal and nonverbal clues to deception are produced primarily by stress.
- A. True
 - B. False
6. Baker, a Certified Fraud Examiner, is interviewing Green. During the interview, Baker could tell Green was becoming uncomfortable at the sensitive nature of the questions. As a general proposition, what should Baker do next?
- A. Explain that everything said during the interview will remain confidential.
 - B. Ask a nonsensitive question and return later to the sensitive question. ✓
 - C. Press on with the questions. ✓
 - D. Drop the sensitive questions altogether. ✓
7. Sergio, a nonunion suspect, arrived at a scheduled admission-seeking interview with his manager and insisted that the manager be allowed to sit in. Should this interview be allowed to continue?
- A. No, because the presence of a third party could have liability consequences. ✓
 - B. No, because the manager's presence would not be lawful. ✓
 - C. Yes, because the manager is not a legal professional and therefore may not interfere in a legitimate investigatory interview. ✓
 - D. Yes, because a third-party witness to a confession is valuable in court. ✓

8. Beta, a Certified Fraud Examiner, is conducting a routine interview of someone who does not know him. In such situations, it is usually best for Beta to omit his title when introducing himself.
- A. True
 B. False
9. Generally, it is an indication of deception when an interview subject accused of fraud becomes angry while denying wrongdoing.
- A. True
 B. False
10. Which of the following statements is TRUE regarding note-taking during an admission seeking interview?
- A. Extensive note-taking can be distracting to the suspect ✓
B. In some admission-seeking interviews, taking notes should be avoided if possible ✓
 C. Conspicuous note-taking can travel what the interviewer finds significant ✓
 D. All of the above
11. For a signed, written confession to be admissible in court, the statement must be:
- A. In the wording of the declarant ✓
B. In the handwriting of the declarant ✓
 C. Signed by at least two witnesses ✓
 D. None of the above
12. Simone, a manager at a major company, is suspected of financial statement fraud. During an admission-seeking interview with Simone, the investigator states: "A lot of employees count on the company doing well. I know you only did this to help the company succeed. Isn't that right?" This technique is known as:
- A. Depersonalizing the victim ✓
 B. Extrinsic rewards ✓
 C. Altruism ✓
D. Genuine need ✓
13. When conducting a routine interview, a fraud examiner should introduce himself by stating his name, company, and title.
- A. True
 B. False
14. Which of the following is the facilitator of communication that refers to an individual's need to identify with a higher value beyond immediate self-interest?
- A. Altruism ✓
B. Catharsis
 C. Extrinsic rewards ✓
D. None of the above ✓
15. In most interviews, more than half of the respondent's communications with the interviewer are likely to be nonverbal.
- A. True
 B. False

- *16. When asked a "yes" or "no" question, it is generally easier for an individual to answer "yes" than it is to answer "no."
- A. True
 B. False
17. It is recommended that any witnesses who are considered potentially volatile be interviewed without advance notice.
- A. True
 B. False
18. Smith, a Certified Fraud Examiner for the ABC Corp., is in the process of interviewing Alfred, a parts clerk, about a theft of inventory. Smith is unsure if Alfred is involved in the theft. In concluding the interview, Smith should:
- A. Review the key points discussed during the interview to ensure he has understood everything Alfred has said.
 B. Tell Alfred that there is not enough evidence to consider him a suspect and therefore he is free to go. ✗
 C. Avoid revisiting any previously discussed topics to prevent Alfred from knowing what Smith considers important. ✗
 D. Tell Alfred that he could be considered a suspect in the theft and observe his his reaction. ✗
19. Baker, a Certified Fraud Examiner, has obtained an oral confession from Gamma, a fraud suspect. Gamma confessed to committing fraud, and he admitted to smuggling drugs in an unrelated case. How should Baker handle these admissions in Gamma's written confession?
- A. Baker should omit the information concerning the drug smuggling ✗
 B. Baker should take separate statements for each of the unrelated crimes ✗
 C. Baker should include both crimes in the same statement ✗
 D. None of the above ✗
20. When conducting an investigation, it is often advantageous to administer interviews with two or more subjects simultaneously due to the likelihood that they will denounce each other.
- A. True
 B. False
21. Which of the following is the most appropriate type of question for fraud examiners to ask during interviews to confirm facts that are already known?
- A. Leading
 B. Open ✓
 C. Narrative ✓
 D. None of the above ✓
22. Which of the following is NOT one of the three general approaches for obtaining a verbal confession?
- A. In reverse chronology
 B. Chronologically
 C. By transaction
 D. By event
23. In interview situations, _____ communication is the use of interpersonal space to convey meaning.
- A. Proxemics ✗
 B. Chronemic
 C. Kinetic
 D. None of the above
24. Which of the following is a good practice for taking notes during an interview?

- A. Slow down the interview process if necessary to take accurate notes. ✓
~~B.~~ Make any necessary additions to interview notes within several weeks of the interview.
 C. Avoid making notes regarding opinions or impressions about a witness. ✓
D. Write down verbatim all responses given by the subject during the interview.
25. In admission-seeking interviews, the transition from the accusatory process to the verbal confession should occur when the accused furnishes the first detailed information about the offence.
 A. True
~~B.~~ False
26. Smith, a Certified Fraud Examiner, is conducting an admission-seeking interview of Green, a fraud suspect. To encourage Green to confess, Smith should express disgust and moral condemnation for Green's actions.
 A. True
~~B.~~ False
27. _____ questions are considered to be a less threatening form of questioning, and are therefore well suited for volatile interviews.
 A. Leading
~~B.~~ Hypothetical
C. Direct
D. All of the above
28. During the introductory portion of an interview, the interviewer must state the purpose of the interview in a general way. This is known as:
A. Providing the introduction
~~B.~~ Establishing rapport
 C. Establishing the interview theme
~~D.~~ None of the above
29. Tobias, a Certified Fraud Examiner, is conducting an admission-seeking interview of Frederik, a fraud suspect. Tobias has a great deal of documentary evidence that he plans on using to diffuse Frederik's alibis. The proper technique for using the evidence is for Tobias to lay it all out at once so that Frederik will be impressed with the weight of evidence.
~~A.~~ True
 B. False
30. Playing with a pencil while talking is an example of a displacement behaviour for reducing nervousness that a subject might exhibit during an interview.
~~A.~~ True
B. False
31. A _____ interview is one that has the potential to bring about strong emotional reactions in the respondent.
~~A.~~ Evasive ✓
 B. Volatile ✓
C. Chronemic ✓
D. None of the above ✓
32. Allen, a Certified Fraud Examiner for Cole Inc., has conducted an examination into allegations of misconduct against Roberts, the company's controller. Allen plans to meet with Roberts to ask him about the allegations and to obtain a confession of wrongdoing. Allen's meeting with Roberts is referred to as a(n):
 A. Confrontation
B. Custodial interrogation
~~C.~~ Admission-seeking interview

D. None of the above

33. In admission-seeking interviews, an innocent person often will react differently to the initial accusation than a culpable person. Which of the following reactions to the initial accusation is common to an innocent person?

- A. Weak denials
- B. Mumbled denials
- C. Silence
- D. Strong denials

34. The intelligence level of an interview subject rarely has an effect on an investigator's ability to accurately discern behavioural clues during an interview.

- A. True
- B. False

35. In interview situations, _____ is defined as a "relation marked by harmony, conformity, accord, or affinity."

- A. Calibration
- B. Active listening
- C. Rapport
- D. Norming

36. Which of the following is the most appropriate example of an alternative question?

- A. "Did you deliberately plan this, or did it just happen?" ✓
- B. "How else might this situation be explained?" ✗
- C. "Will you repay the money now or later?" ✗
- D. "Did you, or did you not, commit this crime?" ✓

37. When taking notes during an admission-seeking interview, the interviewer should do so in a manner that suggests to the suspect that he has been caught in a lie. This strategy will increase pressure on the suspect and increase the likelihood of a confession.

- A. True
- B. False

38. If the accused becomes withdrawn after his alibis have been diffused, the interviewer's best course of action is to remain silent until the accused makes a confession.

- A. True
- B. False

39. In admission-seeking interviews, there are several explanations that employees give to rationalise their criminal behaviour. Which of the following is NOT usually one of them?

- A. Aberration of conduct
- B. Financial problems
- C. Inadequate recognition
- D. Defective moral character

40. Finn, a Certified Fraud Examiner, is conducting an admission-seeking interview of Vince, a fraud suspect. Finn's theme for establishing rationalisation for Vince's fraud was that Vince was treated unfairly at work. But Vince doesn't seem to accept this theme. What should Finn do?

- A. Continue to repeat the theme
- B. Select another theme
- C. Terminate the interview
- D. None of the above

41. Jane is a Certified Fraud Examiner working on an investigation at Mill Corp. During an interview, Colin, an employee at Mill Corp., confesses to Jane that he has been embezzling money from the company. Which of the following pieces of information does Jane NOT have to obtain from Colin?
- A. The approximate date Colin started embezzling the money.
 - B. A statement from Colin that his conduct was an accident.
 - C. Information about the involvement of other Mill Corp. Employees.
 - D. An estimate of the amount of money Colin embezzled.
42. Green, a Certified Fraud Examiner, is conducting an admission-seeking interview of Brown, a fraud suspect. Brown has confessed to having committed the fraud, but he is denying anyone else was involved. However, Green knows this is untrue. What should Green do next?
- A. Proceed as if the falsehood has been accepted as truth and return to it later.
 - B. Mention the penalties involved in perjury.
 - C. Proceed directly to lay out his evidence against Brown's co-conspirators.
 - D. Get Brown's written admission before continuing the interview.
43. In interview situations, _____ questions are those worded in a way that makes it difficult for the respondent to answer "yes" or "no."
- A. Complex
 - B. Open
 - C. Monologue
 - D. None of the above
44. If, during an interview, the respondent replies, "I don't remember," this type of response is usually a symptom of resistance.
- A. True
 - B. False
45. Grigori, a fraud suspect, has confessed to Dmitri, a Certified Fraud Examiner, that he has embezzled funds. Dmitri is unsure whether Grigori had an accomplice. Which of the following is the most appropriate question concerning accomplices?
- A. "Did someone else know?"
 - B. "We have evidence someone else is involved. Who is it?"
 - C. "Who else knew about this besides you?"
 - D. "Was anyone else involved?"
46. Hugo, a Certified Fraud Examiner, has obtained an oral confession from David, a fraud suspect. Hugo reduced the confession into a short, concise written statement for David to sign. After David signed the statement, he remembered a significant detail that should have been included. How should Hugo handle this omitted information?
- A. Add an addendum to the existing statement
 - B. Destroy the old statement and prepare a new one
 - C. Omit the significant detail
 - D. None of the above
47. Which of the following will affect the verbal and nonverbal behaviours that provide clues about whether a person is lying?
- A. Drugs and alcohol
 - B. Mental illness
 - C. Cultural differences
 - D. All of the above
48. For purposes of evaluating deception, illustrators can be defined as:

- A. Motions made primarily with the hands to demonstrate a point ✓
 B. Expressions made with the face, the meanings of which are clearly understood ✓
C. Verbal statements that illustrate a point ✗
 D. None of the above ✗
49. During an admission-seeking interview, Cynthia has just accused a suspect of committing a crime. The suspect begins to deny the accusation. The best practice would be for Cynthia to interrupt the suspect's denial at this point. ✓
- A. True ✓
 B. False ✗
50. Which of the following conditions indicates it is the appropriate time to ask admission-seeking questions? ✓
- A. The interviewer believes there is a reasonable probability that the subject is responsible for the act in question. ✓
B. The time, place and subject matter discussed in the interview can be controlled by the interviewer. ✓
 C. All reasonable investigative steps and sources have been exhausted ✗
 D. All of the above ✗
51. As a general rule, the more intelligent the witness, the less reliable his verbal and nonverbal clues of deception will be. ✓
- A. True ✓
 B. False ✗
52. When people engage in conversations, including interviews, they respond automatically with expressions that have little real meaning, such as "Good morning" and "How are you today?" These kinds of expressions are called: ✓
- A. Therapeutic ✗
 B. Ritualistic ✗
C. Expressionistic ✗
 D. None of the above ✗
53. Which of the following are questions that contain a suggested answer? ✓
- A. Closed ✗
 B. Complex ✓
 C. Leading ✓
D. Compound ✗
54. The terms induction and deduction are most often associated with which inhibitor to communication? ✓
- A. Chronological confusion ✓
 B. Inferential confusion ✓
C. Trauma ✗
D. None of the above ✗
55. The use of trickery and deceit to obtain a confession will always render the confession inadmissible in a court of law. ✓
- A. True ✓
 B. False ✗
56. If, during an admission-seeking interview, the interviewer wants to reduce the accused's perception of the moral seriousness of the act in question, which of the following would be an appropriate statement for the interviewer to make? ✓
- A. "It's just a technical violation."
 B. "It's really not a big problem, legally."
 C. "This doesn't mean you're Bernie Madoff."

- D. None of the above
57. Geoff, a Certified Fraud Examiner, is preparing for the interview phase of his investigation. When planning for interviews, Geoff should do which of the following?
- A. Review the case file to ensure he has not overlooked important information. ✓
 - B. Go into each interview with an undefined objective to catch the subject off guard. ✗
 - C. Prepare a detailed list of questions to ask each subject. ✗
 - D. Select an uncomfortable venue for each of the witnesses. ✗
58. When shifting from assessment questions to admission-seeking questions, the fraud examiner should provide a transitional theme that is designed to make the subject believe that he has been caught.
- A. True
 - B. False
59. Jones, a Certified Fraud Examiner, is conducting an interview of Adams, an accounts receivable clerk for Ajax, Inc. At the beginning of the interview, Jones asked Adams a series of nonthreatening questions to observe his reactions. Jones was:
- A. Establishing an interview theme •
 - B. Norming the witness
 - C. Determining the witness's equilibrium •
 - D. Assessing the witness's knowledge base •
60. Which of the following is a verbal clue of deception when displayed by a respondent being interviewed?
- A. Change in voice pitch •
 - B. Oaths ✗
 - C. Comments regarding the interview •
 - D. All of the above
61. In the context of an interview with a fraud suspect, which of the following is a nonverbal indication of deception?
- A. The suspect manipulates objects or uses excessive illustrators when responding to questions
 - B. The suspect is facing the interviewer while his hips and legs are shifted towards the door
 - C. The suspect leans away from the interviewer when asked a tough question
 - D. All of the above
62. In interviews, introductory questions are designed to meet which of the following objectives?
- A. To provide the introduction
 - B. To establish rapport
 - C. To establish the interview theme
 - D. All of the above
63. Blue, a Certified Fraud Examiner, has just begun an interview of White. After introducing himself and establishing rapport with White, what should Blue do next?
- A. Start asking questions •
 - B. Establish the interview theme •
 - C. Establish a transitional statement ✗
 - D. None of the above ✗
64. In interviews, _____ communication involves the use of volume, pitch, and voice quality to convey meaning.
- A. Paralinguistic
 - B. Chronemic
 - C. Kinetic
 - D. Proxemics

65. Which of the following is a recommended tactic for interrupting an accused's denials during an admission-seeking interview?
- A. Repeated interruptions ✓
 - B. Delays ✓
 - C. Reasoning ✓
 - D. All of the above ✓
66. Liam, a Certified Fraud Examiner, is attempting to get a fraud suspect to admit guilt. Liam should:
- A. Directly accuse the suspect ✓
 - B. Give the suspect an excuse for his behavior ✓
 - C. Show the suspect incriminating evidence ✓
 - D. All of the above ✓
67. "Aren't you responsible for reviewing and approving your employees' timesheets?" is an example of which of the following types of questions?
- A. Double-negative ✗
 - B. Open ✗
 - C. Assessment ✗
 - D. Leading ✗
68. Nathan, a Certified Fraud Examiner, has obtained an oral confession from Gabriel, a fraud suspect. Nathan wants to probe Gabriel for additional details. Which of the following is the most appropriate question Nathan should ask Gabriel to find out if there are any remaining proceeds that can be used to reduce losses?
- A. "Is there anything left?" ✗
 - B. "It's all gone, isn't it?" ✗
 - C. "Did you spend everything?" ✗
 - D. "What do you have left?" ✗
69. Which of the following is the facilitator of communication that refers to the process by which a person obtains a release from unpleasant emotional tensions by talking about the source of these tensions?
- A. Sympathy ✗
 - B. Recognition ✗
 - C. Altruism ✗
 - D. Catharsis ✗
70. Martin, a Certified Fraud Examiner, is conducting an admission-seeking interview of Doris, a fraud suspect. Although Martin has already interviewed several witnesses, he should not tell Doris under any circumstances that he has interviewed other individuals.
- A. True ✓
 - B. False ✓
71. When reducing a suspect's verbal confession into a written statement, the fraud examiner should include which of the following points?
- A. Language indicating that the statement is true ✓
 - B. A statement that the confession is voluntary ✓
 - C. Acknowledgement that the confessor read the statement ✓
 - D. All of the above ✓
72. In interview situations, the process of observing behaviour before asking critical questions is called:
- A. Norming ✓
 - B. Kinetic analysis ✗
 - C. Deception analysis ✗
 - D. None of the above ✓

- * 73. Able, a Certified Fraud Examiner, conducted an interview of Baker, the controller of the ABC Company. Able asked the following question: "Since you were here when the controls were developed, can you tell me how they came about?" This kind of question is called a _____.
- A. Complex questions ✖
 - B. Controlled answer technique ✖
 - C. Double-negative questions ✖
 - D. None of the above ✖
74. An admission-seeking interview is specifically designed to:
- A. Obtain a legal admission of wrongdoing
 - B. Gather background information about the subject
 - C. Determine if the subject has withheld key information
 - D. All of the above
75. Which of the following is the facilitator of communication that refers to an individual's need for the esteem of others?
- A. Altruism
 - B. Catharsis
 - C. Recognition
 - D. None of the above
76. Which of the following witnesses should be interviewed by surprise?
- A. Friendly witnesses
 - B. Neutral witnesses
 - C. Volatile witnesses
 - D. None of the above
77. In interview situations, it is usually advisable to err on the side of taking too many notes rather than too few.
- A. True
 - B. False
78. The goal of establishing an interview theme should be to:
- A. Determine the respondent's guilt or innocence. ✓
 - B. Inform the respondent that an official inquiry is being conducted. ✓
 - C. Declare that the interviewer suspects the respondent of wrongdoing.
 - D. Get the respondent to make a commitment to assist before commencing serious questioning. ✓
79. The proper way an interviewer should start the calibration (norming) of a witness is through the use of:
- A. Questions designed to make the witness lie
 - B. Noncritical questions on background information ✓
 - C. Questions designed to produce stress in the witness
 - D. None of the above
80. In interview situations, _____ are questions that often suggest an answer opposite to the correct one.
- A. Inverted
 - B. Complex
 - C. Reverse
 - D. Double-negative
81. In interview situations, a(n) _____ is an orderly, continuous account of an event or incident given by a respondent with minimal or no prompting.
- A. Free narrative
 - B. Unprompted script

C. Informational response

D. None of the above

82. During the introductory phase of the interview, the interviewer should avoid terms such as:

A. Inquiry ✗

B. Review ✗

C. Investigation ✗

D. All of the above

83. To stimulate conversation during the information phase of the interview, the interviewer should ask:

A. Open questions that call for a monologue response .

B. Closed questions designed to keep the witness focused on the intended topic ✗

C. Leading questions that aim for a particular response ✗

D. Specific questions designed to obtain all of the information known by the witness ✓

84. Black, a Certified Fraud Examiner, is conducting an admission-seeking interview of Red, a fraud suspect.

Black asks Red: "Did you do this because you were mad, or was there a reason you did this?" Red replies: "I

had a reason." Which of the following is the most appropriate response for Black to make?

A. "I'm glad you had a good reason to do this." ✓

B. "It couldn't have been a very good reason" ✗

C. "Everyone says that." ✗

D. "I don't believe you." ✗

85. Which of the following refers to the inhibitor to communication in which the respondent confuses the order or timeline of experiences?

A. Unconscious confusion ✗

B. Inferential confusion ✗

C. Chronological confusion

D. None of the above

86. In interview situations, admission-seeking questions should be phrased "Did you do it?" rather than "Why did you do it?"

A. True

B. False

87. Which of the following is a purpose of closing questions in interview situations?

A. To reconfirm facts ✓

B. To obtain additional facts

C. To maintain goodwill ✓

D. All of the above

88. In interview situations, a(n) _____ is any social-psychological barrier that impedes the flow of relevant information by making the respondent unwilling or unable to provide information to the interviewer.

A. Inhibitor ✓

B. Antecedent

C. Repressor

D. Facilitator ✗

89. Fraud examiners should generally conduct interviews as close as possible to the event in question.

A. True

B. False

90. When making a direct accusation in an admission-seeking interview, it is usually best to use strong words such as steal, fraud, or crime to reinforce the seriousness of the crime to the suspect.

- A. True
- B. False

91. In interview situations, certain socio-psychological forces make the conversation easier to accomplish. These forces are known as:

- A. Inhibitors of communication
- B. Alleviations ✕
- C. Facilitators of communication
- D. Ego enhancers ✕

92. Which of the following is an objective of an admission-seeking interview?

- A. To obtain a valid confession ✓
- B. To distinguish innocent individuals from culpable ones ✓
- C. To obtain a signed written statement acknowledging the facts ✓
- D. All of the above

93. Prior to conducting an interview, an investigator should prepare a thorough list of questions to ensure that the interview is well structured and that no predetermined lines of inquiry are forgotten.

- A. True
- B. False

94. When questioning a witness as part of a fraud examination, the interviewer should usually ask the questions in what order? .

- A. In reverse order ✕
- B. From closed questions to open questions ✕
- C. From the general details to the specific details ✓
- D. In random order ✓

95. Which of the following is an important consideration when preparing a room for an admission-seeking interview?

- A. The privacy afforded by the room ✓
- B. Whether the door is locked ✕
- C. Whether there are any windows or wall hangings ✕
- D. All of the above

96. When evaluating a respondent's behaviour for signs of deception during an interview, it is important that the interviewer remember that:

- A. The interviewer cannot legally accuse the witness of deception ✕
- B. Most witnesses can hide the obvious signs of deception ✓
- C. No single behavior should be isolated and no single conclusion should be drawn from it. ✓
- D. None of the above

97. When confessing to fraud, suspects tend to provide accurate details on the amount of funds involved and number of instances to relieve themselves of the guilt of their dishonest actions.

- A. True
- B. False

98. Which of the following is NOT one of the designed purposes of asking introductory questions in interview situations?

- A. To provide the introduction ✓
- B. To get agreement from the respondent to cooperate
- C. To establish rapport ✓
- D. To give a detailed reason for the interview

99. In interview situations, it is sometimes recommended that the interviewer shake hands with the respondent. What is the purpose of this?
- A. To establish the interview purpose ✗
 - B. Professional courtesy ✓
 - C. To break down psychological barriers ✓
 - D. Social courtesy ✗
100. In interviews involving anxiety and uncertainty, individuals might perform displacement activities that reduce nervousness. These types of displacement activities are known as:
- A. Norming ✗
 - B. Manipulators ✗
 - C. Illustrators ✓
 - D. Paralinguistics ✗
101. Paul, a Certified Fraud Examiner, is conducting an admission-seeking interview of Luca, a fraud suspect. Luca has decided to confess. How should Paul go about getting all the relevant information?
- A. Obtain the details in reverse chronological order ✗
 - B. Obtain the details in order of relevance ✓
 - C. Get the general information and then move to the specifics ✓
 - D. None of the above
102. Sullivan is conducting an interview with Marsha, a potential co-conspirator in a fraud scheme. Throughout the interview, Marsha continuously moves around in her chair and touches her hair, indicating that she is nervous and under stress. Based on these signs, Sullivan should conclude that Marsha is lying to him.
- A. True ✗
 - B. False ✓
103. When a potentially deceptive interview respondent asks the interviewer to repeat a question or repeats the question himself, the respondent is usually just trying to make sure that he has fully understood the question being asked.
- A. True ✗
 - B. False ✓
104. Some of the most effective information-seeking questions are phrased as subtle commands.
- A. True ✓
 - B. False ✗
105. When preparing a room for an admission-seeking interview, the suspect's chair should be:
- A. Higher than the interviewer's chair ✗
 - B. Behind a desk or table ✗
 - C. Within full view of the fraud examiner ✓
 - D. As comfortable as possible ✓
106. Jeff, an employee at a retail store, is accused of skimming money from the register. During an admission-seeking interview with Jeff, the investigator states: "This is a huge corporation with more than a hundred stores, so it's not like a few dollars here and there is going to affect anyone personally. Is that how you saw it?" This technique is known as:
- A. Depersonalizing the victim ✗
 - B. Unfair treatment ✗
 - C. Extrinsic rewards ✗
 - D. Genuine need ✗

107. Black, a Certified Fraud Examiner, is interviewing a person whose truthfulness is unknown. Which of the following responses to questions posed by Black might indicate a deceptive answer?
- A. "I just can't seem to remember." ✖
 - B. "Why would I do that?" ✖
 - C. "What was that again?" ✖
 - D. All of the above
108. All of the following are signs of deceptive behaviour in an interview subject EXCEPT:
- A. The subject slouches unnaturally in his chair. ✓
 - B. The subject frequently uses subtle hand gestures when talking. ✖
 - C. The subject appears casual and unconcerned. ✓
 - D. The subject plays with a pencil during direct questioning. ✓
109. To better prepare for the possibility that interview documents will be subpoenaed, fraud examiners should start their notes for each interview on a new document.
- A. True
 - B. False
110. Which of the following is the facilitator of communication that refers to rewards that are not directly related to the interview experience but that cause the respondent to see the interview as a means to an end?
- A. Extrinsic rewards
 - B. Altruistic rewards ✖
 - C. Sympathetic rewards
 - D. Cathartic rewards
111. Mario, a fraud investigator, has arrived unannounced at Johnson's office to conduct an interview. When Mario requests that Johnson take some time to talk about some issues he's looking into, Johnson replies that he's too busy. How should Mario handle this situation?
- A. Point out that he is already there. ✖
 - B. Emphasize that the interview will be short. ✓
 - C. Stress that the interview will not be difficult. ✖
 - D. Any of the above
112. In the course of establishing rapport, it is important that an interviewer observe a subject's reaction to normal conversation to establish a baseline against which answers to more sensitive questions can be compared.
- A. True
 - B. False
113. When attempting to diffuse a suspect's alibi in a case where there is little physical evidence, a recommended technique is to discuss the accused's prior deceptions.
- A. True
 - B. False
114. James, a Certified Fraud Examiner, is conducting an admission-seeking interview. Which of the following strategies should James follow in his attempt to obtain a confession?
- A. Minimize sympathy and maximize the perception of wrongdoing ✖
 - B. Imply that time is of the essence to pressure the subject into confessing. ✓
 - C. Avoid potential liability by making the accusation in the presence of outsiders. ✖
 - D. Conduct the interview in a firm, yet compassionate, manner
115. There should be two interviewers involved in a potentially volatile interview.
- A. True

~~B.~~ False

116. Which of the following is an example of a nonverbal clue to deception?

~~A.~~ Placing the hands over the mouth ✓

B. Leaning ~~towards~~ the interviewer when questions are serious ✗

C. Displaying no interest in implicating evidence ✗

D. None of the above ✗

117. In interview situations, _____ questions consist of a series of interrelated questions and frequently require more than one answer.

A. Reverse

~~B.~~ Closed ✗

~~C.~~ Complex ✗

D. None of the above

118. Which type of question is used to establish the respondent's credibility?

~~A.~~ Assessment

B. Closed

C. Leading

D. Open

119. Which of the following is one of the five general types of questions that an interviewer can ask when conducting an interview?

A. Introductory ✗

B. Informational ✓

~~C.~~ Admission-seeking ✓

~~D.~~ All of the above

120. Lucas, a Certified Fraud Examiner, is conducting an admission-seeking interview of William, a fraud suspect. Lucas asked William: "Did you just want extra money, or did you do this because you had financial problems?" This is called a(n):

A. Rationalization question

~~B.~~ Benchmark question

~~C.~~ Alternative question

D. None of the above

121. In taking a verbal confession, which of the following items of information should be obtained?

A. The accused's motive for the offence ✓

B. Estimates of the number of instances, dates and amounts involved ✓

~~C.~~ That the accused knew the conduct was wrong ✓

~~D.~~ All of the above

122. Closed questions are worded in a way that makes it difficult for the respondent to answer "yes" or "no."

A. True

~~B.~~ False

123. Which of the following is a category of informational interview questions?

A. Leading

~~B.~~ Open ✓

~~C.~~ Closed ✓

~~D.~~ All of the above

124. Which of the following is an appropriate moral excuse clause to include in a signed confession?

A. "I don't mean to do it." ✓

B. "I didn't do it." ✓

- C. "I didn't mean to hurt anyone." ✓
- D. "I didn't know it was illegal." ✓

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

- A. Ask to meet the subject the next day at his bank. ✓
- B. Obtain a separate written authorization for the release of the bank records. ✓
- C. Obtain an oral authorization for the release of the bank records. ✓
- D. Ask the subject to bring the records to the next interview session. ✓