

IT Auditing: Assuring Information Assets Protection

Sample

Knowledge Check Answers

Chapter 1

1. _____ convergence provides a common framework from which to operate information assets protection (IAP).

Correct Answer: Government–Entity–Audit

Explanation: As stated on chapter 1 page 10, “as presented, Government–Entity–Audit convergence provides a common framework from which to operate IAP.” Therefore, Government–Entity–Audit is the correct answer.

2. After reviewing various competitive proposals, a purchasing agent awarded a contract to the lowest bidder; a company in which the agent had a personal interest. Could such an action be perceived as a conflict of interest?
 - A. No, competitive bidding was employed.
 - B. No, awarding the lowest bidder was in the best interest of the company.
 - C. Yes, the contract award demonstrated improper segregation-of-duties.
 - D. Yes, the presence of dual interest is sufficient to impugn the arrangement.

Correct Answer: D

Explanation: The purchasing agent has a conflict because they appear to lack objectivity. Ethics codes require that even the appearance of impropriety be avoided. Consequently, the agent should not have participated in the decision, however scrupulous their actions may have been. Therefore, yes, the presence of dual interest is sufficient to impugn the arrangement is the correct answer.

“No, competitive bidding was employed” and “No, awarding the lowest bidder was in the best interest of the company” are incorrect answers because awarding the contract to the

lowest bidder does not necessarily indicate an absence of favoritism. Furthermore, “Yes, the contract award demonstrated improper segregation-of-duties” is an incorrect answer because the functions described are within the ordinary work ambit of a purchasing agent who does not have actual or apparent conflict of interest.

Additional Resources: *Guide to Enterprise Risk Management: Frequently Asked Questions; Managing the Business Risk of Fraud: A Practical Guide; Management Antifraud Programs and Controls: Guidance to Help Prevent and Deter Fraud*

Chapter 4

3. Which of the following management approaches is practiced by a manager who assigns responsibility and delegates authority based on the task to be performed and the individual available for the assignment?
- A. Contingency
 - B. Systems
 - C. Operational
 - D. Behavioral

Correct Answer: A

Explanation: The contingency management approach stresses the idea that the search for answers to organizational problems depends on contingencies which can be discovered and studied. The key to this approach is every situation is unique and management techniques need to be appropriate. It also suggests that circumstantially determined answers can apply to individual motivation needs and wants, since they are each a subsystem within the larger organizational system. Therefore, contingency is the correct answer.

Operational is an incorrect answer because the operational approach emphasizes production and reduction of waste and inefficiency through the utilization of management knowledge as well as knowledge from other fields. Behavioral is an incorrect answer because the behavioral approach stresses the accomplishment of results through people, their participation, influences and needs. System is an incorrect answer because the system approach emphasizes the interrelationship and interdependencies between subsystems which the organization is a part.

Additional Resources: *Board Briefing on IT Governance, 2nd edition; IT Governance Implementation Guide Using COBIT and Val IT, 2nd edition; COBIT 4.1*