

IIA-CRMA^{Q&As}

Certification in Risk Management Assurance (CRMA)

Pass IIA IIA-CRMA Exam with 100% Guarantee

Free Download Real Questions & Answers **PDF** and **VCE** file from:

<https://www.pass2lead.com/iaa-crma.html>

100% Passing Guarantee
100% Money Back Assurance

Following Questions and Answers are all new published by IIA Official Exam Center

- ⚙️ **Instant Download** After Purchase
- ⚙️ **100% Money Back** Guarantee
- ⚙️ **365 Days** Free Update
- ⚙️ **800,000+** Satisfied Customers



QUESTION 1

Which of the following is most likely to enhance an internal auditor's objectivity?

- A. An auditor is appropriately able to communicate results.
- B. An auditor performs his work free from interference.
- C. An auditor is unrestricted in determination of scope.
- D. An auditor avoids conflicts of interest.

Correct Answer: D

QUESTION 2

The last quality assessment of the internal audit activity identified three areas for improvement: the achievement of audit engagement objectives, quality of work, and staff development. According to IIA guidance, which of the following should be the chief audit executive's primary focus to achieve these recommended improvements?

- A. Demonstrated compliance with procedures.
- B. Due professional care.
- C. Engagement supervision.
- D. Employment of tools and techniques.

Correct Answer: C

QUESTION 3

Internal auditors must exercise due professional care by considering which of the following?

- 1.
Cost of assurance in relation to potential benefits.
- 2.
Adequacy and effectiveness of governance, risk management, and control processes.
- 3.
Management's competency level in the area being evaluated.
- 4.
Probability of significant errors, fraud, or noncompliance.

A. 1 and 2 only

- B. 1, 2, and 3 only
- C. 1, 2, and 4 only
- D. 2, 3, and 4 only

Correct Answer: C

QUESTION 4

Which of the following is the most effective strategy to manage the risk of foreign exchange losses due to sales to foreign customers?

- A. Hire a risk consultant.
- B. Implement a hedging strategy.
- C. Maintain a large foreign currency balance.
- D. Insist that customers only pay in a stable currency.

Correct Answer: B

QUESTION 5

According to IIA guidance, which of the following statements is true regarding periodic internal assessments of the internal audit activity?

- A. Internal assessments are conducted to benchmark the internal audit activity's performance against industry best practices.
- B. Internal assessments must be performed at least once every five years by a qualified assessor.
- C. An internal auditor may perform a peer review of a colleague's workpapers, as long as the auditor wasn't involved in the audit under review.
- D. Follow-up to ensure appropriate improvements are implemented is a recommended, but not mandatory, element of internal assessments.

Correct Answer: C

QUESTION 6

According to IIA guidance, which of the following is an area in which the internal auditor should be proficient?

- A. Management principles.
- B. Computerized information systems.
- C. Internal audit standards, procedures, and techniques.

D. Fundamentals of accounting, economics, and finance.

Correct Answer: C

QUESTION 7

During an internal audit, an organization's processing department is found to have incidences of both duplicate invoices and notices from customers that purchased goods were not received. The department under review insists that some of these reports are false and that others were isolated oversights due to understaffing.

Which of the following tests would best help the internal auditor detect fraudulent activity?

- A. Check inventory levels.
- B. Search for gaps in check numbers.
- C. Compare vendor summaries.
- D. Review raw material purchase quantities.

Correct Answer: A

QUESTION 8

According to IIA guidance, which of the following individuals would best be considered independent for the purpose of participating in an external assessment of the quality assurance and improvement program for an internal audit activity (IAA)?

- A. A former employee knowledgeable of the IAA who resigned three years earlier from the organization.
- B. A competent employee of an independent external organization that provides co-sourcing services to the IAA.
- C. An employee in an affiliated organization who has never worked directly with the IAA.
- D. An employee in the parent organization who has not had any previous contact with the IAA.

Correct Answer: A

QUESTION 9

When auditing the award of a major contract, which of the following should an internal auditor suspect as a red flag for a bidding fraud scheme?

1.
Subsequent change orders increase requirements for low-bid items.
2.
Material contract requirements are different on the actual contract than on the request for bids.

3.

A high percentage of employees are charged to indirect accounts.

4.

Losing bidders are hired as subcontractors.

A. 1 only

B. 2 only

C. 1 and 3.

D. 2 and 4.

Correct Answer: D

QUESTION 10

A credit card company detects potential errors in credit card numbers by checking whether all entered numbers contain the correct amount of digits. This is an example of which of the following IT controls?

A. Logic test.

B. Check digits.

C. Data integrity tests.

D. Balancing control activities.

Correct Answer: A

QUESTION 11

An internal auditor is reviewing employee travel data to identify opportunities to cut costs while ensuring adequate participation at conferences to support the organization's mission. Which of the following pieces of evidence would be sufficient for completing this task?

A. A log from the last year that includes dates of travel, conference titles, and conference objectives, all of which correspond with employee names and costs per trip.

B. A log that includes titles of conferences that all employees were invited to attend in the last year, along with the dates of those conferences and average costs per traveler.

C. A log of conferences titles, dates of travel for each employee, and a detailed summary of conference objectives and how they relate to the organization's mission needs.

D. A log of employee travel requests, which include the title of each conference, the conference objectives, anticipated dates of travel, and estimated costs.

Correct Answer: A

QUESTION 12

Which of the following factors should be considered when determining the appropriate combination of manual techniques and computer-assisted audit techniques (CAATs) to be used during an audit?

1.
Acceptance of CAATs findings by entity management.
2.
Computer knowledge and expertise of the auditor.
3.
Time constraints.
4.
Level of audit risk.

- A. 1 and 4
B. 2 and 3 only
C. 1, 2, and 3
D. 2, 3, and 4

Correct Answer: D

QUESTION 13

A chief audit executive (CAE) is reviewing the internal audit activity's performance and is concerned that the average number of revisions to findings is steadily rising, making it increasingly difficult to trace the finding to the supporting evidence and workpapers. According to MA guidance, which of the following elements of the internal audit activity's quality assurance and improvement program would provide the CAE with the most helpful insight into the cause of this problem?

- A. The overall effectiveness of the internal audit activity's periodic self assessments.
B. The type of audit productivity and performance statistics reported.
C. The adequacy of the day-to-day supervision and review process.
D. The scope and frequency of external assessments.

Correct Answer: C

QUESTION 14

To fill a critical vacancy, an internal auditor is assigned temporarily to a nonaudit role in the purchasing department, where she worked previously before joining the internal audit activity. According to IIA guidance, which of the following statements is true regarding these circumstances?

- A. The chief audit executive (CAE) should review all work performed by the auditor during her temporary assignment to ensure no impairments.
- B. The CAE may conduct audits in the purchasing department during the auditor's temporary assignment.
- C. The auditor should obtain the CAE's approval as to the nature and scope of the duties she is permitted to perform during her temporary assignment.
- D. Any work performed by the auditor during her temporary assignment must conform to the internal audit charter.

Correct Answer: C

QUESTION 15

Which of the following statements describes a control failure that is not directly attributable to a customer billing application?

- 1.
End users have raised a number of concerns regarding data integrity.
 - 2.
An untested program change is transferred from the test environment to production.
 - 3.
Purchase history does not reconcile with accounts receivable for some customers.
 - 4.
End user security is inadvertently granted to an unauthorized individual by management.
- A. 1 and 3.
 - B. 1 and 4.
 - C. 2 and 3.
 - D. 2 and 4.

Correct Answer: D