

**100%** Money Back  
**Guarantee**

**Vendor:**IIA

**Exam Code:**IIA-CIA-PART2

**Exam Name:**Certified Internal Auditor - Part 2,  
Conducting the Internal Audit Engagement

**Version:**Demo

### QUESTION 1

According to IIA guidance, which of the following actions might place the independence of the internal audit function in jeopardy?

- A. Having no active role or involvement in the risk management process.
- B. Auditing the risk management process for reasonableness.
- C. Coordinating and managing the risk management process.
- D. Participating with management in identifying and evaluating risks.

Correct Answer: C

---

### QUESTION 2

Which of the following events would most likely cause the chief audit executive to consider changing the current year's audit plan?

The government announced that new regulatory requirements will be introduced in the coming years which may significantly impact the organization's primary product. A major competitor unexpectedly introduced a new model at a lower price point to compete with the organization's market leading product. The organization announced a new joint venture with a long time corporate partner to introduce a new product with development costs and sales beginning next fiscal year. An equal joint venture partner filed a lawsuit against the organization and requested that the court issue an immediate suspension of future product shipments.

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

Correct Answer: C

---

### QUESTION 3

When interviewing an individual in relation to a fraud investigation, which course of action should the internal auditor follow?

- A. Assure the individual that the results of the interview will remain confidential.
- B. Establish a rapport with the subject to encourage openness.
- C. Discontinue questioning once the individual has confessed to the fraud.
- D. Refrain from deviating from the list of questions prepared before the interview.

Correct Answer: B

---

**QUESTION 4**

An organization does not have a formal risk management function. According to the Standards, which of the following are conditions where the internal audit activity (IAA) may provide risk management consulting?

1.  
There is a clear strategy and timeline to migrate risk management responsibility back to management.
2.  
The IAA has the final approval on any risk management decisions.
3.  
The IAA does not give objective assurance on any part of the risk management framework for which it is responsible.
4.  
The nature of services provided to the organization is documented in the internal audit charter.

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

Correct Answer: C

---

**QUESTION 5**

If an auditor is sampling to test compliance with a particular company policy, which of the following factors should not affect the allowable level of sampling risk?

- A. The experience and knowledge of the auditor.
- B. The adverse consequences of noncompliance.
- C. The acceptable level of risk of making an incorrect audit conclusion.
- D. The cost of performing auditing procedures on sample selections.

Correct Answer: A

---

**QUESTION 6**

Which of the following potential performance measures should an auditor recommend excluding from a performance scorecard?

- A. Number of employees.
- B. Market share.
- C. Number of customer complaints.
- D. Training dollars per employee.

Correct Answer: A

---

#### QUESTION 7

An internal auditor has been assigned to facilitate a risk and control self-assessment for the finance group. Which of the following is the most appropriate role that she should assume when facilitating the workshop?

- A. Express an opinion on the participants' inputs and conclusions as the assessment progresses.
- B. Provide appropriate techniques and guidelines on how the exercise should be undertaken.
- C. Evaluate and report on all issues that may be uncovered during the exercise.
- D. Screen and vet participants so that the most appropriate candidates are selected to participate in the exercise.

Correct Answer: B

---

#### QUESTION 8

An internal auditor is assessing the organization's risk management framework. Which of the following formulas should he use to calculate the residual risk?

- A.
- B.
- C.
- D.
- E. Option A
- F. Option B
- G. Option C
- H. Option D

Correct Answer: B

---

#### QUESTION 9

- A. Adhere to a predetermined order.

- B. Cover more than one subject or topic.
- C. Move from general to specific.
- D. Direct the individual to a desired answer.

Correct Answer: C

---

#### **QUESTION 10**

The chief audit executive (CAE) manages a large internal audit activity (IAA) reporting functionally to the audit committee and administratively to the chief risk officer. During the CAE's recent unplanned medical leave, several internal audit reports were completed and waiting for CAE approval, however, no formal delegation of authority was in place to anticipate this situation. In order to preserve the independence of the IAA, which of the following would be the most appropriate individual to review and approve these reports during the CAE's absence?

- A. External auditor.
- B. Chief risk officer.
- C. Engagement lead auditor.
- D. Audit committee chair.

Correct Answer: C

---

#### **QUESTION 11**

An internal auditor is conducting a review of the procurement function and uncovers a potential conflict of interest between the chief operating officer and a significant supplier of IT software development services. Which of the following actions is most appropriate for the internal auditor to take?

- A. Inform the audit supervisor.
- B. Investigate the potential conflict of interest.
- C. Inform the external auditors of the potential conflict of interest.
- D. Disregard the potential conflict, because it is outside the scope of the audit assignment.

Correct Answer: A

---

#### **QUESTION 12**

An internal auditor is reviewing a new automated human resources system. The system contains a table of pay rates which are matched to the employee job classifications. The best control to ensure that the table is updated correctly for only valid pay changes would be to:

- A. Limit access to the data table to management and line supervisors who have the authority to determine pay rates.
- B. Require a supervisor in the department, who does not have the ability to change the table, to compare the changes to

a signed management authorization.

C. Ensure that adequate edit and reasonableness checks are built into the automated system.

D. Require that all pay changes be signed by the employee to verify that the change goes to a bona fide employee.

Correct Answer: B

To Read the [Whole Q&As](#), please purchase the [Complete Version](#) from [Our website](#).

## Try our product !

**100%** Guaranteed Success

**100%** Money Back Guarantee

**365** Days Free Update

**Instant Download** After Purchase

**24x7** Customer Support

Average **99.9%** Success Rate

More than **800,000** Satisfied Customers Worldwide

Multi-Platform capabilities - **Windows, Mac, Android, iPhone, iPod, iPad, Kindle**

## Need Help

Please provide as much detail as possible so we can best assist you.

To update a previously submitted ticket:



 <p><b>One Year Free Update</b> Free update is available within One Year after your purchase. After One Year, you will get 50% discounts for updating. And we are proud to boast a 24/7 efficient Customer Support system via Email.</p>	 <p><b>Money Back Guarantee</b> To ensure that you are spending on quality products, we provide 100% money back guarantee for 30 days from the date of purchase.</p>	 <p><b>Security &amp; Privacy</b> We respect customer privacy. We use McAfee's security service to provide you with utmost security for your personal information &amp; peace of mind.</p>
---	---	--

Any charges made through this site will appear as Global Simulators Limited.

All trademarks are the property of their respective owners.