Isaca

Exam Questions CISA

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NEW QUESTION 1
- (Topic 1)
IS management has decided to rewrite a legacycustomer relations system using fourth generation languages (4GLs). Which of the following risks is MOST often associated with system development using 4GLs?

A. Inadequate screen/report design facilities
B. Complex programming language subsets
C. Lack of portability across operating systems
D. Inability to perform data intensive operations

Answer: D

Explanation:

4GLs are usually not suitable for data intensive operations. Instead, they are used mainly for graphic user interface (GUI) design or as simple query/report generators.

NEW QUESTION 2
- (Topic 1)
Which of the following would be the BEST method for ensuring that critical fields in a master record have been updated properly?

A. Field checks
B. Control totals
C. Reasonableness checks
D. A before-and-after maintenance report

Answer: D

Explanation:

A before-and-after maintenance report is the best answer because a visual review would provide the most positive verification that updating was proper.

NEW QUESTION 3
- (Topic 1)
Which of the following is a dynamic analysis tool for the purpose of testing software modules?

A. Blackbox test
B. Desk checking
C. Structured walk-through
D. Design and code

Answer: A

Explanation:

A blackbox test is a dynamic analysis tool for testing software modules. During the testing of software modules a blackbox test works first in a cohesive manner as one single unit/entity, consisting of numerous modules and second, with the user data that flows across software modules. In some cases, this even drives the software behavior.

NEW QUESTION 4
- (Topic 1)
Which of the following is a benefit of using callback devices?

A. Provide an audit trail
B. Can be used in a switchboard environment
C. Permit unlimited user mobility
D. Allow call forwarding

Answer: A

Explanation:

A callback feature hooks into the access control software and logs all authorized and unauthorized access attempts, permitting the follow-up and further review of potential breaches. Call forwarding (choice D) is a means of potentially bypassing callback control. By dialing through an authorized phone number from an unauthorized phone number, a perpetrator can gain computer access. This vulnerability can be controlled through callback systems that are available.

NEW QUESTION 5
- (Topic 1)
Which of the following data validation edits is effective in detecting transposition and transcription errors?

A. Range check
B. Check digit
C. Validity check
D. Duplicate check

Answer: B

Explanation:

A check digit is a numeric value that is calculated mathematically and is appended to data to ensure that the original data have not been altered or an incorrect, but valid, value substituted. This control is effective in detecting transposition and transcription errors.

NEW QUESTION 6
- (Topic 1)
An offsite information processing facility having electrical wiring, air conditioning and flooring, but no computer or communications equipment is a:

A. cold sit
B. warm sit
C. dial-up sit
D. duplicate processing facilit

Answer: A

Explanation:

A cold site is ready to receive equipment but does not offer any components at the site in advance of the need.

NEW QUESTION 7
- (Topic 1)
A number of system failures are occurring when corrections to previously detected errors are resubmitted for acceptance testing. This would indicate that the maintenance team is probably not adequately performing which of the following types of testing?

A. Unit testing
B. Integration testing
C. Design walk-throughs
D. Configuration management

Answer: B

Explanation:

A common system maintenance problem is that errors are often corrected quickly (especially when deadlines are tight), units are tested by the programmer, and then transferred to the acceptance test areA. This often results in system problems that should have been detected during integration or system testing. Integration testing aims at ensuring that the major components of the system interface correctly.

NEW QUESTION 8
- (Topic 1)
In an EDI process, the device which transmits and receives electronic documents is the:

A. communications handle
B. EDI translato
C. application interfac
D. EDI interfac

Answer: A

Explanation:

A communications handler transmits and receives electronic documents between trading partners and/or wide area networks (WANs).

NEW QUESTION 9
- (Topic 1)
Which of the following network configuration options contains a direct link between any two host machines?

A. Bus
B. Ring
C. Star
D. Completely connected (mesh)

Answer: D

Explanation:

A completely connected mesh configuration creates a direct link between any two host machines.

NEW QUESTION 10
- (Topic 1)
A database administrator is responsible for:

A. defining data ownershi
B. establishing operational standards for the data dictionar
C. creating the logical and physical databas
D. establishing ground rules for ensuring data integrity and securit

Answer: C

Explanation:

A database administrator is responsible for creating and controlling the logical and physical database. Defining data ownership resides with the head of the user department or top management if the data is common to the organization. IS management and the data administrator are responsible for establishing operational standards for the data dictionary. Establishing ground rules for ensuring data integrity and security in line with the corporate security policy is a function of the security administrator.

NEW QUESTION 10
- (Topic 1)
To affix a digital signature to a message, the sender must first create a message digest by applying a cryptographic hashing algorithm against:

A. the entire message and thereafter enciphering the message digest using the sender's private ke
B. any arbitrary part of the message and thereafter enciphering the message digest using the sender's private ke
C. the entire message and thereafter enciphering the message using the sender's private ke
D. the entire message and thereafter enciphering the message along with the message digest using the sender's private ke

Answer: A

Explanation:

A digital signature is a cryptographic method that ensures data integrity, authentication of the message, and non-repudiation. To ensure these, the sender first creates a message digest by applying a cryptographic hashing algorithm against the entire message and thereafter enciphers the message digest using the sender's private key. A message digest is created by applying a cryptographic hashing algorithm against the entire message not on any arbitrary part of the message. After creating the message digest, only the message digest is enciphered using the sender's private key, not the message.

NEW QUESTION 13
- (Topic 1)
Which of the following hardware devices relieves the central computer from performing network control, format conversion and message handling tasks?

A. Spool
B. Cluster controller
C. Protocol converter
D. Front end processor

Answer: D

Explanation:

A front-end processor is a hardware device that connects all communication lines to a central computer to relieve the central computer.

NEW QUESTION 14
- (Topic 1)
Which of the following BEST describes the necessary documentation for an enterprise product reengineering (EPR) software installation?

A. Specific developments only
B. Business requirements only
C. All phases of the installation must be documented
D. No need to develop a customer specific documentation

Answer: C

Explanation:

A global enterprise product reengineering (EPR) software package can be applied to a business to replace, simplify and improve the quality of IS processing. Documentation is intended to help understand how, why and which solutions that have been selected and implemented, and therefore must be specific to the project. Documentation is also intended to support quality assurance and must be comprehensive.

NEW QUESTION 19
- (Topic 1)
A hardware control that helps to detect errors when data are communicated from one computer to another is known as a:

A. duplicate chec
B. table looku
C. validity chec
D. parity chec

Answer: D

Explanation:

A parity check will help to detect data errors when data are read from memory or communicated from one computer to another. A one-bit digit (either 0 or 1) is added to a data item to indicate whether the sum of that data item's bit is odd or even. When the parity bit disagrees with the sum of the other bits, an error report is generated.

NEW QUESTION 21

- (Topic 1)
The initial step in establishing an information security program is the:

A. development and implementation of an information security standards manua
B. performance of a comprehensive security control review by the IS audito
C. adoption of a corporate information security policy statemen
D. purchase of security access control softwar

Answer: C

Explanation:

A policy statement reflects the intent and support provided by executive management for proper security and establishes a starting point for developing the security program.

NEW QUESTION 22
- (Topic 1)
A control that detects transmission errors by appending calculated bits onto the end of each segment of data is known as a:

A. reasonableness chec
B. parity chec
C. redundancy chec
D. check digit

Answer: C

Explanation:

A redundancy check detects transmission errors by appending calculated bits onto the end of each segment of datA.

NEW QUESTION 25
- (Topic 1)
As compared to understanding an organization's IT process from evidence directly collected, how valuable are prior audit reports as evidence?

A. The same valu
B. Greater valu
C. Lesser valu
D. Prior audit reports are not relevan

Answer: C

Explanation:
Prior audit reports are considered of lesser value to an IS auditor attempting to gain an understanding of an organization's IT process than evidence directly collected.

NEW QUESTION 29
- (Topic 1)
A primary benefit derived from an organization employing control self-assessment (CSA) techniques is that it can:

A. Identify high-risk areas that might need a detailed review later
B. Reduce audit costs
C. Reduce audit time
D. Increase audit accuracy

Answer: C

Explanation:
A primary benefit derived from an organization employing control self-assessment (CSA) techniques is that it can identify high-risk areas that might need a detailed review later.

NEW QUESTION 34
- (Topic 1)
Proper segregation of duties prohibits a system analyst from performing quality-assurance functions. True or false?

A. True
B. False

Answer: A

Explanation:
Proper segregation of duties prohibits a system analyst from performing quality-assurance functions.

NEW QUESTION 37
- (Topic 1)
If senior management is not committed to strategic planning, how likely is it that a company's implementation of IT will be successful?

A. IT cannot be implemented if senior management is not committed to strategic plannin

B. More likel
C. Less likel
D. Strategic planning does not affect the success of a company's implementation of I

Answer: C

Explanation:
A company's implementation of IT will be less likely to succeed if senior management is not committed to strategic planning.

NEW QUESTION 38
- (Topic 1)
Which of the following could lead to an unintentional loss of confidentiality? Choose the BEST answer.

A. Lack of employee awareness of a company's information security policy
B. Failure to comply with a company's information security policy
C. A momentary lapse of reason
D. Lack of security policy enforcement procedures

Answer: A

Explanation:
Lack of employee awareness of a company's information security policy could lead to an unintentional loss of confidentiality.

NEW QUESTION 41
- (Topic 1)
What is essential for the IS auditor to obtain a clear understanding of network management?

A. Security administrator access to systems
B. Systems logs of all hosts providing application services
C. A graphical map of the network topology
D. Administrator access to systems

Answer: C

Explanation:
A graphical interface to the map of the network topology is essential for the IS auditor to obtain a clear understanding of network management.

NEW QUESTION 43
- (Topic 1)
What is the most common purpose of a virtual private network implementation?

A. A virtual private network (VPN) helps to secure access between an enterprise and its partners when communicating over an otherwise unsecured channel such as the Interne
B. A virtual private network (VPN) helps to secure access between an enterprise and its partners when communicating over a dedicated T1 connectio
C. A virtual private network (VPN) helps to secure access within an enterprise when communicating over a dedicated T1 connection between network segments within the same facilit
D. A virtual private network (VPN) helps to secure access between an enterprise and its partners when communicating over a wireless connectio

Answer: A

Explanation:
A virtual private network (VPN) helps to secure access between an enterprise and its partners when communicating over an otherwise unsecured channel such as the Internet.

NEW QUESTION 47
- (Topic 1)
What are used as a countermeasure for potential database corruption when two processes attempt to simultaneously edit or update the same information? Choose the BEST answer.

A. Referential integrity controls
B. Normalization controls
C. Concurrency controls
D. Run-to-run totals

Answer: A

Explanation:
Concurrency controls are used as a countermeasure for potential database corruption when two processes attempt to simultaneously edit or update the same information.

NEW QUESTION 52
- (Topic 1)
How does the SSL network protocol provide confidentiality?

A. Through symmetric encryption such as RSA
B. Through asymmetric encryption such as Data Encryption Standard, or DES
C. Through asymmetric encryption such as Advanced Encryption Standard, or AES

D. Through symmetric encryption such as Data Encryption Standard, or DES

Answer: D

Explanation:
The SSL protocol provides confidentiality through symmetric encryption such as Data Encryption Standard, or DES.

NEW QUESTION 55
- (Topic 1)
What does PKI use to provide some of the strongest overall control over data confidentiality, reliability, and integrity for Internet transactions?

A. A combination of public-key cryptography and digital certificates and two-factor authentication
B. A combination of public-key cryptography and two-factor authentication
C. A combination of public-key cryptography and digital certificates
D. A combination of digital certificates and two-factor authentication

Answer: C

Explanation:
PKI uses a combination of public-key cryptography and digital certificates to provide some of the strongest overall control over data confidentiality, reliability, and integrity for Internet transactions.

NEW QUESTION 60
- (Topic 1)
Which of the following is an effective method for controlling downloading of files via FTP? Choose the BEST answer.

A. An application-layer gateway, or proxy firewall, but not stateful inspection firewalls
B. An application-layer gateway, or proxy firewall
C. A circuit-level gateway
D. A first-generation packet-filtering firewall

Answer: B

Explanation:
Application-layer gateways, or proxy firewalls, are an effective method for controlling downloading of files via FTP. Because FTP is an OSI application-layer protocol, the most effective firewall needs to be capable of inspecting through the application layer.

NEW QUESTION 64
- (Topic 1)
Which of the following provides the strongest authentication for physical access control?

A. Sign-in logs
B. Dynamic passwords
C. Key verification
D. Biometrics

Answer: D

Explanation:
Biometrics can be used to provide excellent physical access control.

NEW QUESTION 67
- (Topic 1)
What is an effective countermeasure for the vulnerability of data entry operators potentially leaving their computers without logging off? Choose the BEST answer.

A. Employee security awareness training
B. Administrator alerts
C. Screensaver passwords
D. Close supervision

Answer: C

Explanation:
Screensaver passwords are an effective control to implement as a countermeasure for the vulnerability of data entry operators potentially leaving their computers without logging off.

NEW QUESTION 70
- (Topic 1)
What can ISPs use to implement inbound traffic filtering as a control to identify IP packets transmitted from unauthorized sources? Choose the BEST answer.

A. OSI Layer 2 switches with packet filtering enabled
B. Virtual Private Networks
C. Access Control Lists (ACL)
D. Point-to-Point Tunneling Protocol

Answer: C

Explanation:
ISPs can use access control lists to implement inbound traffic filtering as a control to identify IP packets transmitted from unauthorized sources.

NEW QUESTION 71
- (Topic 1)
Who is ultimately responsible and accountable for reviewing user access to systems?

A. Systems security administrators
B. Data custodians
C. Data owners
D. Information systems auditors

Answer: C

Explanation:
Data owners are ultimately responsible and accountable for reviewing user
access to systems.

NEW QUESTION 73
- (Topic 1)
Which of the following is MOST is critical during the business impact assessment phase of business continuity planning?

A. End-user involvement
B. Senior management involvement
C. Security administration involvement
D. IS auditing involvement

Answer: A

Explanation:
End-user involvement is critical during the business impact assessment phase of business continuity planning.

NEW QUESTION 77
- (Topic 1)
What is often the most difficult part of initial efforts in application development? Choose the BEST answer.

A. Configuring software
B. Planning security
C. Determining time and resource requirements
D. Configuring hardware

Answer: C

Explanation:
Determining time and resource requirements for an application-development project is often the most difficult part of initial efforts in application development.

NEW QUESTION 80
- (Topic 1)
Function Point Analysis (FPA) provides an estimate of the size of an information system based only on the number and complexity of a system's inputs and outputs. True or false?

A. True
B. False

Answer: B

Explanation:
Function point analysis (FPA) provides an estimate of the size of an information system based on the number and complexity of a system's inputs, outputs, and files.

NEW QUESTION 82
- (Topic 1)
Who assumes ownership of a systems-development project and the resulting system?

A. User management
B. Project steering committee
C. IT management
D. Systems developers

Answer: A

Explanation:
User management assumes ownership of a systems-development project and the resulting system.

NEW QUESTION 87
- (Topic 1)

Run-to-run totals can verify data through which stage(s) of application processing?

A. Initial
B. Various
C. Final
D. Output

Answer: B

Explanation:
Run-to-run totals can verify data through various stages of application processing.

NEW QUESTION 89
- (Topic 1)
_____ risk analysis is not always possible because the IS auditor is attempting to calculate risk using nonquantifiable threats and potential losses. In this event, a _____ risk assessment is more appropriate. Fill in the blanks.

A. Quantitative; qualitative
B. Qualitative; quantitative
C. Residual; subjective
D. Quantitative; subjective

Answer: A

Explanation:
Quantitative risk analysis is not always possible because the IS auditor is attempting to calculate risk using nonquantifiable threats and potential losses. In this event, a qualitative risk assessment is more appropriate.

NEW QUESTION 93
- (Topic 1)
Which of the following can help detect transmission errors by appending specially calculated bits onto the end of each segment of data?

A. Redundancy check
B. Completeness check
C. Accuracy check
D. Parity check

Answer: A

Explanation:
A redundancy check can help detect transmission errors by appending especially calculated bits onto the end of each segment of datA.

NEW QUESTION 97
- (Topic 1)
What is an edit check to determine whether a field contains valid data?

A. Completeness check
B. Accuracy check
C. Redundancy check
D. Reasonableness check

Answer: A

Explanation:
A completeness check is an edit check to determine whether a field contains valid datA.

NEW QUESTION 100
- (Topic 1)
When are benchmarking partners identified within the benchmarking process?

A. In the design stage
B. In the testing stage
C. In the research stage
D. In the development stage

Answer: C

Explanation:
Benchmarking partners are identified in the research stage of the benchmarking process.

NEW QUESTION 101
- (Topic 1)
Which of the following would prevent accountability for an action performed, thus allowing nonrepudiation?

A. Proper authentication
B. Proper identification AND authentication
C. Proper identification

D. Proper identification, authentication, AND authorization

Answer: B

Explanation:
If proper identification and authentication are not performed during access control, no accountability can exist for any action performed.

NEW QUESTION 105
- (Topic 1)
Which of the following is the MOST critical step in planning an audit?

A. Implementing a prescribed auditing framework such as COBIT
B. Identifying current controls
C. Identifying high-risk audit targets
D. Testing controls

Answer: C

Explanation:
In planning an audit, the most critical step is identifying the areas of high risk.

NEW QUESTION 110
- (Topic 1)
What type of risk is associated with authorized program exits (trap doors)? Choose the BEST answer.

A. Business risk
B. Audit risk
C. Detective risk
D. Inherent risk

Answer: D

Explanation:
Inherent risk is associated with authorized program exits (trap doors).

NEW QUESTION 114
- (Topic 1)
Who is responsible for implementing cost-effective controls in an automated system?

A. Security policy administrators
B. Business unit management
C. Senior management
D. Board of directors

Answer: B

Explanation:
Business unit management is responsible for implementing cost-effective controls in an automated system.

NEW QUESTION 119
- (Topic 1)
Ensuring that security and control policies support business and IT objectives is a primary objective of:

A. An IT security policies audit
B. A processing audit
C. A software audit
D. A vulnerability assessment

Answer: A

Explanation:
Ensuring that security and control policies support business and IT objectives is a primary objective of an IT security policies audit.

NEW QUESTION 123
- (Topic 1)
Who should be responsible for network security operations?

A. Business unit managers
B. Security administrators
C. Network administrators
D. IS auditors

Answer: B

Explanation:
Security administrators are usually responsible for network security operations.

NEW QUESTION 124
- (Topic 1)
Proper segregation of duties does not prohibit a quality control administrator from also being responsible for change control and problem management. True or false?

A. True
B. False

Answer: A

Explanation:
Proper segregation of duties does not prohibit a quality-control administrator from also being responsible for change control and problem management.

NEW QUESTION 129
- (Topic 1)
In order to properly protect against unauthorized disclosure of sensitive data, how should hard disks be sanitized?

A. The data should be deleted and overwritten with binary 0
B. The data should be demagnetize
C. The data should be low-level formatte
D. The data should be delete

Answer: B

Explanation:
To properly protect against unauthorized disclosure of sensitive data, hard disks should be demagnetized before disposal or release.

NEW QUESTION 130
- (Topic 1)
How do modems (modulation/demodulation) function to facilitate analog transmissions to enter a digital network?

A. Modems convert analog transmissions to digital, and digital transmission to analo
B. Modems encapsulate analog transmissions within digital, and digital transmissions within analo
C. Modems convert digital transmissions to analog, and analog transmissions to digita
D. Modems encapsulate digital transmissions within analog, and analog transmissions within digita

Answer: A

Explanation:
Modems (modulation/demodulation) convert analog transmissions to digital, and digital transmissions to analog, and are required for analog transmissions to enter a digital network.

NEW QUESTION 134
- (Topic 1)
What type(s) of firewalls provide(s) the greatest degree of protection and control because both firewall technologies inspect all seven OSI layers of network traffic?

A. A first-generation packet-filtering firewall
B. A circuit-level gateway
C. An application-layer gateway, or proxy firewall, and stateful-inspection firewalls
D. An application-layer gateway, or proxy firewall, but not stateful-inspection firewalls

Answer: C

Explanation:
An application-layer gateway, or proxy firewall, and stateful-inspection firewalls provide the greatest degree of protection and control because both firewall technologies inspect all seven OSI layers of network traffic.

NEW QUESTION 138
- (Topic 1)
Which of the following provide(s) near-immediate recoverability for time-sensitive systems and transaction processing?

A. Automated electronic journaling and parallel processing
B. Data mirroring and parallel processing
C. Data mirroring
D. Parallel processing

Answer: B

Explanation:
Data mirroring and parallel processing are both used to provide near-immediate recoverability for time-sensitive systems and transaction processing.

NEW QUESTION 140
- (Topic 1)
Which of the following help(s) prevent an organization's systems from participating in a distributed denial-of-service (DDoS) attack? Choose the BEST answer.

A. Inbound traffic filtering
B. Using access control lists (ACLs) to restrict inbound connection attempts

C. Outbound traffic filtering
D. Recentralizing distributed systems

Answer: C

Explanation:
Outbound traffic filtering can help prevent an organization's systems from participating in a distributed denial-of-service (DDoS) attack.

NEW QUESTION 141
- (Topic 1)
What is/are used to measure and ensure proper network capacity management and availability of services? Choose the BEST answer.

A. Network performance-monitoring tools
B. Network component redundancy
C. Syslog reporting
D. IT strategic planning

Answer: A

Explanation:
Network performance-monitoring tools are used to measure and ensure proper network capacity management and availability of services.

NEW QUESTION 146
- (Topic 1)
What is a callback system?

A. It is a remote-access system whereby the remote-access server immediately calls the user back at a predetermined number if the dial-in connection fail
B. It is a remote-access system whereby the user's application automatically redials the remoteaccess server if the initial connection attempt fail
C. It is a remote-access control whereby the user initially connects to the network systems via dial-up access, only to have the initial connection terminated by the server, which then subsequently dials the user back at a predetermined number stored in the server's configuration databas
D. It is a remote-access control whereby the user initially connects to the network systems via dial-up access, only to have the initial connection terminated by the server, which then subsequently allows the user to call back at an approved number for a limited period of tim

Answer: C

Explanation:
A callback system is a remote-access control whereby the user initially connects to the network systems via dial-up access, only to have the initial connection terminated by the server, which then subsequently dials the user back at a predetermined number stored in the server's configuration database.

NEW QUESTION 150
- (Topic 1)
Which of the following provides the BEST single-factor authentication?

A. Biometrics
B. Password
C. Token
D. PIN

Answer: A

Explanation:
Although biometrics provides only single-factor authentication, many consider it to be an excellent method for user authentication.

NEW QUESTION 155
- (Topic 1)
Using the OSI reference model, what layer(s) is/are used to encrypt data?

A. Transport layer
B. Session layer
C. Session and transport layers
D. Data link layer

Answer: C

Explanation:
User applications often encrypt and encapsulate data using protocols within the OSI session layer or farther down in the transport layer.

NEW QUESTION 159
- (Topic 1)
Which of the following is the most fundamental step in preventing virus attacks?

A. Adopting and communicating a comprehensive antivirus policy
B. Implementing antivirus protection software on users' desktop computers
C. Implementing antivirus content checking at all network-to-Internet gateways
D. Inoculating systems with antivirus code

Answer: A

Explanation:
Adopting and communicating a comprehensive antivirus policy is the most fundamental step in preventing virus attacks. All other antivirus prevention efforts rely upon decisions established and communicated via policy.

NEW QUESTION 163
- (Topic 1)
What are intrusion-detection systems (IDS) primarily used for?

A. To identify AND prevent intrusion attempts to a network
B. To prevent intrusion attempts to a network
C. Forensic incident response
D. To identify intrusion attempts to a network

Answer: D

Explanation:
Intrusion-detection systems (IDS) are used to identify intrusion attempts on a network.

NEW QUESTION 167
- (Topic 1)
Rather than simply reviewing the adequacy of access control, appropriateness of access policies, and effectiveness of safeguards and procedures, the IS auditor is more concerned with effectiveness and utilization of assets. True or false?

A. True
B. False

Answer: B

Explanation:
Instead of simply reviewing the effectiveness and utilization of assets, an IS auditor is more concerned with adequate access control, appropriate access policies, and effectiveness of safeguards and procedures.

NEW QUESTION 170
- (Topic 1)
If a programmer has update access to a live system, IS auditors are more concerned with the programmer's ability to initiate or modify transactions and the ability to access production than with the programmer's ability to authorize transactions. True or false?

A. True
B. False

Answer: A

Explanation:
If a programmer has update access to a live system, IS auditors are more concerned with the programmer's ability to initiate or modify transactions and the ability to access production than with the programmer's ability to authorize transactions.

NEW QUESTION 175
- (Topic 1)
Organizations should use off-site storage facilities to maintain _____ (fill in the blank) of current and critical information within backup files. Choose the BEST answer.

A. Confidentiality
B. Integrity
C. Redundancy
D. Concurrency

Answer: C

Explanation:
Redundancy is the best answer because it provides both integrity and availability. Organizations should use off-site storage facilities to maintain redundancy of current and critical information within backup files.

NEW QUESTION 180
- (Topic 1)
The purpose of business continuity planning and disaster-recovery planning is to:

A. Transfer the risk and impact of a business interruption or disaster
B. Mitigate, or reduce, the risk and impact of a business interruption or disaster
C. Accept the risk and impact of a business
D. Eliminate the risk and impact of a business interruption or disaster

Answer: B

Explanation:
The primary purpose of business continuity planning and disaster-recovery planning is to mitigate, or reduce, the risk and impact of a business interruption or disaster. Total elimination of risk is impossible.

NEW QUESTION 181
- (Topic 1)
An off-site processing facility should be easily identifiable externally because easy identification helps ensure smoother recovery. True or false?

A. True
B. False

Answer: B

Explanation:
An off-site processing facility should not be easily identifiable externally because easy identification would create an additional vulnerability for sabotage.

NEW QUESTION 185
- (Topic 1)
How can minimizing single points of failure or vulnerabilities of a common disaster best be controlled?

A. By implementing redundant systems and applications onsite
B. By geographically dispersing resources
C. By retaining onsite data backup in fireproof vaults
D. By preparing BCP and DRP documents for commonly identified disasters

Answer: B

Explanation:
Minimizing single points of failure or vulnerabilities of a common disaster is mitigated by geographically dispersing resources.

NEW QUESTION 186
- (Topic 1)
What is an acceptable recovery mechanism for extremely time-sensitive transaction processing?

A. Off-site remote journaling
B. Electronic vaulting
C. Shadow file processing
D. Storage area network

Answer: C

Explanation:
Shadow file processing can be implemented as a recovery mechanism for extremely time-sensitive transaction processing.

NEW QUESTION 191
- (Topic 1)
Off-site data backup and storage should be geographically separated so as to _____ (fill in the blank) the risk of a widespread physical disaster such as a hurricane or earthquake.

A. Accept
B. Eliminate
C. Transfer
D. Mitigate

Answer: D

Explanation:
Off-site data backup and storage should be geographically separated, to mitigate the risk of a widespread physical disaster such as a hurricane or an earthquake.

NEW QUESTION 195
- (Topic 1)
What should regression testing use to obtain accurate conclusions regarding the effects of changes or corrections to a program, and ensuring that those changes and corrections have not introduced new errors?

A. Contrived data
B. Independently created data
C. Live data
D. Data from previous tests

Answer: D

Explanation:
Regression testing should use data from previous tests to obtain accurate conclusions regarding the effects of changes or corrections to a program, and ensuring that those changes and corrections have not introduced new errors.

NEW QUESTION 200
- (Topic 1)
An IS auditor should carefully review the functional requirements in a systems-development project to ensure that the project is designed to:

A. Meet business objectives
B. Enforce data security

C. Be culturally feasible
D. Be financially feasible

Answer: A

Explanation:
An IS auditor should carefully review the functional requirements in a systems-development project to ensure that the project is designed to meet business objectives.

NEW QUESTION 204
- (Topic 1)
Who is responsible for the overall direction, costs, and timetables for systems-development projects?

A. The project sponsor
B. The project steering committee
C. Senior management
D. The project team leader

Answer: B

Explanation:
The project steering committee is responsible for the overall direction, costs, and timetables for systems-development projects.

NEW QUESTION 207
- (Topic 1)
After identifying potential security vulnerabilities, what should be the IS auditor's next step?

A. To evaluate potential countermeasures and compensatory controls
B. To implement effective countermeasures and compensatory controls
C. To perform a business impact analysis of the threats that would exploit the vulnerabilities
D. To immediately advise senior management of the findings

Answer: C

Explanation:
After identifying potential security vulnerabilities, the IS auditor's next step is to perform a business impact analysis of the threats that would exploit the vulnerabilities.

NEW QUESTION 210
- (Topic 1)
What is the primary security concern for EDI environments? Choose the BEST answer.

A. Transaction authentication
B. Transaction completeness
C. Transaction accuracy
D. Transaction authorization

Answer: D

Explanation:
Transaction authorization is the primary security concern for EDI environments.

NEW QUESTION 211
- (Topic 1)
_____ (fill in the blank) should be implemented as early as data preparation to support data integrity at the earliest point possible.

A. Control totals
B. Authentication controls
C. Parity bits
D. Authorization controls

Answer: A

Explanation:
Control totals should be implemented as early as data preparation to support data integrity at the earliest point possible.

NEW QUESTION 213
- (Topic 1)
What is used as a control to detect loss, corruption, or duplication of data?

A. Redundancy check
B. Reasonableness check
C. Hash totals
D. Accuracy check

Answer: C

Explanation:
Hash totals are used as a control to detect loss, corruption, or duplication of datA.

NEW QUESTION 214
- (Topic 1)
An IS auditor is using a statistical sample to inventory the tape library. What type of test would this be considered?

A. Substantive
B. Compliance
C. Integrated
D. Continuous audit

Answer: A

Explanation:
Using a statistical sample to inventory the tape library is an example of a substantive test.

NEW QUESTION 216
- (Topic 2)
An IS auditor is reviewing access to an application to determine whether the 10 most recent "new user" forms were correctly authorized. This is an example of:

A. variable samplin
B. substantive testin
C. compliance testin
D. stop-or-go samplin

Answer: C

Explanation:

Compliance testing determines whether controls are being applied in compliance with policy. This includes tests to determine whether new accounts were appropriately authorized. Variable sampling is used to estimate numerical values, such as dollar values. Substantive testing substantiates the integrity of actual processing, such as balances on financial statements. The development of substantive tests is often dependent on the outcome of compliance tests. If compliance tests indicate that there are adequate internal controls, then substantive tests can be minimized. Stop-or-go sampling allows a test to be stopped as early as possible and is not appropriate for checking whether procedures have been followed.

NEW QUESTION 220
- (Topic 2)
Which of the following sampling methods is MOST useful when testing for compliance?

A. Attribute sampling
B. Variable sampling
C. Stratified mean per unit
D. Difference estimation

Answer: A

Explanation:

Attribute sampling is the primary sampling method used for compliance testing. Attribute sampling is a sampling model that is used to estimate the rate of occurrence of a specific quality (attribute) in a population and is used in compliance testingto confirm whether the quality exists. The other choices are used in substantive testing, which involves testing of details or quantity.

NEW QUESTION 223
- (Topic 2)
The PRIMARY advantage of a continuous audit approach is that it:

A. does not require an IS auditor to collect evidence on system reliability while processing is taking plac
B. requires the IS auditor to review and follow up immediately on all information collecte
C. can improve system security when used in time-sharing environments that process a large number of transaction
D. does not depend on the complexity of an organization's computer system

Answer: C

Explanation:

The use of continuous auditing techniques can improve system security when used in time-sharing environments that process a large number of transactions, but leave a scarce paper trail. Choice A is incorrect since the continuous audit approach oftendoes require an IS auditor to collect evidence on system reliability while processing is taking place. Choice B is incorrect since an IS auditor normally would review and follow up only on material deficiencies or errors detected. Choice D is incorrect since the use of continuous audit techniques depends on the complexity of an organization's computer systems.

NEW QUESTION 227
- (Topic 2)
The PRIMARY purpose of audit trails is to:

A. improve response time for user
B. establish accountability and responsibility for processed transaction

C. improve the operational efficiency of the syste
D. provide useful information to auditors who may wish to track transactions

Answer: B

Explanation:

Enabling audit trails helps in establishing the accountability and responsibility of processed transactions by tracing transactions through the system. The objective of enabling software to provide audit trails is not to improve system efficiency, since it often involves additional processing which may in fact reduce response time for users. Enabling audit trails involves storage and thus occupies disk space. Choice D is also a valid reason; however, it is not the primary reason.

NEW QUESTION 230
- (Topic 2)
An organization's IS audit charter should specify the:

A. short- and long-term plans for IS audit engagements
B. objectives and scope of IS audit engagement
C. detailed training plan for the IS audit staf
D. role of the IS audit functio

Answer: D

Explanation:

An IS audit charter establishes the role of the information systems audit function. The charter should describe the overall authority, scope, and responsibilities of the audit function. It should be approved by the highest level of management and, if available, by the audit committee. Short-term and long-term planning is the responsibility of audit management. The objectives and scope of each IS audit should be agreed to in an engagement letter. A training plan, based on the audit plan, should be developed by audit management.

NEW QUESTION 231
- (Topic 2)
An IS auditor is evaluating management's risk assessment of information systems. The IS auditor should FIRST review:

A. the controls already in plac
B. the effectiveness of the controls in plac
C. the mechanism for monitoring the risks related to the asset
D. the threats/vulnerabilities affecting the asset

Answer: D

Explanation:

One of the key factors to be considered while assessing the risks related to the use of various information systems is the threats and vulnerabilities affecting the assets. The risks related to the use of information assets should be evaluated in isolation from the installed controls. Similarly, the effectiveness of the controls should be considered during the risk mitigation stage and not during the risk assessment phase A mechanism to continuously monitor the risks related to assets should be put in place during the risk monitoring function that follows the risk assessment phase.

NEW QUESTION 233
- (Topic 2)
While planning an audit, an assessment of risk should be made to provide:

A. reasonable assurance that the audit will cover material item
B. definite assurance that material items will be covered during the audit wor
C. reasonable assurance that all items will be covered by the audi
D. sufficient assurance that all items will be covered during the audit wor

Answer: A

Explanation:

The ISACA IS Auditing Guideline G15 on planning the IS audit states, 'An assessment of risk should be made to provide reasonable assurance that material items will be adequately covered during the audit work. This assessment should identify areas with a relatively high risk of the existence of material problems.' Definite assurance that material items will be covered during the audit work is an impractical proposition. Reasonable assurance that all items will be covered during the audit work is not the correct answer, as material items need to be covered, not all items.

NEW QUESTION 236
- (Topic 2)
An IS auditor should use statistical sampling and not judgment (nonstatistical) sampling, when:

A. the probability of error must be objectively quantifie
B. the auditor wishes to avoid sampling ris
C. generalized audit software is unavailabl
D. the tolerable error rate cannot be determine

Answer: A

Explanation:

Given an expected error rate and confidence level, statistical sampling is an objective method of sampling, which helps an IS auditor determine the sample size and quantify the probability of error (confidence coefficient). Choice B is incorrect because sampling risk is the risk of a sample not being representative of the population. This risk exists for both judgment and statistical samples. Choice C is incorrect because statistical sampling does not require the use of generalized audit software. Choice D is incorrect because the tolerable error rate must be predetermined for both judgment and statistical sampling.

NEW QUESTION 240
- (Topic 2)
An IS auditor is performing an audit of a remotely managed server backup. The IS auditor reviews the logs for one day and finds one case where logging on a server has failed with the result that backup restarts cannot be confirmed. What should the auditor do?

A. Issue an audit finding
B. Seek an explanation from IS management
C. Review the classifications of data held on the server
D. Expand the sample of logs reviewed

Answer: D

Explanation:

Audit standards require that an IS auditor gather sufficient and appropriate audit evidence. The auditor has found a potential problem and now needs to determine if this is an isolated incident or a systematic control failure. At this stage it is too preliminary to issue an audit finding and seeking an explanation from management is advisable, but it would be better to gather additional evidence to properly evaluate the seriousness of the situation. A backup failure, which has not been established at this point, will be serious if it involves critical datA. However, the issue is not the importance of the data on the server, where a problem has been detected, but whether a systematic control failure that impacts other servers exists.

NEW QUESTION 241
- (Topic 2)
An IS auditor is evaluating a corporate network for a possible penetration by employees. Which of the following findings should give the IS auditor the GREATEST concern?

A. There are a number of external modems connected to the networ
B. Users can install software on their desktop
C. Network monitoring is very limite
D. Many user IDs have identical password

Answer: D

Explanation:

Exploitation of a known user ID and password requires minimal technical knowledge and exposes the network resources to exploitation. The technical barrier is low and the impact can be very high; therefore, the fact that many user IDs have identical passwords represents the greatest threat. External modems represent a security risk, but exploitation still depends on the use of a valid user account. While the impact of users installing software on their desktops can be high {for example, due to the installation of Trojans or key-logging programs), the likelihood is not high due to the level of technical knowledge required to successfully penetrate the network. Although network monitoring can be a useful detective control, it will only detectabuse of user accounts in special circumstances and is, therefore, not a first line of defense.

NEW QUESTION 246
- (Topic 2)
Which of the following is the PRIMARY advantage of using computer forensic software for investigations?

A. The preservation of the chain of custody for electronic evidence
B. Time and cost savings
C. Efficiency and effectiveness
D. Ability to search for violations of intellectual property rights

Answer: A

Explanation:

The primary objective of forensic software is to preserve electronic evidence to meet the rules of evidence. Choice B, time and cost savings, and choice C, efficiency and effectiveness, are legitimate concerns that differentiate good from poor forensic software packages. Choice D, the ability to search for intellectual property rights violations, is an example of a use of forensic software.

NEW QUESTION 251
- (Topic 2)
An IS auditor has imported data from the client's database. The next step-confirming whether the imported data are complete-is performed by:

A. matching control totals of the imported data to control totals of the original dat
B. sorting the data to confirm whether the data are in the same order as the original dat
C. reviewing the printout of the first 100 records of original data with the first 100 records of imported dat
D. filtering data for different categories and matching them to the original dat

Answer: A

Explanation:

Matching control totals of the imported data with control totals of the original data is the next logical step, as this confirms the completeness of the imported datA. It is not possible to confirm completeness by sorting the imported data, because the original data may not be in sorted order. Further, sorting does not provide control totals for verifying completeness. Reviewing a printout of 100 records of original data with 100 records of imported data is a process of physical verification

andconfirms the accuracy of only these records. Filtering data for different categories and matching them to original data would still require that control totals be developed to confirm the completeness of the data.

NEW QUESTION 254
- (Topic 2)
During a security audit of IT processes, an IS auditor found that there were no documented security procedures. The IS auditor should:

A. create the procedures documen
B. terminate the audi
C. conduct compliance testin
D. identify and evaluate existing practice

Answer: D

Explanation:

One of the main objectives of an audit is to identify potential risks; therefore, the most proactive approach would be to identify and evaluate the existing security practices being followed by the organization. IS auditors should not prepare documentation, as doing so could jeopardize their independence. Terminating the audit may prevent achieving one of the basic audit objectives, i.e., identification of potential risks. Since there are no documented procedures, there is no basis against whichto test compliance.

NEW QUESTION 258
- (Topic 2)
Which of the following would be the BEST population to take a sample from when testing program changes?

A. Test library listings
B. Source program listings
C. Program change requests
D. Production library listings

Answer: D

Explanation:

The best source from which to draw any sample or test of system information is the automated system. The production libraries represent executables that are approved and authorized to process organizational datA. Source program listings would be timeintensive. Program change requests are the documents used to initiate change; there is no guarantee that the request has been completed for all changes. Test library listings do not represent the approved and authorized executables.

NEW QUESTION 259
- (Topic 2)
Data flow diagrams are used by IS auditors to:

A. order data hierarchicall
B. highlight high-level data definition
C. graphically summarize data paths and storag
D. portray step-by-step details of data generatio

Answer: C

Explanation:

Data flow diagrams are used as aids to graph or chart data flow and storage. They trace the data from its origination to destination, highlighting the paths and storage of datA. They do not order data in any hierarchy. The flow of the data will not necessarily match any hierarchy or data generation order.

NEW QUESTION 264
- (Topic 2)
Which of the following forms of evidence for the auditor would be considered the MOST reliable?

A. An oral statement from the auditee
B. The results of a test performed by an IS auditor
C. An internally generated computer accounting report
D. A confirmation letter received from an outside source

Answer: D

Explanation:

Evidence obtained from outside sources is usually more reliable than that obtained from within the organization. Confirmation letters received from outside parties, such as those used to verify accounts receivable balances, are usually highly reliable. Testing performed by an auditor may not be reliable, if the auditor did not have a good understanding of the technical area under review.

NEW QUESTION 267
- (Topic 2)
An IS auditor reviews an organizational chart PRIMARILY for:

A. an understanding of workflow
B. investigating various communication channel

C. understanding the responsibilities and authority of individual
D. investigating the network connected to different employee

Answer: C

Explanation:

An organizational chart provides information about the responsibilities and authority of individuals in the organization. This helps an IS auditor to know if there is a proper segregation of functions. A workflow chart would provide information aboutthe roles of different employees. A network diagram will provide information about the usage of various communication channels and will indicate the connection of users to the network.

NEW QUESTION 272
- (Topic 2)
An IS auditor is performing an audit of a network operating system. Which of the following is a user feature the IS auditor should review?

A. Availability of online network documentation
B. Support of terminal access to remote hosts
C. Handling file transfer between hosts and interuser communications
D. Performance management, audit and control

Answer: A

Explanation:

Network operating system user features include online availability of network documentation. Other features would be user access to various resources of network hosts, user authorization to access particular resources, and the network and host computers used without special user actions or commands. Choices B, C and D are examples of network operating systems functions.

NEW QUESTION 277
- (Topic 2)
An IS auditor performing a review of an application's controls would evaluate the:

A. efficiency of the application in meeting the business processe
B. impact of any exposures discovere
C. business processes served by the applicatio
D. application's optimizatio

Answer: B

Explanation:

An application control review involves the evaluation of the application's automated controls and an assessment of any exposures resulting from the control weaknesses. The other choices may be objectives of an application audit but are not part of anaudit restricted to a review of controls.

NEW QUESTION 278
- (Topic 2)
While conducting an audit, an IS auditor detects the presence of a virus. What should be the IS auditor's next step?

A. Observe the response mechanis
B. Clear the virus from the networ
C. Inform appropriate personnel immediatel
D. Ensure deletion of the viru

Answer: C

Explanation:

The first thing an IS auditor should do after detecting the virus is to alert the organization to its presence, then wait for their response. Choice A should be taken after choice C. This will enable an IS auditor to examine the actual workability and effectiveness of the response system. An IS auditor should not make changes to the system being audited, and ensuring the deletion of the virus is a management responsibility.

NEW QUESTION 282
- (Topic 2)
An IS auditor interviewing a payroll clerk finds that the answers do not support job descriptions and documented procedures. Under these circumstances, the IS auditor should:

A. conclude that the controls are inadequat
B. expand the scope to include substantive testin
C. place greater reliance on previous audit
D. suspend the audi

Answer: B

Explanation:

If the answers provided to an IS auditor's questions are not confirmed by documented procedures or job descriptions, the IS auditor should expand the scope of testing the controls and include additional substantive tests. There is no evidence that whatever controls might exist are either inadequate or adequate. Placing greater reliance on previous audits or suspending the audit are inappropriate actions as they provide no current knowledge of the adequacy of the existing

controls.

NEW QUESTION 286
- (Topic 2)
In the process of evaluating program change controls, an IS auditor would use source code comparison software to:

A. examine source program changes without information from IS personne
B. detect a source program change made between acquiring a copy of the source and the comparison ru
C. confirm that the control copy is the current version of the production progra
D. ensure that all changes made in the current source copy are detecte

Answer: A

Explanation:

An IS auditor has an objective, independent and relatively complete assurance of program changes because the source code comparison will identify changes. Choice B is incorrect, because the changes made since the acquisition of the copy are not included in the copy of the software. Choice C is incorrect, as an IS auditor will have to gain this assurance separately. Choice D is incorrect, because any changes made between the time the control copy was acquired and the source code comparison is made will not be detected.

NEW QUESTION 291
- (Topic 2)
The PRIMARY purpose for meeting with auditees prior to formally closing a review is to:

A. confirm that the auditors did not overlook any important issue
B. gain agreement on the finding
C. receive feedback on the adequacy of the audit procedure
D. test the structure of the final presentatio

Answer: B

Explanation:

The primary purpose for meeting with auditees prior to formally closing a review is to gain agreement on the findings. The other choices, though related to the formal closure of an audit, are of secondary importance.

NEW QUESTION 294
- (Topic 2)
Though management has stated otherwise, an IS auditor has reasons to believe that the organization is using software that is not licensed. In this situation, the IS auditor should:

A. include the statement of management in the audit repor
B. identify whether such software is, indeed, being used by the organizatio
C. reconfirm with management the usage of the softwar
D. discuss the issue with senior management since reporting this could have a negative impact on the organizatio

Answer: B

Explanation:

When there is an indication that an organization might be using unlicensed software, the IS auditor should obtain sufficient evidence before including it in the report. With respect to this matter, representations obtained from management cannot be independently verified. If the organization is using software that is not licensed, the auditor, to maintain objectivity and independence, must include this in the report.

NEW QUESTION 297
- (Topic 2)
While reviewing sensitive electronic work papers, the IS auditor noticed that they were not encrypted. This could compromise the:

A. audit trail of the versioning of the work paper
B. approval of the audit phase
C. access rights to the work paper
D. confidentiality of the work paper

Answer: D

Explanation:

Encryption provides confidentiality for the electronic work papers. Audit trails, audit phase approvals and access to the work papers do not, of themselves, affect the confidentiality but are part of the reason for requiring encryption.

NEW QUESTION 300
- (Topic 2)
The MOST important reason for an IS auditor to obtain sufficient and appropriate audit evidence is to:

A. comply with regulatory requirement
B. provide a basis for drawing reasonable conclusion
C. ensure complete audit coverag
D. perform the audit according to the defined scop

Answer: B

Explanation:

The scope of an IS audit is defined by its objectives. This involves identifying control weaknesses relevant to the scope of the audit. Obtaining sufficient and appropriate evidence assists the auditor in not only identifying control weaknesses but also documenting and validating them. Complying with regulatory requirements, ensuring coverage and the execution of audit are all relevant to an audit but are not the reason why sufficient and relevant evidence is required.

NEW QUESTION 305
- (Topic 2)
An IS auditor who was involved in designing an organization's business continuity plan (BCP) has been assigned to audit the plan. The IS auditor should:

A. decline the assignmen
B. inform management of the possible conflict of interest after completing the audit assignmen
C. inform the business continuity planning (BCP) team of the possible conflict of interest prior to beginning the assignmen
D. communicate the possibility of conflict of interest to management prior to starting the assignmen

Answer: D

Explanation:

Communicating the possibility of a conflict of interest to management prior to starting the assignment is the correct answer. A possible conflict of interest, likely to affect the auditor's independence, should be brought to the attention of management prior to starting the assignment. Declining the assignment is not the correct answer because the assignment could be accepted after obtaining management approval. Informing management of the possible conflict of interest after completion of the audit assignment is not correct because approval should be obtained prior to commencement and not after the completion of the assignment. Informing the business continuity planning (BCP) team of the possible conflict of interest prior to starting of the assignment is not the correct answer since the BCP team would not have the authority to decide on this issue.

NEW QUESTION 308
- (Topic 2)
During an exit interview, in cases where there is disagreement regarding the impact of a finding, an IS auditor should:

A. ask the auditee to sign a release form accepting full legal responsibilit
B. elaborate on the significance of the finding and the risks of not correcting i
C. report the disagreement to the audit committee for resolutio
D. accept the auditee's position since they are the process owner

Answer: B

Explanation:

If the auditee disagrees with the impact of a finding, it is important for an IS auditor to elaborate and clarify the risks and exposures, as the auditee may not fully appreciate the magnitude of the exposure. The goal should be to enlighten the auditee or uncover new information of which an IS auditor may not have been aware. Anything that appears to threaten the auditee will lessen effective communications and set up an adversarial relationship. By the same token, an IS auditor should not automatically agree just because the auditee expresses an alternate point of view.

NEW QUESTION 311
- (Topic 2)
A PRIMARY benefit derived from an organization employing control self-assessment (CSA) techniques is that it:

A. can identify high-risk areas that might need a detailed review late
B. allows IS auditors to independently assess ris
C. can be used as a replacement for traditional audit
D. allows management to relinquish responsibility for contro

Answer: A

Explanation:

CSA is predicated on the review of high-risk areas that either need immediate attention or a more thorough review at a later date. Choice B is incorrect, because CSA requires the involvement of auditors and line management. What occurs is that the internal audit function shifts some of the control monitoring responsibilities to the functional areas. Choice C is incorrect because CSA is not a replacement for traditional audits. CSA is not intended to replace audit's responsibilities, but to enhance them. Choice D is incorrect, because CSA does not allow management to relinquish its responsibility for control.

NEW QUESTION 313
- (Topic 2)
The success of control self-assessment (CSA) highly depends on:

A. having line managers assume a portion of the responsibility for control monitorin
B. assigning staff managers the responsibility for building, but not monitoring, control
C. the implementation of a stringent control policy and rule-driven control
D. the implementation of supervision and the monitoring of controls of assigned dutie

Answer: A

Explanation:

The primary objective of a CSA program is to leverage the internal audit function by shifting some of the control monitoring responsibilities to the functional area

line managers. The success of a control self-assessment (CSA) program depends on thedegree to which line managers assume responsibility for controls-Choices B, C and D are characteristics of a traditional audit approach, not a CSA approach.

NEW QUESTION 317
- (Topic 3)
Which of the following is a function of an IS steering committee?

A. Monitoring vendor-controlled change control and testing
B. Ensuring a separation of duties within the information's processing environment
C. Approving and monitoring major projects, the status of IS plans and budgets
D. Liaising between the IS department and the end users

Answer: C

Explanation:

The IS steering committee typically serves as a general review board for major IS projects and should not become involved in routine operations; therefore, one of its functions is to approve and monitor major projects, the status of IS plans and budgets. Vendor change control is an outsourcing issue and should be monitored by IS management. Ensuring a separation of duties within the information's processing environment is an IS management responsibility. Liaising between the IS department and the end users is a function of the individual parties and not a committee.

NEW QUESTION 322
- (Topic 3)
An IS steering committee should:

A. include a mix of members from different departments and staff level
B. ensure that IS security policies and procedures have been executed properl
C. have formal terms of reference and maintain minutes of its meeting
D. be briefed about new trends and products at each meeting by a vendo

Answer: C

Explanation:

It is important to keep detailed steering committee minutes to document the decisions and
activities of the IS steering committee, and the board of directors should be informed about those decisions on a timely basis. Choice A is incorrect because only senior management or high-level staff members should be on this committee because of its strategic mission. Choice B is not a responsibility of this committee, but the responsibility of the security administrator. Choice D is incorrect because a vendor should be invited to meetings only when appropriate.

NEW QUESTION 326
- (Topic 3)
Effective IT governance will ensure that the IT plan is consistent with the organization's:

A. business pla
B. audit pla
C. security pla
D. investment pla

Answer: A

Explanation:

To govern IT effectively, IT and business should be moving in the same direction, requiring that the IT plans are aligned with an organization's business plans. The audit and investment plans are not part of the IT plan, while the security plan should be at a corporate level.

NEW QUESTION 329
- (Topic 3)
Establishing the level of acceptable risk is the responsibility of:

A. quality assurance managemen
B. senior business managemen
C. the chief information office
D. the chief security office

Answer: B

Explanation:

Senior management should establish the acceptable risk level, since they have the ultimate or final responsibility for the effective and efficient operation of the organization. Choices A, C and D should act as advisors to senior management in determining an acceptable risk level.

NEW QUESTION 334
- (Topic 3)
Which of the following IT governance best practices improves strategic alignment?

A. Supplier and partner risks are manage
B. A knowledge base on customers, products, markets and processes is in plac
C. A structure is provided that facilitates the creation and sharing of business informatio

D. Top management mediate between the imperatives of business and technolog

Answer: D

Explanation:

Top management mediating between the imperatives of business and technology is an IT strategic alignment best practice. Supplier and partner risks being managed is a risk management best practice. A knowledge base on customers, products, markets andprocesses being in place is an IT value delivery best practice. An infrastructure being provided to facilitate the creation and sharing of business information is an IT value delivery and risk management best practice.

NEW QUESTION 336
- (Topic 3)
Effective IT governance requires organizational structures and processes to ensure that:

A. the organization's strategies and objectives extend the IT strateg
B. the business strategy is derived from an IT strateg
C. IT governance is separate and distinct from the overall governanc
D. the IT strategy extends the organization's strategies and objective

Answer: D

Explanation:

Effective IT governance requires that board and executive management extend governance to IT and provide the leadership, organizational structures and processes that ensure that the organization's IT sustains and extends the organization's strategiesand objectives, and that the strategy is aligned with business strategy. Choice A is incorrect because it is the IT strategy that extends the organizational objectives, not the opposite. IT governance is not an isolated discipline; it must become anintegral part of the overall enterprise governance.

NEW QUESTION 339
- (Topic 3)
The MAJOR consideration for an IS auditor reviewing an organization's IT project portfolio is the:

A. IT budge
B. existing IT environmen
C. business pla
D. investment pla

Answer: C

Explanation:

One of the most important reasons for which projects get funded is how well a project meets an organization's strategic objectives. Portfolio management takes a holistic view of a company's overall IT strategy. IT strategy should be aligned with thebusiness strategy and, hence, reviewing the business plan should be the major consideration. Choices A, B and D are important but secondary to the importance of reviewing the business plan.

NEW QUESTION 341
- (Topic 3)
The ultimate purpose of IT governance is to:

A. encourage optimal use of I
B. reduce IT cost
C. decentralize IT resources across the organizatio
D. centralize control of I

Answer: A

Explanation:

IT governance is intended to specify the combination of decision rights and accountability that is best for the enterprise. It is different for every enterprise. Reducing IT costs may not be the best IT governance outcome for an enterprise. Decentralizing IT resources across the organization is not always desired, although it may be desired in a decentralized environment. Centralizing control of IT is not always desired. An example of where it might be desired is an enterprise desiring a single point of customer contact.

NEW QUESTION 343
- (Topic 3)
An IS auditor identifies that reports on product profitability produced by an organization's finance and marketing departments give different results. Further investigation reveals that the product definition being used by the two departments is different. What should the IS auditor recommend?

A. User acceptance testing (UAT) occur for all reports before release into production
B. Organizational data governance practices be put in place
C. Standard software tools be used for report development
D. Management sign-off on requirements for new reports

Answer: B

Explanation:

This choice directly addresses the problem. An organizationwide approach is needed to achieve effective management of data assets. This includes enforcing

standard definitions of data elements, which is part of a data governance initiative. The otherchoices, while sound development practices, do not address the root cause of the problem described.

NEW QUESTION 345
- (Topic 3)
From a control perspective, the key element in job descriptions is that they:

A. provide instructions on how to do the job and define authorit
B. are current, documented and readily available to the employe
C. communicate management's specific job performance expectation
D. establish responsibility and accountability for the employee's action

Answer: D

Explanation:

From a control perspective, a job description should establish responsibility and accountability. This will aid in ensuring that users are given system access in accordance with their defined job responsibilities. The other choices are not directly related to controls. Providing instructions on how to do the job and defining authority addresses the managerial and procedural aspects of the job. It is important that job descriptions are current, documented and readily available to the employee, but this in itself is not a control. Communication of management's specific expectations for job performance outlines the standard of performance and would not necessarily include controls.

NEW QUESTION 350
- (Topic 3)
Which of the following would BEST provide assurance of the integrity of new staff?

A. Background screening
B. References
C. Bonding
D. Qualifications listed on a resume

Answer: A

Explanation:

A background screening is the primary method for assuring the integrity of a prospective staff member. References are important and would need to be verified, but they are not as reliable as background screening. Bonding is directed at due-diligencecompliance, not at integrity, and qualifications listed on a resume may not be accurate.

NEW QUESTION 353
- (Topic 3)
When an employee is terminated from service, the MOST important action is to:

A. hand over all of the employee's files to another designated employe
B. complete a backup of the employee's wor
C. notify other employees of the terminatio
D. disable the employee's logical acces

Answer: D

Explanation:

There is a probability that a terminated employee may misuse access rights; therefore, disabling the terminated employee's logical access is the most important action to take. All the work of the terminated employee needs to be handed over to a designated employee; however, this should be performed after implementing choice D. All the work of the terminated employee needs to be backed up and the employees need to be notified of the termination of the employee, but this should not precede the action in choice D.

NEW QUESTION 357
- (Topic 3)
Many organizations require an employee to take a mandatory vacation (holiday) of a week or more to:

A. ensure the employee maintains a good quality of life, which will lead to greater productivit
B. reduce the opportunity for an employee to commit an improper or illegal ac
C. provide proper cross-training for another employe
D. eliminate the potential disruption caused when an employee takes vacation one day at a tim

Answer: B

Explanation:

Required vacations/holidays of a week or more in duration in which someone other than the regular employee performs the job function is often mandatory for sensitive positions, as this reduces the opportunity to commit improper or illegal acts. During this time it may be possible to discover any fraudulent activity that was taking place. Choices A, C and D could all be organizational benefits from a mandatory vacation policy, but they are not the reason why the policy is established.

NEW QUESTION 362
- (Topic 3)
Which of the following controls would an IS auditor look for in an environment where duties cannot be appropriately segregated?

A. Overlapping controls
B. Boundary controls
C. Access controls
D. Compensating controls

Answer: D

Explanation:

Compensating controls are internal controls that are intended to reduce the risk of an existing or potential control weakness that may arise when duties cannot be appropriately segregated. Overlapping controls are two controls addressing the same control objective or exposure. Since primary controls cannot be achieved when duties cannot or are not appropriately segregated, it is difficult to install overlapping controls. Boundary controls establish the interface between the would-be user of a computer system and the computer system itself, and are individual-based, not role-based, controls. Access controls for resources are based on individuals and not on roles.

NEW QUESTION 363
- (Topic 3)
Which of the following reduces the potential impact of social engineering attacks?

A. Compliance with regulatory requirements
B. Promoting ethical understanding
C. Security awareness programs
D. Effective performance incentives

Answer: C

Explanation:

Because social engineering is based on deception of the user, the best countermeasure or defense is a security awareness program. The other choices are not user-focused.

NEW QUESTION 368
- (Topic 3)
Which of the following activities performed by a database administrator (DBA) should be performed by a different person?

A. Deleting database activity logs
B. Implementing database optimization tools
C. Monitoring database usage
D. Defining backup and recovery procedures

Answer: A

Explanation:

Since database activity logs record activities performed by the database administrator (DBA), deleting them should be performed by an individual other than the DBA. This is a compensating control to aid in ensuring an appropriate segregation of duties and is associated with the DBA's role. A DBA should perform the other activities as part of the normal operations.

NEW QUESTION 369
- (Topic 3)
To gain an understanding of the effectiveness of an organization's planning and management of investments in IT assets, an IS auditor should review the:

A. enterprise data mode
B. IT balanced scorecard (BSC).
C. IT organizational structur
D. historical financial statement

Answer: B

Explanation:

The IT balanced scorecard (BSC) is a tool that provides the bridge between IT objectives and business objectives by supplementing the traditional financial evaluation with measures to evaluate customer satisfaction, internal processes and the abilityto innovate. An enterprise data model is a document defining the data structure of an organization and how data interrelate. It is useful, but it does not provide information on investments. The IT organizational structure provides an overview of the functional and reporting relationships in an IT entity. Historical financial statements do not provide information about planning and lack sufficient detail to enable one to fully understand management's activities regarding IT assets. Past costs do not necessarily reflect value, and assets such as data are not represented on the books of accounts.

NEW QUESTION 372
- (Topic 3)
In reviewing the IS short-range (tactical) plan, an IS auditor should determine whether:

A. there is an integration of IS and business staffs within project
B. there is a clear definition of the IS mission and visio
C. a strategic information technology planning methodology is in plac
D. the plan correlates business objectives to IS goals and objective

Answer: A

Explanation:

The integration of IS and business staff in projects is an operational issue and should be considered while reviewing the short-range plan. A strategic plan would provide a
framework for the IS short-range plan. Choices B, C and D are areas covered by a strategic plan.

NEW QUESTION 374
- (Topic 3)
Which of the following would an IS auditor consider to be the MOST important when evaluating an organization's IS strategy? That it:

A. has been approved by line managemen
B. does not vary from the IS department's preliminary budge
C. complies with procurement procedure
D. supports the business objectives of the organizatio

Answer: D

Explanation:

Strategic planning sets corporate or department objectives into motion. Both long-term and short-term strategic plans should be consistent with the organization's broader plans and business objectives for attaining these goals. Choice A is incorrectsince line management prepared the plans.

NEW QUESTION 378
- (Topic 3)
An IS auditor reviewing an organization's IT strategic plan should FIRST review:

A. the existing IT environmen
B. the business pla
C. the present IT budge
D. current technology trend

Answer: B

Explanation:

The IT strategic plan exists to support the organization's business plan. To evaluate the IT strategic plan, an IS auditor would first need to familiarize themselves with the business plan.

NEW QUESTION 383
- (Topic 3)
When reviewing an organization's strategic IT plan an IS auditor should expect to find:

A. an assessment of the fit of the organization's application portfolio with business objective
B. actions to reduce hardware procurement cos
C. a listing of approved suppliers of IT contract resource
D. a description of the technical architecture for the organization's network perimeter securit

Answer: A

Explanation:

An assessment of how well an organization's application portfolio supports the organization's business objectives is a key component of the overall IT strategic planning process. This drives the demand side of IT planning and should convert into a set of strategic IT intentions. Further assessment can then be made of how well the overall IT organization, encompassing applications, infrastructure, services, management processes, etc., can support the business objectives. Operational efficiency initiatives belong to tactical planning, not strategic planning. The purpose of an IT strategic plan is toset out how IT will be used to achieve or support an organization's business objectives. A listing of approved suppliers of IT contract resources is a tactical rather than a strategic concern. An IT strategic plan would not normally include detail ofa specific technical architecture.

NEW QUESTION 384
- (Topic 3)
The PRIMARY objective of an audit of IT security policies is to ensure that:

A. they are distributed and available to all staf
B. security and control policies support business and IT objective
C. there is a published organizational chart with functional description
D. duties are appropriately segregate

Answer: B

Explanation:

Business orientation should be the main theme in implementing security. Hence, an IS audit of IT security policies should primarily focus on whether the IT and related security and control policies support business and IT objectives. Reviewing whether policies are available to all is an objective, but distribution does not ensure compliance. Availability of organizational charts with functional descriptions and segregation of duties might be included in the review, but are not the primary objective of an audit of security policies.

NEW QUESTION 389

- (Topic 3)
The rate of change in technology increases the importance of:

A. outsourcing the IS functio
B. implementing and enforcing good processe
C. hiring personnel willing to make a career within the organizatio
D. meeting user requirement

Answer: B

Explanation:

Change requires that good change management processes be implemented and enforced. Outsourcing the IS function is not directly related to the rate of technological change. Personnel in a typical IS department are highly qualified and educated; usually they do not feel their jobs are at risk and are prepared to switch jobs frequently. Although meeting user requirements is important, it is not directly related to the rate of technological change in the IS environment.

NEW QUESTION 390
- (Topic 3)
Which of the following should be included in an organization's IS security policy?

A. A list of key IT resources to be secured
B. The basis for access authorization
C. Identity of sensitive security features
D. Relevant software security features

Answer: B

Explanation:

The security policy provides the broad framework of security, as laid down and approved by senior management. It includes a definition of those authorized to grant access and the basis for granting the access. Choices A, B and C are more detailed than that which should be included in a policy.

NEW QUESTION 393
- (Topic 3)
A comprehensive and effective e-mail policy should address the issues of e-mail structure, policy enforcement, monitoring and:

A. recover
B. retentio
C. rebuildin
D. reus

Answer: B

Explanation:

Besides being a good practice, laws and regulations may require that an organization keep information that has an impact on the financial statements. The prevalence of lawsuits in which e-mail communication is held in the same regard as the officialform of classic 'paper* makes the retention of corporate e-mail a necessity. All e-mail generated on an organization's hardware is the property of the organization, and an e-mail policy should address the retention of messages, considering both known and unforeseen litigation. The policy should also address the destruction of e-mails after a specified time to protect the nature and confidentiality of the messages themselves. Addressing the retention issue in the e-mail policy would facilitate recovery, rebuilding and reuse.

NEW QUESTION 398
- (Topic 3)
An IS auditor finds that, in accordance with IS policy, IDs of terminated users are deactivated within 90 days of termination. The IS auditor should:

A. report that the control is operating effectively since deactivation happens within the time frame stated in the IS polic
B. verify that user access rights have been granted on a need-to-have basi
C. recommend changes to the IS policy to ensure deactivation of user IDs upon terminatio
D. recommend that activity logs of terminated users be reviewed on a regular basi

Answer: C

Explanation:

Although a policy provides a reference for performing IS audit assignments, an IS auditor needs to review the adequacy and the appropriateness of the policy. If, in the opinion of the auditor, the time frame defined for deactivation is inappropriate,the auditor needs to communicate this to management and recommend changes to the policy. Though the deactivation happens as stated in the policy, it cannot be concluded that the control is effective. Best practice would require that the ID of a terminated user be deactivated immediately. Verifying that user access rights have been granted on a need-to-have basis is necessary when permissions are granted. Recommending that activity logs of terminated users be reviewed on a regular basis is a good practice, but not as effective as deactivation upon termination.

NEW QUESTION 403
- (Topic 3)
An IS auditor is reviewing a project to implement a payment system between a parent bank and a subsidiary. The IS auditor should FIRST verify that the:

A. technical platforms between the two companies are interoperabl
B. parent bank is authorized to serve as a service provide
C. security features are in place to segregate subsidiary trade
D. subsidiary can join as a co-owner of this payment syste

Answer: B

Explanation:

Even between parent and subsidiary companies, contractual agreement(s) should be in place to conduct shared services. This is particularly important in highly regulated organizations such as banking. Unless granted to serve as a service provider, itmay not be legal for the bank to extend business to the subsidiary companies. Technical aspects should always be considered; however, this can be initiated after confirming that the parent bank can serve as a service provider. Security aspects are another important factor; however, this should be considered after confirming that the parent bank can serve as a service provider. The ownership of the payment system is not as important as the legal authorization to operate the system.

NEW QUESTION 407
- (Topic 3)
In the context of effective information security governance, the primary objective of value delivery is to:

A. optimize security investments in support of business objective
B. implement a standard set of security practice
C. institute a standards-based solutio
D. implement a continuous improvement cultur

Answer: A

Explanation:

In the context of effective information security governance, value delivery is implemented to ensure optimization of security investments in support of business objectives. The tools and techniques for implementing value delivery include implementation of a standard set of security practices, institutionalization and commoditization of standards-based solutions, and implementation of a continuous improvement culture considering security as a process, not an event.

NEW QUESTION 411
- (Topic 3)
Which of the following is the MOST important function to be performed by IS management when a service has been outsourced?

A. Ensuring that invoices are paid to the provider
B. Participating in systems design with the provider
C. Renegotiating the provider's fees
D. Monitoring the outsourcing provider's performance

Answer: D

Explanation:

In an outsourcing environment, the company is dependent on the performance of the service provider. Therefore, it is critical the outsourcing provider's performance be monitored to ensure that services are delivered to the company as required. Payment of invoices is a finance function, which would be completed per contractual requirements. Participating in systems design is a byproduct of monitoring the outsourcing provider's performance, while renegotiating fees is usually a one-time activity.

NEW QUESTION 412
- (Topic 3)
To minimize costs and improve service levels an outsourcer should seek which of the following contract clauses?

A. O/S and hardware refresh frequencies
B. Gain-sharing performance bonuses
C. Penalties for noncompliance
D. Charges tied to variable cost metrics

Answer: B

Explanation:

Because the outsourcer will share a percentage of the achieved savings, gain-sharing performance bonuses provide a financial incentive to go above and beyond the stated terms of the contract and can lead to cost savings for the client. Refresh frequencies and penalties for noncompliance would only encourage the outsourcer to meet minimum requirements. Similarly, tying charges to variable cost metrics would not encourage the outsourcer to seek additional efficiencies that might benefit the client.

NEW QUESTION 415
- (Topic 3)
When an organization is outsourcing their information security function, which of the following should be kept in the organization?

A. Accountability for the corporate security policy
B. Defining the corporate security policy
C. Implementing the corporate security policy
D. Defining security procedures and guidelines

Answer: A

Explanation:

Accountability cannot be transferred to external parties. Choices B, C and D can be performed by outside entities as long as accountability remains within the organization.

NEW QUESTION 416
- (Topic 3)
An IS auditor has been assigned to review IT structures and activities recently outsourced to various providers. Which of the following should the IS auditor determine FIRST?

A. That an audit clause is present in all contracts
B. That the SLA of each contract is substantiated by appropriate KPIs
C. That the contractual warranties of the providers support the business needs of the organization
D. That at contract termination, support is guaranteed by each outsourcer for new outsourcers

Answer: C

Explanation:

The complexity of IT structures matched by the complexity and interplay of responsibilities and warranties may affect or void the effectiveness of those warranties and the reasonable certainty that the business needs will be met. All other choices are important, but not as potentially dangerous as the interplay of the diverse and critical areas of the contractual responsibilities of the outsourcers.

NEW QUESTION 419
- (Topic 3)
Which of the following is the BEST information source for management to use as an aid in the identification of assets that are subject to laws and regulations?

A. Security incident summaries
B. Vendor best practices
C. CERT coordination center
D. Significant contracts

Answer: D

Explanation:

Contractual requirements are one of the sources that should be consulted to identify the requirements for the management of information assets. Vendor best practices provides a basis for evaluating how competitive an enterprise is, while security incident summaries are a source for assessing the vulnerabilities associated with the IT infrastructure. CERT {www.cert.org) is an information source for assessing vulnerabilities within the IT infrastructure.

NEW QUESTION 422
- (Topic 3)
An organization has outsourced its help desk activities. An IS auditor's GREATEST concern when reviewing the contract and associated service level agreement (SLA) between the organization and vendor should be the provisions for:

A. documentation of staff background check
B. independent audit reports or full audit acces
C. reporting the year-to-year incremental cost reduction
D. reporting staff turnover, development or trainin

Answer: B

Explanation:

When the functions of an IS department are outsourced, an IS auditor should ensure that a provision is made for independent audit reports that cover all essential areas, or that the outsourcer has full audit access. Although it is necessary to document the fact that background checks are performed, this is not as important as provisions for audits. Financial measures such as year-to-year incremental cost reductions are desirable to have in a service level agreement (SLA); however, cost reductions are not as important as the availability of independent audit reports or full audit access. An SLA might include human relationship measures such as resource planning, staff turnover, development or training, but this is not as important as the requirements for independent reports or full audit access by the outsourcing organization.

NEW QUESTION 427
- (Topic 3)
The risks associated with electronic evidence gathering would MOST likely be reduced by an e-mail:

A. destruction polic
B. security polic
C. archive polic
D. audit polic

Answer: C

Explanation:

With a policy of well-archived e-mail records, access to or retrieval of specific e-mail records is possible without disclosing other confidential e-mail records. Security and/or audit policies would not address the efficiency of record retrieval, and destroying e-mails may be an illegal act.

NEW QUESTION 430
- (Topic 3)
The output of the risk management process is an input for making:

A. business plan
B. audit charter

C. security policy decision
D. software design decision

Answer: C

Explanation:

The risk management process is about making specific, security-related decisions, such as the level of acceptable risk. Choices A, B and D are not ultimate goals of the risk
management process.

NEW QUESTION 433
- (Topic 3)
An IS auditor was hired to review e-business security. The IS auditor's first task was to examine each existing e-business application looking for vulnerabilities. What would be the next task?

A. Report the risks to the CIO and CEO immediately
B. Examine e-business application in development
C. Identify threats and likelihood of occurrence
D. Check the budget available for risk management

Answer: C

Explanation:

An IS auditor must identify the assets, look for vulnerabilities, and then identify the threats and the likelihood of occurrence. Choices A, B and D should be discussed with the CIO, and a report should be delivered to the CEO. The report should include the findings along with priorities and costs.

NEW QUESTION 438
- (Topic 3)
Which of the following is a mechanism for mitigating risks?

A. Security and control practices
B. Property and liability insurance
C. Audit and certification
D. Contracts and service level agreements (SLAs)

Answer: A

Explanation:

Risks are mitigated by implementing appropriate security and control practices. Insurance is a mechanism for transferring risk. Audit and certification are mechanisms of risk assurance, while contracts and SLAs are mechanisms of risk allocation.

NEW QUESTION 441
- (Topic 3)
When developing a risk management program, what is the FIRST activity to be performed?

A. Threat assessment
B. Classification of data
C. Inventory of assets
D. Criticality analysis

Answer: C

Explanation:

Identification of the assets to be protected is the first step in the development of a risk management program. A listing of the threats that can affect the performance of these assets and criticality analysis are later steps in the process. Data classification is required for defining access controls and in criticality analysis.

NEW QUESTION 446
- (Topic 3)
Assessing IT risks is BEST achieved by:

A. evaluating threats associated with existing IT assets and IT project
B. using the firm's past actual loss experience to determine current exposur
C. reviewing published loss statistics from comparable organization
D. reviewing IT control weaknesses identified in audit report

Answer: A

Explanation:

To assess IT risks, threats and vulnerabilities need to be evaluated using qualitative or quantitative risk assessment approaches. Choices B, C and D are potentially useful inputs to the risk assessment process, but by themselves are not sufficient.Basing an assessment on past losses will not adequately reflect inevitable changes to the firm's IT assets, projects, controls and strategic environment. There are also likely to be problems with the scope and quality of the loss data available to beassessed. Comparable organizations will have differences in their IT assets, control environment and strategic circumstances. Therefore, their

loss experience cannot be used to directly assess organizational IT risk. Control weaknesses identified during audits will be relevant in assessing threat exposure and further analysis may be needed to assess threat probability. Depending on the scope of the audit coverage, it is possible that not all of the critical IT assets and projects will have recently been audited, and there may not be a sufficient assessment of strategic IT risks.

NEW QUESTION 450
- (Topic 3)
An IS auditor reviewing the risk assessment process of an organization should FIRST:

A. identify the reasonable threats to the information asset
B. analyze the technical and organizational vulnerabilitie
C. identify and rank the information asset
D. evaluate the effect of a potential security breac

Answer: C

Explanation:

Identification and ranking of information assets-e.g., data criticality, locations of assets-will set the tone or scope of how to assess risk in relation to the organizational value of the asset. Second, the threats facing each of the organization's assets should be analyzed according to their value to the organization. Third, weaknesses should be identified so that controls can be evaluated to determine if they mitigate the weaknesses. Fourth, analyze how these weaknesses, in absence of given controls, would impact the organization information assets.

NEW QUESTION 455
- (Topic 3)
Which of the following should be considered FIRST when implementing a risk management program?

A. An understanding of the organization's threat, vulnerability and risk profile
B. An understanding of the risk exposures and the potential consequences of compromise
C. A determination of risk management priorities based on potential consequences
D. A risk mitigation strategy sufficient to keep risk consequences at an acceptable level

Answer: A

Explanation:

Implementing risk management, as one of the outcomes of effective information security governance, would require a collective understanding of the organization's threat, vulnerability and risk profile as a first step. Based on this, an understanding of risk exposure and potential consequences of compromise could be determined. Risk management priorities based on potential consequences could then be developed. This would provide a basis for the formulation of strategies for risk mitigation sufficient to keep the consequences from risk at an acceptable level.

NEW QUESTION 459
- (Topic 3)
Which of the following should be the MOST important consideration when deciding areas of priority for IT governance implementation?

A. Process maturity
B. Performance indicators
C. Business risk
D. Assurance reports

Answer: C

Explanation:

Priority should be given to those areas which represent a known risk to the enterprise's operations. The level of process maturity, process performance and audit reports will feed into the decision making process. Those areas that represent real risk to the business should be given priority.

NEW QUESTION 463
- (Topic 3)
During an audit, an IS auditor notices that the IT department of a medium-sized organization has no separate risk management function, and the organization's operational risk documentation only contains a few broadly described IT risks. What is the MOST appropriate recommendation in this situation?

A. Create an IT risk management department and establish an IT risk framework with the aid of external risk management expert
B. Use common industry standard aids to divide the existing risk documentation into several individual risks which will be easier to handl
C. No recommendation is necessary since the current approach is appropriate for a medium-sized organizatio
D. Establish regular IT risk management meetings to identify and assess risks, and create a mitigation plan as input to the organization's risk managemen

Answer: D

Explanation:

Establishing regular meetings is the best way to identify and assess risks in a medium-sized organization, to address responsibilities to the respective management and to keep the risk list and mitigation plans up to date. A medium-sized organizationwould normally not have a separate IT risk management department. Moreover, the risks are usually manageable enough so that external help would not be needed. While common risks may be covered by common industry standards, they cannot address the specific situation of an organization. Individual risks will not be discovered without a detailed assessment from within the organization. Splitting the one risk position into several is not sufficient.

NEW QUESTION 467
- (Topic 3)

Which of the following is the PRIMARY objective of an IT performance measurement process?

A. Minimize errors
B. Gather performance data
C. Establish performance baselines
D. Optimize performance

Answer: D

Explanation:

An IT performance measurement process can be used to optimize performance, measure and manage products/services, assure accountability and make budget decisions. Minimizing errors is an aspect of performance, but not the primary objective of performance management. Gathering performance data is a phase of IT measurement process and would be used to evaluate the performance against previously established performance baselines.

NEW QUESTION 468
- (Topic 4)
The most common reason for the failure of information systems to meet the needs of users is that:

A. user needs are constantly changin
B. the growth of user requirements was forecast inaccuratel
C. the hardware system limits the number of concurrent user
D. user participation in defining the system's requirements was inadequat

Answer: D

Explanation:

Lack of adequate user involvement, especially in the system's requirements phase, will usually result in a system that does not fully or adequately address the needs of the user. Only users can define what their needs are, and therefore what the system should accomplish.

NEW QUESTION 473
- (Topic 4)
Many IT projects experience problems because the development time and/or resource requirements are underestimated. Which of the following techniques would provide the GREATEST assistance in developing an estimate of project duration?

A. Function point analysis
B. PERT chart
C. Rapid application development
D. Object-oriented system development

Answer: B

Explanation:

A PERT chart will help determine project duration once all the activities and the work involved with those activities are known. Function point analysis is a technique for determining the size of a development task based on the number of function points. Function points are factors such as inputs, outputs, inquiries, logical internal files, etc. While this will help determine the size of individual activities, it will not assist in determining project duration since there are many overlapping tasks. Rapid application development is a methodology that enables organizations to develop strategically important systems faster while reducing development costs and maintaining quality, while object-oriented system development is the process of solution specification and modeling.

NEW QUESTION 478
- (Topic 4)
Which of the following is a characteristic of timebox management?

A. Not suitable for prototyping or rapid application development (RAD)
B. Eliminates the need for a quality process
C. Prevents cost overruns and delivery delays
D. Separates system and user acceptance testing

Answer: C

Explanation:

Timebox management, by its nature, sets specific time and cost boundaries. It is very suitable for prototyping and RAD, and integrates system and user acceptance testing, but does not eliminate the need for a quality process.

NEW QUESTION 482
- (Topic 4)
When identifying an earlier project completion time, which is to be obtained by paying a premium for early completion, the activities that should be selected are those:

A. whose sum of activity time is the shortes
B. that have zero slack tim
C. that give the longest possible completion tim
D. whose sum of slack time is the shortes

Answer: B

Explanation:

A critical path's activity time is longer than that for any other path through the network. This path is important because if everything goes as scheduled, its length gives the shortest possible completion time for the overall project. Activities onthe critical path become candidates for crashing, i.e., for reduction in their time by payment of a premium for early completion. Activities on the critical path have zero slack time and conversely, activities with zero slack time are on a critical path. By successively relaxing activities on a critical path, a curve showing total project costs vs. time can be obtained.

NEW QUESTION 483
- (Topic 4)
An IS auditor is assigned to audit a software development project which is more than 80 percent complete, but has already overrun time by 10 percent and costs by 25 percent. Which of the following actions should the IS auditor take?

A. Report that the organization does not have effective project managemen
B. Recommend the project manager be change
C. Review the IT governance structur
D. Review the conduct of the project and the business cas

Answer: D

Explanation:

Before making any recommendations, an IS auditor needs to understand the project and the factors that have contributed to making the project over budget and over schedule. The organization may have effective project management practices and sound ITgovernance and still be behind schedule or over budget. There is no indication that the project manager should be changed without looking into the reasons for the overrun.

NEW QUESTION 485
- (Topic 4)
Which of the following should an IS auditor review to understand project progress in terms of time, budget and deliverables for early detection of possible overruns and for projecting estimates at completion (EACs)?

A. Function point analysis
B. Earned value analysis
C. Cost budget
D. Program Evaluation and Review Technique

Answer: B

Explanation:

Earned value analysis (EVA) is an industry standard method for measuring a project's progress at any given point in time, forecasting its completion date and final cost, and analyzing variances in the schedule and budget as the project proceeds. It compares the planned amount of work with what has actually been completed, to determine if the cost, schedule and work accomplished are progressing in accordance with the plan. EVA works most effectively if a well-formed work breakdown structure exists. Function point analysis (FPA) is an indirect measure of software size and complexity and, therefore, does not address the elements of time and budget. Cost budgets do not address time. PERT aids in time and deliverables management, but lacks projections for estimates at completion (EACs) and overall financial management.

NEW QUESTION 490
- (Topic 4)
An organization is implementing an enterprise resource planning (ERP) application to meet its business objectives. Of the following, who is PRIMARILY responsible for overseeing the project in order to ensure that it is progressing in accordance with the project plan and that it will deliver the expected results?

A. Project sponsor
B. System development project team (SPDT)
C. Project steering committee
D. User project team (UPT)

Answer: C

Explanation:

A project steering committee that provides an overall direction for the enterprise resource planning (ERP) implementation project is responsible for reviewing the project's progress to ensure that it will deliver the expected results. A project sponsor is typically the senior manager in charge of the primary business unit that the application will support. The sponsor provides funding for the project and works closely with the project manager to define the critical success factors or metrics forthe project. The project sponsor is not responsible for reviewing the progress of the project. A system development project team (SDPT) completes the assigned tasks, works according to the instructions of the project manager and communicates with the user project team. The SDPT is not responsible for reviewing the progress of the project. A user project team (UPT) completes the assigned tasks, communicates effectively with the system development team and works according to the advice of the project manager. A UPT is not responsible for reviewing the progress of the project.

NEW QUESTION 495
- (Topic 4)
Which of the following techniques would BEST help an IS auditor gain reasonable assurance that a project can meet its target date?

A. Estimation of the actual end date based on the completion percentages and estimated time to complete, taken from status reports
B. Confirmation of the target date based on interviews with experienced managers and staff involved in the completion of the project deliverables
C. Extrapolation of the overall end date based on completed work packages and current resources
D. Calculation of the expected end date based on current resources and remaining available project budget

Answer: C

Explanation:

Direct observation of results is better than estimations and qualitative information gained from interviews or status reports. Project managers and involved staff tend to underestimate the time needed for completion and the necessary time buffers fordependencies between tasks, while overestimating the completion percentage for tasks underway (80:20 rule). The calculation based on remaining budget does not take into account the speed at which the project has been progressing.

NEW QUESTION 500
- (Topic 4)
Which of the following situations would increase the likelihood of fraud?

A. Application programmers are implementing changes to production program
B. Application programmers are implementing changes to test program
C. Operations support staff are implementing changes to batch schedule
D. Database administrators are implementing changes to data structure

Answer: A

Explanation:

Production programs are used for processing an enterprise's datA. It is imperative that controls on changes to production programs are stringent. Lack of control in this area could result in application programs being modified to manipulate the data.Application programmers are required to implement changes to test programs. These are used only in development and do not directly impact the live processing of datA. The implementation of changes to batch schedules by operations support staff willaffect the scheduling of the batches only; it does not impact the live datA. Database administrators are required to implement changes to data structures. This is required for reorganization of the database to allow for additions, modifications or deletions of fields or tables in the database.

NEW QUESTION 503
- (Topic 4)
Before implementing controls, management should FIRST ensure that the controls:

A. satisfy a requirement in addressing a risk issu
B. do not reduce productivit
C. are based on a cost-benefit analysi
D. are detective or correctiv

Answer: A

Explanation:

When designing controls, it is necessary to consider all the above aspects. In an ideal situation, controls that address all these aspects would be the best controls. Realistically, it may not be possible to design them all and cost may be prohibitive; therefore, it is necessary to first consider the preventive controls that attack the cause of a threat.

NEW QUESTION 508
- (Topic 4)
Information for detecting unauthorized input from a terminal would be BEST provided by the:

A. console log printou
B. transaction journa
C. automated suspense file listin
D. user error repor

Answer: B

Explanation:

The transaction journal would record all transaction activity, which then could be compared to the authorized source documents to identify any unauthorized input. A console log printout is not the best, because it would not record activity from a specific terminal. An automated suspense file listing would only list transaction activity where an edit error
occurred, while the user error report would only list input that resulted in an edit error.

NEW QUESTION 509
- (Topic 4)
Which of the following types of data validation editing checks is used to determine if a field contains data, and not zeros or blanks?

A. Check digit
B. Existence check
C. Completeness check
D. Reasonableness check

Answer: C

Explanation:

A completeness check is used to determine if a field contains data and not zeros or blanks. A check digit is a digit calculated mathematically to ensure original data were not altered. An existence check also checks entered data for agreement to predetermined criteriA. A reasonableness check matches input to predetermined reasonable limits or occurrence rates.

NEW QUESTION 510
- (Topic 4)
To reduce the possibility of losing data during processing, the FIRST point at which control totals should be implemented is:

A. during data preparatio
B. in transit to the compute
C. between related computer run
D. during the return of the data to the user departmen

Answer: A

Explanation:

During data preparation is the best answer, because it establishes control at the earliest point.

NEW QUESTION 513
- (Topic 4)
Which of the following will BEST ensure the successful offshore development of business applications?

A. Stringent contract management practices
B. Detailed and correctly applied specifications
C. Awareness of cultural and political differences
D. Postimplementation reviews

Answer: B

Explanation:

When dealing with offshore operations, it is essential that detailed specifications be created. Language differences and a lack of interaction between developers and physically remote end users could create gaps in communication in which assumptionsand modifications may not be adequately communicated. Contract management practices, cultural and political differences, and postimplementation reviews, although important, are not as pivotal to the success of the project.

NEW QUESTION 518
- (Topic 4)
Which of the following is the GREATEST risk to the effectiveness of application system controls?

A. Removal of manual processing steps
B. inadequate procedure manuals
C. Collusion between employees
D. Unresolved regulatory compliance issues

Answer: C

Explanation:

Collusion is an active attack that can be sustained and is difficult to identify since even well-thought-out application controls may be circumvented. The other choices do not impact well-designed application controls.

NEW QUESTION 522
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