# MIS 5208 Mid-Term Exam

# Posted: February 17, 2016 at 1900 (07:00 PM)**Due: Wednesday February 24, 2016 at 0800 (08:00 AM)**

## **SUBMISSION REQUIREMENTS:**

1. One (1) Microsoft **Word** document with your name and date, page number and title on the first page and in the header of every subsequent page
2. All question responses, tables, graphs, and programming code are to be embedded in the Word document. Please use tables where appropriate.
3. Prepare the exam individually. This is not a team exercise.
4. You may use lecture notes and other class materials such as reference manuals and tutorials. However, you may not ask another person for assistance.
5. Submit a printed version of the exam to Blackboard by the due date.
6. **NO LATE EXAMS ACCEPTED unless arranged with the instructor.**

## Section 1: Definition of Fraud / Fraud Analysis Coderre Chapters 1 – 6, 8, & 9

1. True or false, is **ALL** theft fraud?
	1. True
	2. False
2. True or false, are **ALL** deceptive statements examples of fraud?
	1. True
	2. False
3. Define the fraud triangle. Use one or two sentences to describe each element of the triangle.
4. Data Analysis is a method for identifying the fraud. What are the three steps involved to use data for fraud identification? List these.
5. What assumption can auditors make when searching for sources of information. Select all that are correct.
	1. The information exists in an electronic form
	2. The information exists and is accessible
	3. The systems have information owners and permission is available to access the data
	4. There is good documentation on the data and the way the system structures the data
	5. The system owner is probably involved in the fraud in some way
	6. The information is not tainted and is forensically sound
	7. The data is clean and will be easily analyzed
6. What are the three (3) things auditors must be careful to avoid.
7. In ACL what does a filter do? (Choose the one (1) correct/best answer.)
	1. Screens out harmful radiation from your computer screen
	2. Identifies only those records meeting user defined criteria
	3. Reduces the amount of inaccurate data in an ACL data file
	4. All of the above.
8. In ACL what is summarization? What function does it provide?
9. In ACL what does the count function do? What function does it provide?
10. In ACL what does the Data Definition Wizard Do? How do you star the Data Definition Wizard?

## Section 2: ACL Audit Planning

Up until now you have worked with data that is largely uniform and easy to manipulate. We call this “clean data. In this exam you will be asked to work with data that will need some cleanup. In this case we will use data from both April and May’s transactions from the test data in the “ACL Sample Data Files Directory”. Use the project you set up for Labs 02 and 03 for this exam.

1. Develop an investigation plan for the exercise in Section 3 of this exam. Complete the table below.

|  |
| --- |
| ACL Analysis Plan |
| Describe the information you need and have |  |
| Describe the location of the information (e.g. local file system, USB drive, etc.) |  |
| Describe any related projects (hint: labs performed in this class) |  |
| List the table names you will import and create and their associated data files |  |
| Briefly describe the process you will take to analyze the files |  |
| List the location of the output files (e.g. local disk, USB, etc.) |  |

## Section 3: ACL - Working with Data

**Use chapter 8 and 9 of the ACL in Practice Tutorial and the associated practice data to complete this section. Please complete the following exercises and submit your results. Refer to Chapter 7 where necessary. Screenshots are acceptable but they must be clearly readable in your submission.**

Perform all of the tasks outlined in Chapter 7 (See page 63 - of ACL in Practice for more details) and then perform the following exercises:

1. Exam Step 1 – Import and correct the structure of two data sources
	1. The **Trans\_May.xls** contains two worksheets. Import both worksheets from the same file into ACL. Name each table. **Submit the two new tables**.
	2. Edit the table layout for both new tables.
		1. Edit the AMOUNT, CARDNUM, and CODES fields.
			1. AMOUNT: Set the Data Type to be NUMERIC with Format -999999.99
			2. CARDNUM: Set the Data Type to ASCII.
			3. CODES: Set the Data Type to ASCII.
		2. Verify all fields.
		3. **Submit the results of the verification and changes.**
	3. Compare the layout of both tables. Submit the results.
	4. Correct any table layout differences.
	5. Combine the two tables with any of the following methods:
		1. Join
		2. Relations
		3. Extract and append
		4. Merge
	6. Name the new table. **Submit the results of the combined tables.**
	7. Run the profile command on the combined tables. **Submit the results.**
	8. Check the table for duplicates in the CUSTNO field. **Submit the results.**
	9. Why would this be significant? Submit your answer in one to three sentences.
2. Exam Step 2 – Check the validity and format of the credit card numbers
	1. From the combined table you created in Step 1, determine which card numbers in the table have an invalid format. Card numbers must have 16 digits and no other characters. Submit the results.
	2. Also, count the records and submit the results.
	3. Create a computed field to change credit card numbers from this format: 8590122497663807 to this format 8590-1224-9766-3807. Submit the results.
3. Exam Step 3 – Examine the transactions
	1. Which of the transactions have unacceptable merchants (e.g. Escort Services)?
	2. Which of transactions have multiple transactions with same vendor in a brief period of time (3 days)?
	3. Why would this any or all of this information be helpful in determining fraud?