



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

KISII LC

BA Y4 S1

Course Code Scs 436

Course Title: Internal controls and security issues

INSTRUCTIONS:

This paper contains five (5) questions. Question ONE is Compulsory and any other TWO questions

Question One (30 Marks Compulsory)

- a) Explain the following terms as used in internal control of business organizations
 - i. Control (2mk)
 - ii. Standard (2mk)
 - iii. A process (2 Marks)
 - iv. Automation (2 Marks)
 - v. State three basic steps in process control (6 Marks)
- b) Outline the possible types of fraudulent acts in an a business organization (4mk)
- c) Explain how the Characteristics and elements of internal control as used in business
- d) Explain the kinds of Controls as may be grouped according to general classifications (6 Marks)
- e) Discuss the following objectives of information technology control objectives
 - i. Confidentiality (2mk)

- ii. Integrity (2mk)
- iii. Availability (2mk)

Question Two (20 Marks)

- a) Explain the concept of internal control (10mk)
- b) Explain the COSO framework of internal control (10mk)

Question Three (20 Marks)

- a) Describe the role and responsibilities of various parties in internal control in an organization (15 Marks)
- b) Most Organizations desire to hire competent managers who can maintain framework of a good internal control system.
 - i) List four areas that are included in framework of good internal control system; e.g **Control activities** system (2Marks Each)
 - ii) Briefly explain what is involved in each of the internal control systems you have listed in 2 b(i), (Marks 3 Each)

Question Four (20 Marks)

- a) Explain how the various types of IT audits are done (10mk)
- b) Describe the IT general control strategies that can be employed to ensure proper business control. (10mk)

Question Five (20 Marks)

- a) Explain the concept of IT application control and use practical examples to explain how it can be applied in business administration. (12mk)
- b) Distinguish between Preventive and Detective internal control activities (8 Marks)

