JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL INFORMATICS AND INNOVATIVE SYSTEMS

UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION

4TH YEAR 1ST SEMESTER 2013/2014 ACADEMIC YEAR

CENTRE: MAIN

COURSE CODE: SCS 436

COURSE TITLE: INTERNAL CONTROLS AND SECURITY ISSUES

EXAM VENUE: AH   **STREAM: BBA**

DATE: 4/12/2013   **EXAM SESSION: 2.00 – 4.00 PM**

TIME: 2 HOURS

Instructions:

1. **Answer question 1 (Compulsory) and ANY other 2 questions.**

2. **Candidates are advised not to write on the question paper.**

3. **Candidates must hand in their answer booklets to the invigilator while in the examination room.**

QUESTION ONE

Organizations perform various activities to achieve the company objectives. Explain the following common terms used in business environment.

   a) A process   (3 Marks)
   b) Control   (3 Marks)
   c) Automation   (3 Marks)
   d) State three basic steps in process control   (6 Marks)

e) Define the following terms
    i.   System   (2 Marks)
    ii.   Control System   (3 Marks)
    f)   There are different types of controls that can be applied within the organization to serve different purposes.

Give five reasons why Organizations use application input controls embedded in the application.   (2 Marks Each)

QUESTION TWO

Most Organizations desire to hire competent managers who can maintain frameworkof a good internal control system.

   a) List four areas that are included in framework of good internal control system;   e.g
       Control activities   system   (2 marks Each)
   b) Briefly explain what is involved in each of the internal control systems you have listed in 2(a),   (3 Marks Each)

QUESTION THREE

Internal Control Activities can be divided into two categories namely Preventive and Detective;

Required;

   a) Define what you understand by internal control activities   (3 Marks)
   b) Distinguish between Preventive and Detective internal control activities.   (8 Marks)
   c) Give at least three examples of control that can be applied to data when operating a computer   (2 Marks Each)
   d) What is the function of interface control in a system   (3 Marks)

QUESTION FOUR

Most Organizations invest much money in acquiring computer hardware and software. The area which has not been given much attention is control of computer crime.

a) State what you understand by the term computer crime   (2 Marks)

b) List five major types of computer crime   (2 Marks Each)

c) Illustrate by aid of a diagram threecomponents of any major system   (3Marks)

d) State the relationship of Data, Information and Results to justify the function of three major components of any system   (3 Marks)

e) Any Major system has three components but, basic data processing system has five components. List the five components of basic data processing system   (2 Marks)

QUESTION FIVE

You have been hired by audit firm in the department of computer systems control.

a)   State by giving examples of five most Common Computer Crimes you would bekeen to control.   (2 Marks Each)

b) List four reasons why Computer Crimes are difficult toprosecute.   (2 Marks Each)

c)   Some fraud happen because of pressure such as job related, opportunity andrationalization List at least two reasons resulting from financial pressures?   (2 Marks)