

CFE ORIENTATION PRACTICE TEST (SAMPLE)

STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which of the following is an example of a BMP?**
 - A. Over-irrigation of fields
 - B. Crop rotation
 - C. Monocropping without soil conservation
 - D. Dumping manure directly into a lake

- 2. Which of the following is an example of a genetically modified organism?**
 - A. Organic strawberries
 - B. Non-GMO corn
 - C. Wild-type tomatoes
 - D. Glo fish

- 3. In healthcare fraud indicators, what does 'upcoding' mean?**
 - A. Billing for a higher level of service than provided
 - B. Coding for a service not performed
 - C. Delaying claims submission
 - D. Splitting one service into multiple claims

- 4. Which item is primarily a measuring instrument?**
 - A. Hammer
 - B. Screwdriver
 - C. Chisel
 - D. Tape measurer, rule tape

- 5. Which legal sources govern fraud cases?**
 - A. Circulars, executive orders, and opinions
 - B. Statutes (criminal and civil), case law (precedents), regulatory guidance and standards; agency rules
 - C. International treaties only
 - D. Company policies and internal memos only

- 6. Which statement best describes fictitious revenue in fraud?**
 - A. Recording revenue when cash has not yet been received
 - B. Recognizing revenue from returns
 - C. Creating revenue that did not exist
 - D. Reducing revenue to show lower profit

- 7. Which practice illustrates recording fictitious revenue?**
- A. Recording revenue from non-existent sales supported by fake invoices.
 - B. Recording revenue only when cash is received and goods delivered.
 - C. Recording revenue for consignment sales without checking terms.
 - D. Recording refunds as revenue.
- 8. Which production area is associated with citrus and greenhouse production?**
- A. Grapes
 - B. Dairy
 - C. Wheat
 - D. Citrus and greenhouse
- 9. What is whistleblower protection and why is it important?**
- A. A policy that only protects external reporters.
 - B. A policy that subjects whistleblowers to retaliation.
 - C. A mechanism to silence concerns before they become fraud.
 - D. Legal protections for individuals reporting fraud; essential for uncovering misconduct.
- 10. Which set of techniques constitutes effective interviewing in fraud investigations?**
- A. Yes/no questions, rapid interrogation, leading questions, and not recording responses
 - B. Open-ended questions, cognitive interviewing, avoiding leading questions, building rapport, and documenting responses
 - C. Relying on documents and avoiding questions
 - D. Reading body language only

Answers

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1. B
2. D
3. B
4. D
5. B
6. C
7. A
8. D
9. D
10. B

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Explanations

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1. Which of the following is an example of a BMP?

- A. Over-irrigation of fields
- B. Crop rotation**
- C. Monocropping without soil conservation
- D. Dumping manure directly into a lake

Best Management Practices are practical, science-based methods farmers use to protect soil, water, and resources while maintaining productivity. Crop rotation fits this idea well because it alternates crops to improve soil structure and fertility, reduce pest and disease pressure, and lessen the need for chemical inputs. By changing what's grown in a field over time, you boost organic matter, enhance soil health, and reduce erosion and nutrient losses, which are key goals of BMPs. Over-irrigation wastes water and often causes runoff that carries nutrients and sediments into waterways, undermining water quality. Monocropping without soil conservation wears out the soil, increasing erosion and nutrient depletion. Dumping manure directly into a lake causes pollution and eutrophication, clearly not a best management practice.

2. Which of the following is an example of a genetically modified organism?

- A. Organic strawberries
- B. Non-GMO corn
- C. Wild-type tomatoes
- D. Glo fish**

Genetic modification means changing an organism's DNA to add a trait that wouldn't occur naturally. GloFish are engineered to carry a fluorescent protein gene from jellyfish (and sometimes coral) that makes them glow under certain light. That direct insertion of foreign DNA to create a new trait is what makes them a genetically modified organism. The other options describe organisms that are not engineered: organic strawberries are grown under organic farming standards and are not inherently modified; non-GMO corn is specifically not genetically altered; wild-type tomatoes are naturally occurring and unmodified. So the glowing fish is the example that involves actual genetic engineering.

3. In healthcare fraud indicators, what does 'upcoding' mean?

- A. Billing for a higher level of service than provided
- B. Coding for a service not performed**
- C. Delaying claims submission
- D. Splitting one service into multiple claims

Upcoding means billing for a higher level of service than was actually provided or documented. It seeks more reimbursement by misrepresenting how complex or extensive the care was. For example, coding a level 4 office visit when the record supports only a level 2 or level 3 visit. This inflates payments and is considered fraudulent. It's a different issue from coding for a service not performed (false or phantom billing) and from delaying claims submission or splitting one service into multiple claims, which are separate fraud schemes with different aims.

4. Which item is primarily a measuring instrument?

- A. Hammer
- B. Screwdriver
- C. Chisel
- D. Tape measurer, rule tape**

Measuring instruments are tools used to determine size or length. A tape measure (and a ruler) is designed to quantify dimensions, making it the primary measuring instrument here. The hammer's job is to drive nails, the screwdriver turns screws, and the chisel cuts or shapes material. Since its main function is to measure rather than fasten or cut, the measuring tool is the best fit.

5. Which legal sources govern fraud cases?

- A. Circulars, executive orders, and opinions
- B. Statutes (criminal and civil), case law (precedents), regulatory guidance and standards; agency rules**
- C. International treaties only
- D. Company policies and internal memos only

The main idea here is that fraud cases are built from a mix of formal legal authorities that create, interpret, and enforce the law. Statutes establish criminal offenses and civil liabilities related to fraud, giving the rules that must be followed and the penalties for violations. Case law then interprets those statutes, shaping how elements like intent, deception, and harm are proven in different fact patterns and setting precedents for future cases. Regulatory guidance and standards, along with agency rules, translate statutes into practical rules for enforcement, investigation, and compliance, showing how agencies expect conduct to meet legal requirements and what standards must be met. International treaties matter only if a country has implemented them into domestic law, so they're not the broad governing source on fraud by themselves. Internal company policies and memos aren't controlling law in the courts, though they can reflect best practices or be used as evidence of a party's conduct. That combination—statutes, case law, regulatory guidance and standards, and agency rules—best explains the legal framework governing fraud cases.

6. Which statement best describes fictitious revenue in fraud?

- A. Recording revenue when cash has not yet been received
- B. Recognizing revenue from returns
- C. Creating revenue that did not exist**
- D. Reducing revenue to show lower profit

Fictitious revenue means inflating earnings by inventing sales that never actually occurred. The statement that best describes this is creating revenue that did not exist, because it directly captures the act of reporting fake sales to deceive readers of the financial statements. In fraud schemes, this can involve fake customers, fake invoices, or phantom shipments, all aimed at boosting reported revenue and assets. Recording revenue before cash is received is about timing in revenue recognition and can be legitimate under proper conditions when the revenue is earned and collection is reasonably assured; it's not, by itself, about creating revenue. Recognizing revenue from returns relates to how sales that may be reversed are accounted for, which is a different issue about adjusting revenue for eventual reversals. Reducing revenue to show lower profit describes understating earnings, not fabricating new revenue.

7. Which practice illustrates recording fictitious revenue?

- A. Recording revenue from non-existent sales supported by fake invoices.**
- B. Recording revenue only when cash is received and goods delivered.
- C. Recording revenue for consignment sales without checking terms.
- D. Recording refunds as revenue.

Recording revenue from non-existent sales supported by fake invoices is a clear example of fictitious revenue. It involves creating fraudulent documents to make it look like a sale occurred when no real transaction happened, inflating earnings and accounts receivable. This violates how revenue should be earned and supported, relying on verifiable evidence such as valid contracts, actual delivery or performance, and collectible payments. In practice, auditors check consistency among sales orders, shipping records, invoices, and cash receipts to guard against this kind of fraud. By contrast, recognizing revenue only when cash is received and goods are delivered reflects a cautious approach to timing and may be legitimate under certain accounting methods, but it doesn't inherently involve false sales. Recording revenue for consignment sales without checking terms introduces risk of improper recognition, but it's not the same as recording revenue for non-existent sales. Recording refunds as revenue is the opposite of proper treatment and would misstate results, since refunds reduce revenue rather than increase it.

8. Which production area is associated with citrus and greenhouse production?

- A. Grapes
- B. Dairy
- C. Wheat
- D. Citrus and greenhouse**

The production area being tested here is horticulture. Greenhouse production is a hallmark of horticulture because it involves growing crops in controlled environments, and citrus is a crop commonly produced in greenhouses to optimize climate, protect against pests, and improve fruit quality and yield. The other options point to different sectors—dairy is animal production, wheat is field crop production, and grapes are a crop but don't inherently highlight the protected-environment approach that defines this combination. So, citrus and greenhouse clearly align with horticultural production.

9. What is whistleblower protection and why is it important?

- A. A policy that only protects external reporters.
- B. A policy that subjects whistleblowers to retaliation.
- C. A mechanism to silence concerns before they become fraud.
- D. Legal protections for individuals reporting fraud; essential for uncovering misconduct.**

Whistleblower protection means legal safeguards that shield individuals who report fraud, waste, or misconduct from retaliation. This protection is essential because it lowers the fear of losing a job, being demoted, or facing other punitive actions when speaking up about potential wrongdoing. By providing anti-retaliation rules, confidentiality, and channels for safe reporting, these protections create a safer path for concerns to be raised and investigated, helping uncover misconduct and strengthen organizational integrity. Descriptions that limit protection to external reporters miss the broader scope, and portraying retaliation as acceptable or describing protection as a mechanism to silence concerns both miss the true purpose of encouraging and safeguarding responsible reporting.

10. Which set of techniques constitutes effective interviewing in fraud investigations?

- A. Yes/no questions, rapid interrogation, leading questions, and not recording responses
- B. Open-ended questions, cognitive interviewing, avoiding leading questions, building rapport, and documenting responses**
- C. Relying on documents and avoiding questions
- D. Reading body language only

Effective interviewing in fraud investigations hinges on gathering reliable, detailed information while minimizing bias. Open-ended questions invite the interviewee to describe events in their own words, yielding richer timelines and specifics than yes/no prompts. Cognitive interviewing helps improve memory retrieval by techniques that encourage more complete and accurate recounting. Avoiding leading questions prevents steering answers and keeps responses grounded in the interviewee's actual knowledge. Building rapport reduces defensiveness and fosters honesty, making it more likely that information shared is forthcoming and accurate. Documenting responses creates an auditable, preserveable record that supports the evidence and can be reviewed later. This combination—open-ended questioning, memory-enhancing interviewing techniques, avoiding biasing questions, building trust, and thorough documentation—constitutes the most effective approach for fraud investigations. The other approaches fall short because they rely on pressure, shortcuts, or single cues like body language, which can mislead or miss critical details and do not produce a reliable, verifiable account.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://cfeorientation.examzify.com>

We wish you the very best on your exam journey. You've got this!

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