# CFI 100 CERTIFYING OFFICER AND ACCOUNTABLE OFFICIAL COURSE 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

**1. What does CRA stand for in this context?**

A. Current Revenue Allocation

B. Continuing Resolution Authority

C. Contract Reallocation Act

D. Credit Review Administration

**2. Which practice is essential for protecting personal identifying information (PII) in grant management?**

A. Publicly posting all data for transparency.

B. Protecting PII in accordance with policy.

C. Disabling encryption to speed access.

D. Sharing passwords among staff.

**3. How long should grant-related records be retained?**

A. 1 year.

B. Until the grant is closed.

C. Permanently.

D. Usually 3-7 years after final closeout or as required by the sponsor or applicable laws.

**4. Which statement best describes a Certifying Officer's primary responsibility?**

A. Certifying vouchers for payment after ensuring propriety and funding availability

B. Managing vendor relationships

C. Auditing payroll

D. Approving all procurement contracts

**5. When are cost transfers permitted and what controls exist?**

A. Cost transfers are allowed to reallocate funds between projects.

B. Cost transfers are prohibited once funds are obligated.

C. Cost transfers are allowed to correct errors; require justification, timely processing, and prior approvals if co-mingled with ineligible costs.

D. Cost transfers require only supervisor notification with no documentation.

**6. How should procurement disputes be resolved?**

A. Follow the dispute resolution process outlined in the procurement policy, including documentation and escalation.

B. Disputes should be settled by the grant administrator alone.

C. Disputes must be escalated to the deputy director with no documentation.

D. Disputes can be ignored if not resolved within 30 days.

**7. What is the lowest level of accountability where items with the exact same fund citation are differentiated in the accounting system?**

A. General Ledger

B. Document Summary Records (DSRs)

C. Trial Balance

D. Sub-ledger

**8. Which funds can be used for new obligations under the Bona fide needs rule?**

A. Current

B. Anticipated

C. Expired

D. Depleted

**9. Which factor should guide decision-making when complex costs arise?**

A. The most favorable invoice amount.

B. The easiest to justify amount.

C. Regulatory requirements, project context, reasonableness, and documentary support.

D. The auditor's preferred method.

**10. The three main elements that must be met before funds can be obligated are:**

A. Purpose, Time, and Amount

B. Source, Time, and Amount

C. Purpose, Amount, and Risk

D. Time, Purpose, and Oversight

## Answers

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

# Explanations

## 1. What does CRA stand for in this context?

A. Current Revenue Allocation

B. Continuing Resolution Authority

C. Contract Reallocation Act

D. Credit Review Administration

*Continuing Resolution Authority refers to the government's ability to keep funding operations at current levels when new appropriation bills haven't been enacted yet. It acts as a temporary stopgap that allows agencies to continue spending money to pay for programs and services, preventing a disruption or shutdown while Congress finalizes budget legislation. The other phrases aren't recognized budgeting terms for this concept and wouldn't describe the mechanism that keeps agency activities funded during funding gaps.*

## 2. Which practice is essential for protecting personal identifying information (PII) in grant management?

A. Publicly posting all data for transparency.

B. Protecting PII in accordance with policy.

C. Disabling encryption to speed access.

D. Sharing passwords among staff.

*Protecting PII in accordance with policy is the essential practice because grant management involves handling sensitive information about applicants, recipients, and partners. Following established policy ensures privacy protections, regulatory compliance, and reduces the risk of data breaches that can harm individuals, undermine trust, and trigger audit findings. PII includes names, addresses, identifiers like SSNs or Tax IDs, financial data, and grant-related details; handling this data with need-to-know access, encryption, secure transmission, proper retention and destruction, and trained staff keeps it secure throughout the grant lifecycle. Aligning practice with policy balances transparency goals with privacy obligations and maintains the integrity of the grant process. Publicly posting data exposes PII; turning off encryption makes data vulnerable; sharing passwords among staff is unsafe and erodes accountability and security controls.*

## 3. How long should grant-related records be retained?

A. 1 year.

B. Until the grant is closed.

C. Permanently.

D. Usually 3-7 years after final closeout or as required by the sponsor or applicable laws.

*Grant-related records are kept long enough to document how funds were spent and to support audits, closeout actions, and any potential inquiries after the grant ends. The standard practice is to retain these records for usually 3 to 7 years after final closeout, or longer if the sponsor requires it or if laws mandate a longer period. This window covers the typical audit and review timeline that can surface after a grant is closed, ensuring there's a complete, auditable trail for expenditures, compliance, and program progress. Shorter retention, like one year, risks losing crucial documentation needed to defend expenditures or resolve questions. Keeping records permanently is unnecessary in most cases unless a specific legal or sponsor obligation dictates it.*

## 4. Which statement best describes a Certifying Officer's primary responsibility?

A. Certifying vouchers for payment after ensuring propriety and funding availability

B. Managing vendor relationships

C. Auditing payroll

D. Approving all procurement contracts

*Certifying officers verify that every disbursement is proper and payable from the government's authorized funds. The primary duty is to sign or certify vouchers for payment only after confirming two essential things: the goods or services were received and meet applicable rules (propriety), and there is funding available to cover the payment (funding availability). This role creates fiscal accountability, ensuring payments are legitimate, supported, and within budget, and prevents improper or unfunded disbursements. Tasks like managing vendor relationships, auditing payroll, or approving all procurement contracts involve procurement, payroll oversight, or contracting authority, rather than the core duty of certifying that a payment request is valid and funded.*

## 5. When are cost transfers permitted and what controls exist?

A. Cost transfers are allowed to reallocate funds between projects.

B. Cost transfers are prohibited once funds are obligated.

C. Cost transfers are allowed to correct errors; require justification, timely processing, and prior approvals if co-mingled with ineligible costs.

D. Cost transfers require only supervisor notification with no documentation.

*Cost transfers are a mechanism to keep financial records accurate by correcting errors in how costs were charged. The key is that any transfer must be properly justified and processed in a timely manner so the accounting remains current and auditable. If a transfer would mix eligible and ineligible costs, or otherwise obscure proper compliance, it requires prior approvals before proceeding. This approach prevents using transfers as a loophole to reallocate funds freely or to mask ineligible charges, and it emphasizes the need for documentation and oversight rather than just informal notification.*

## 6. How should procurement disputes be resolved?

A. Follow the dispute resolution process outlined in the procurement policy, including documentation and escalation.

B. Disputes should be settled by the grant administrator alone.

C. Disputes must be escalated to the deputy director with no documentation.

D. Disputes can be ignored if not resolved within 30 days.

*Disputes should be resolved through the procurement policy's defined dispute-resolution process, with proper documentation and escalation. This approach provides a consistent, auditable path, ensuring the issue is handled by the right people and within the established timelines. Keeping a thorough record of what happened, who was involved, the actions taken, and the rationale protects everyone and supports accountability and compliance with funding rules. Escalation ensures that more complex or unresolved matters receive appropriate oversight, preventing unilateral, potentially biased decisions. Relying on the grant administrator alone bypasses required governance and can lead to inconsistent outcomes. Skipping documentation or moving issues up without records undermines accountability. Ignoring disputes or letting them lapse due to a time-based expectation violates due process and exposes the program to risks. Following the policy with documentation and proper escalation is the responsible course.*

## 7. What is the lowest level of accountability where items with the exact same fund citation are differentiated in the accounting system?

A. General Ledger

B. Document Summary Records (DSRs)

C. Trial Balance

D. Sub-ledger

*Document Summary Records hold the accounting details for each individual document and tie that information to the exact fund citation. This makes them the lowest level where items sharing the same fund code can be distinguished, because the DSR records carry the unique document identification along with amounts and dates, preserving source-level detail before any posting to higher-level ledgers. The general ledger aggregates activity by account and period, losing the document-by-document granularity. A sub-ledger provides detailed records for a specific control account, but its focus is on that account rather than differentiating every single fund-coded item across the system. The trial balance sums the general ledger, offering no additional differentiation beyond balances. So, the lowest level of accountability for distinguishing items with the same fund citation is the Document Summary Record.*

## 8. Which funds can be used for new obligations under the Bona fide needs rule?

A. Current

B. Anticipated

C. Expired

D. Depleted

*New obligations must be funded with current funds, meaning funds that are actually available for obligation during the appropriation period. The Bona fide needs rule requires that obligations reflect a legitimate need in the period of availability, so funds that are only anticipated or not yet available cannot lawfully cover new obligations. Expired funds have passed their period of availability and aren't generally usable for new obligations, unless a specific authority applies. Depleted funds have no remaining balance to commit to new obligations. Therefore, the funds that satisfy the Bona fide needs rule are current funds—funds available now for obligation.*

## 9. Which factor should guide decision-making when complex costs arise?

A. The most favorable invoice amount.

B. The easiest to justify amount.

C. Regulatory requirements, project context, reasonableness, and documentary support.

D. The auditor's preferred method.

*When complex costs arise, decision-making should be guided by regulatory requirements, project context, reasonableness, and documentary support. This ensures charges comply with applicable rules, fit the specific work being funded, are sensible given expectations for similar costs, and have a solid audit trail. Regulatory requirements provide the framework for what is allowable and how costs should be allocated. Project context ensures the costs align with the activities actually performed and the objectives of the project. Reasonableness acts as a guardrail against outlandish or inflated charges, while documentary support gives verifiable documentation—contracts, invoices, timesheets, and other records—that justify the decision. Chasing the most favorable invoice amount or choosing whatever is easiest to justify can undermine compliance and auditability, and deferring to an auditor's preferred method may ignore regulatory standards and the specifics of the project. The best approach keeps decisions grounded in the regulations, the realities of the project, and solid documentation.*

## 10. The three main elements that must be met before funds can be obligated are:

A. Purpose, Time, and Amount

B. Source, Time, and Amount

C. Purpose, Amount, and Risk

D. Time, Purpose, and Oversight

*Before funds can be obligated, you must verify three things: the purpose is authorized by the appropriation and program, the funds are still available within their period of availability, and there is enough unobligated balance to cover the obligation. The purpose check ensures the spending aligns with what the program is allowed to do; the time check prevents committing money after the appropriation has expired or become unavailable; and the amount check stops you from obligating more than what remains in the appropriation. These three together guard against improper spending, expired funds, or over-commitment. Other elements like the fund source or additional controls such as risk or oversight are important for broader financial management, but they don't replace these three prerequisites for an obligation.*

# 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://cfi100.examzify.com

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