



Association of Certified Fraud Examiners
South Africa Chapter

PROFESSIONAL STANDARDS

I. Preamble

The Association of Certified Fraud Examiners is an association of professionals committed to performing at the highest level of ethical conduct. Members of the Association pledge themselves to act with integrity and to perform their work in a professional manner.

Members have a professional responsibility to their clients, to the public interest and each other; a responsibility that requires subordinating self-interest to the interests of those served.

These standards express basic principles of ethical behavior to guide members in the fulfilling of their duties and obligations. By following these standards, all Certified Fraud Examiners shall be expected, and all Associate members shall strive to demonstrate their commitment to excellence in service and professional conduct.

II. Applicability of Code

The CFE Code of Professional Standards shall apply to all members and all Associate members of the Association of Certified Fraud Examiners. The use of the word “member” or “members” in this Code shall refer to Associate members as well as regular members of the Association of Certified Fraud Examiners.

III. Standards of Professional Conduct

A. Integrity and Objectivity

1. Members shall conduct themselves with integrity, knowing that public trust is founded on integrity. Members shall not sacrifice integrity to serve the client, their employer or the public interest.

2. Prior to accepting the fraud examination, members shall investigate for potential conflicts of interest. Members shall disclose any potential conflicts of interest to prospective clients who retain them or their employer.

3. Members shall maintain objectivity in discharging their professional responsibilities within the scope of the engagement.

4. Members shall not commit discreditable acts, and shall always conduct themselves in the best interests of the reputation of the profession.

5. Members shall not knowingly make a false statement when testifying in a court of law or other dispute resolution forum. Members shall comply with lawful orders of the courts or other dispute resolution bodies. Members shall not commit criminal acts or knowingly induce others to do so.

B. Professional Competence

1. Members shall be competent and shall not accept assignments where this competence is lacking. In some circumstances, it may be possible to meet the requirement for professional competence by use of consultation or referral.

2. Members shall maintain the minimum program of continuing professional education required by the Association of Certified Fraud Examiners. A commitment to professionalism combining education and experience shall continue throughout the member's professional career. Members shall continually strive to increase the competence and effectiveness of their professional services.

C. Due Professional Care

1. Members shall exercise due professional care in the performance of their services. Due professional care requires diligence, critical analysis and professional skepticism in discharging professional responsibilities.

2. Conclusions shall be supported with evidence that is relevant, competent and sufficient.

3. Members' professional services shall be adequately planned. Planning controls the performance of a fraud examination from inception through completion and involves developing strategies and objectives for performing the services.

4. Work performed by assistants on a fraud examination shall be adequately supervised. The extent of supervision required varies depending on the complexities of the work and the qualifications of the assistants.

D. Understanding with Client or Employer

1. At the beginning of a fraud examination, members shall reach an understanding with those retaining them (client or employer) about the scope and limitations of the fraud examination and the responsibilities of all parties involved.

2. Whenever the scope or limitations of a fraud examination or the responsibilities of the parties change significantly, a new understanding shall be reached with the client or employer.

E. Communication with Client or Employer

1. Members shall communicate to those who retained them (client or employer) significant findings made during the normal course of the fraud examination.

F. Confidentiality

1. Members shall not disclose confidential or privileged information obtained during the course of the fraud examination without the express permission of proper authority or order of a court. This requirement does not preclude professional practice or investigative body reviews as long as the reviewing organization agrees to abide by the confidentiality restrictions.

IV. Standards of Examination

A. Fraud Examinations

1. Fraud examinations shall be conducted in a legal, professional and thorough manner. The fraud examiner's objective shall be to obtain evidence and information that is complete, reliable and relevant.
2. Members shall establish predication and scope priorities at the outset of a fraud examination and continuously reevaluate them as the examination proceeds. Members shall strive for efficiency in their examination.
3. Members shall be alert to the possibility of conjecture, unsubstantiated opinion and bias of witnesses and others. Members shall consider both exculpatory and inculpatory evidence.

B. Evidence

1. Members shall endeavor to establish effective control and management procedures for documents. Members shall be cognizant of the chain of custody including origin, possession and disposition of relevant evidence and material. Members shall strive to preserve the integrity of relevant evidence and material.
2. Members' work product may vary with the circumstances of each fraud examination. The extent of documentation shall be subject to the needs and objectives of the client or employer.

V. Standards of Reporting

A. General

1. Members' reports may be oral or written, including fact witness and/or expert witness testimony, and may take many different forms. There is no single structure or format that is prescribed for a member's report; however, the report should not be misleading.

B. Report Content

1. Members' reports shall contain only information based on data that are sufficient and relevant to support the facts, conclusions, opinions and/or recommendations related to the fraud examination. The report shall be confined to subject matter, principles and methodologies within the member's area of knowledge, skill, experience, training or education.
2. No opinion shall be expressed regarding the legal guilt or innocence of any person or party.