



Association of Certified Fraud Examiners

Introduction: The Forensic Standard Forum

The aim of the forensic forum under the auspices of the ACFE SA is to standardise and regulate forensics methodologies employed during forensic investigations, which are carried out in conjunction with criminal or civil legislation. Such investigations include almost all disciplines and practices involved.

It is instrumental to lead the way in terms of setting standards in all the disciplines of forensics applied during any given investigation and although there are well known and international standards in most of the disciplines, some changes may be required to address the situation in South Africa and Africa in the context of our own environments and applicable legislation and/or legal systems and frameworks.

Forensic scientists and criminal investigators need to be guided with acceptable standards and procedures for carrying out such examinations. Although the ACFE refers to “certified fraud examiners” it recognises the fact that a strong association exists with forensic examiners and practitioners. All forensic disciplines will accordingly be included in the Forensic Science forum.

The ACFE SA Chapter: Background:

The need to raise the standard of fraud examination in South Africa and for a professional body which was not limited to a specific profession such as accounting or law resulted in the establishment of a local chapter with the mission to provide a community environment in which local forensic examination practitioners can associate. Local membership provides many benefits including: a network of experienced professionals; a training framework for practitioners with “how to” guidance, technical updates and ethical standards; regular discussion forums on issues relevant to the local environment; annual workshops on fraud examinations; and a video library with case studies. This chapter is a collection of individuals in South Africa from all industries and professionals, who all have a single goal in mind; the reduction of white-collar crime in South Africa.

ACFE Professional Standards - www.acfesa.co.za

Preamble of the ACFE SA

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 behaviour 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 another 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 scepticism 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 re-evaluate 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 endeavour 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.

1. Forensic Standard Forum

Introduction:

The list of forensic standards and guidelines needs to be dictated to by discipline specific specialists. To assist members of the standards forum to implement standards, qualification and ethics, it would be beneficial to standardise the input required in order to build the framework across all disciplines.

1.1 Discipline Title: Voice Stress Veracity Assessments.

1.2 Description: Truthtec. Inc. Technologies [Diogenes Company USA] Investigative Tool enabling computerised analysis of the presence of stress levels depicted on printed voice-charts. Short Title VSA [Voce Stress Analysis]

1.3 Purpose: The main purpose of this application is to serve as a "truth Verification" exercise in that when correctly applied investigators will be guided to focus their investigations in a specific direction. Additional applications of the VSA system is to conduct pre-employment interviews to determine the authenticity of presented CV's; drug abuse; criminal records as well as general veracity of company employees.

- 1.4 Application: The VSA System is non-intrusive and user friendly. The correct and proper application will enable the analyst and investigator to identify untruths and inaccuracies in verbal responses of persons under investigation or scrutiny.
- 1.5 Skills: analysts conducting field assessment interviews need to be highly skilled in interviewing techniques, proper report writing and computer literacy.

2 Criminalistics

Legislation and or Common-Law practices in South Africa that impacts on the VSA application.

No regulatory Laws forbidding the application of truth verification technology have yet to be promulgated.

Judicial and Quasi-Judicial [CCMA] processes have allowed evidence of this nature. It is however required that assessment finding be supported by additional objective facts.

Regulations that can protect the human rights of persons assessed are inter alia the following:

- 2.1 The Constitution RSA [Act 108 of 1996], and
- 2.2 Chapter Two Sec 10 [Dignity & Respect]
- 2.3 Chapter Two Sec. 12. [Freedom and security of the person]
- 2.4 Chapter Two Sec 14 [Privacy]
- 2.5 Chapter Two Sec. 35. R/W Sec. 36. [Arrested detained & accused persons] [Limitations]
- 2.6 Act 51 /1977: Criminal Procedure act: Sections regulating the administration of the Criminal Justice System in the RSA.
- 2.7 South African Labour Relations Act 66/1995 Including Basic Conditions of employment act
- 2.8 Prevention of Corruption Act: 12/2004
- 2.9 Human Rights Commission Act 56/1996
- 2.10 Regulation of interception of communication and provision of communication-related information Act 70/2002
- 2.11 Protection of Personal Information Act No. 4 of 2013
- 2.12 Promotion of Access to Information Act No 2 of 2000
- 2.13 King-IV, for ethical leadership and good corporate governance.

2. Ethics in Administration

National and international ethics for the forensic discipline.

It is mandatory for every VSA Analyst abides by the ACFE code of ethics and abides by the following principles;

- 3.1. All 'subjects' [persons subjected to assessment] are to be treated in a humane and dignified manner.
- 3.2. No 'subject' may be deprived of the right to refuse to undergo assessment.
- 3.3. Subjects are to be properly briefed on the process that will be followed.
- 3.4. At all times, Assessment Results and Findings must be regarded as highly confidential company matters. Access to the results must be limited to the client or his appointed official. In this regard ACFE Professional Standards "F" Confidentiality is a non-negotiable prescriptive.
- 3.5. Analysts must take all precautions to ensure that assessment results are accurate and reliable.

- 3.6. When in doubt VSA analysts are compelled to forward the 'voice-file' to an equally qualified analyst to obtain a 'second opinion'.
- 3.7. Analysts must always remain objective and may not allow being influenced by outside subjective factors. [Passage gossip/ suspicions] or in any manner influenced to intimidate subjects.
- 3.8. Assessment findings are only to be made after proper analysis and reduced to writing as soon as possible.
- 3.9. VSA Analysts must have policies and procedures in place to ensure that 'voice-files and findings' are secured in such a manner that the information remains confidential.
- 3.10. If the subject shares information with the analyst regarding other matters adversely impacting on client's business, the analyst is obliged to share that information with the client.
- 3.11. When called upon to testify regarding a specific assessment, every VSA Analyst will avail himself to do so and be properly prepared to enlighten the hearing/court as to the functionality of the VSA system and reasons for arriving at findings.

4. Examiner Education and Training

Minimum Qualification, Experience, Compliance requirements and operational requirements to be qualified and certified as a VSA Analyst:

- 4.1 Grade 12 [Matric]
- 4.2 Sound knowledge and experience of Civil and Criminal Procedure Legislation.
- 4.3 Experienced in procedures and presenting evidence and findings during judicial proceedings. [South African Law of Evidence- Hoffman & Zeffert]
- 4.4 Certified and trained by Truth & Deception Technology Inc. [USA]
- 4.5 "Standardized Lantern VSA Training"
- 4.6 "Diogenes training is approved and certified through an accreditation process by.
- 4.7 The International Society of Stress Analysts (ISSA) The preparation to be certified as a Diogenes Voice Stress Analyst Examiner includes an intensive basic course, during which the VSA basis in Physiology is presented. The examiner will be systematically trained in the uses of the Diogenes Company's instruments and software. Testing protocols are studied. Extensive practice sessions on reading classic VSA voice-signatures [voice charts] are conducted. A final examination is administered to measure achievement in understanding and proficiency in the material presented."
"All authorized Diogenes training sessions conducted world-wide will follow the same ISSA certified approach to training. All such courses will closely follow the organization of this manual to ensure maintenance of the objective standard and thoroughness required of such specialized training."
[Manual- TRUTHTEC INC., a DIOGENES COMPANY 1998-2007]
- 4.8 Sound knowledge of interviewing, crime investigation techniques and the physiological stress indicators of the human body
- 4.9 Training and utilising reliable and accurate electronic technical equipment.
- 4.10 Proven record of reliability, objectivity and professionalism.

5. Minimum knowledge and skills

Formal education, technical and legal certification as well as experience required in the specific forensic discipline.

- 5.1. The USA government requirements are that prior to training and or certification of an VSA analyst, the individual must be Vetted by officials at the US Embassy in Pretoria [Background checks] and furthermore subject to approval by the USA Government Intelligence Agencies.
- 5.2. Competency Certification must be conducted by approved and appointed training officials of the institution.
- 5.3. Basic computer literacy.
- 5.4. Interviewing of suspects and witnesses.
- 5.5. Compiling reports
- 5.6. Well-developed and strong analytical skills

6. Forensic Process

Description of the general acceptable practice in the specific forensic discipline - nationally and internationally.

- 6.1. Detailed briefing by Client with the view to properly understand client's needs and expectations.
- 6.2. Briefing client and explaining the processes, methodology and technology.
- 6.3. Discuss and decide on which questionnaire protocol and what critical questions to be included in the assessment interview. [MZOC-14: Truth vs. Lie: POT] and what the relevant questions to be asked should be. [do you know who; did you; did you plan; did you sell etc.]
- 6.4. Selection of a suitable interview facility. In this regard, particular attention to be paid to the presence of 'white-noise' and other factors that could have an adverse impact on sophisticated electronic equipment. [detail set out in training manual]
- 6.5. Meeting and interviewing the subject:
 - 6.5.1. Pre-Test interview; discussing the event and recording subject's version of events. The Analyst must ensure that the subject be as relaxed as possible taking into consideration that the more relaxed the subject is, the more accurate the results will be. [Homeostasis]
 - 6.5.2. Enlighten subject as to the entire process and procedure of the assessment and answer all questions raised by the subject.
 - 6.5.3. Explain the equipment visible to the subject. [When conducting VSA assessments the equipment will comprise of a digital voice recorder the questionnaire and a pen]
 - 6.5.4. Discuss the questions listed on the questionnaire ensuring that the subject understands the questions and if required an interpreter be called to assist.
 - 6.5.5. When all is set the assessment interview commences. Questions are put in accordance with prescribed methodology adhering to the cadence rule.
 - 6.5.6. Upon completion of the interview it is advisable to playback the recording ensuring that it is of high quality and confirmation by the subject that all questions were correctly understood.
- 6.6. Analysis Procedure:
 - 6.6.1. The recorded voice-file is transferred to the computer and converted to a WAV- file.

- 6.6.2. The analyst is capable of electronically forwarding the voice-file to another VSA analyst for analysis.
 - 6.6.3. Applying the Truthtec computer software, the posed question as well as subject's response is depicted on the computer screen as an audiogram ['Voice-Chart'] and termed a "voice- signature."
 - 6.6.4. The text is added to the response which is then saved to the printer.
 - 6.6.5. Once all the questions posed are saved to the printer, the document depicting all the voice-signatures is printed.
 - 6.6.6. The analyst thereafter, adhering to procedures manually calculates the percentage of stress depicted on every voice-chart.
 - 6.6.7. The analyst critically compares the stress depicted and derives at a finding.
 - 6.6.8. VSA Philosophy has it that a 'DI' finding pertaining to a relevant question is permissible in circumstances where the analyst is left without any doubt.
- 6.7. Report on Finding:
It must be born in mind that the analyst could at a later stage be required to testify at a disciplinary hearing; CCMA or criminal court. It is thus imperative that the report reflect objective findings and that the analysed voice-charts reflecting the stress levels as well as the recording be submitted as evidence.
Reports to the client must be submitted timeously.

7. Interdisciplinary Forensic Standards

National or International standards for the specific forensic discipline

Not with standing International Standards VSA Analysts practicing their trade in the RSA need to conform with the following:

- 7.1. ACFE SA membership [Affiliation or CFE] and alignment to its Code of Conduct.
- 7.2. Analysts be adequately trained and be in possession of a competency certificate.
- 7.3. Certification by licensee and or his/her appointed RSA representative with a proven track record of honesty and professionalism.
- 7.4. If the analyst conducts business in the form of a business enterprise, the business be properly registered in accordance with the Companies act.

8. Quality Control

Maintaining exact outcomes in terms of consistency, quality and succession

- 8.1. VSA Analysts may Interact with trained specialists capable of verifying analysis findings and results in a manner set out in 6.6.2 supra
- 8.2. Various questionnaire protocols are available to the VSA analyst enabling him/her to conduct a variety of assessment interviews and compare results. EEI- pre-employment; TVL- truth versus lie; POT peak of tension

9. Glossary of Terminology applicable

Terminology used with a short description of the meaning/reference in the specific forensic discipline.

- 9.1. Audiogram: A graphic representation of the processed VSA waveform. Also referred to as 'voice-chart' and 'voice signature'.
- 9.2. Control Question: A carefully posed question which induces a measurable reaction which can be used as a baseline stress level.
- 9.3. DI: Deception Indicated. Term describing test results, which indicate to the examiner that the subject is being untruthful regarding the responses to Relevant Questions.
- 9.4. EEI Essential Elements of Information. [Pre-Employment Assessments]
- 9.5. Homeostasis: This is the normal, conscious state of mind and body in which no direct jeopardy is present, and in which there is not complete relaxation and not excessive excitation.
- 9.6. IC: Irrelevant Control question designed to be irrelevant to the issues for which the test is being conducted.
- 9.7. NDI: No Deception Indicated. This is the analytical result that reports that a VSA subject appears to have been truthful in his responses to the Relevant Questions.
- 9.8. Questionnaire Protocols: Description of questionnaire document and sequences in which questions are to be put. [relevant; irrelevant; control and irrelevant control questions. eg. POT= Peak of Tension] [TVL- Truth Vs. Lie]
- 9.9. Subject: Individual undergoing veracity assessment.
- 9.10. White-Noise: Static- electricity caused by neon lights, air conditioner motors, radio transmitters, cellular telephone text messages even during 'silent-mode' and computer servers
- 9.11. Voice-File: digital voice recording of interview with subject.
- 9.12. VSA: Voice Stress Analysis.

10. Trademarks and copyright

Training material, protected in terms of trademarks and copyright.

- 10.1. Manuals: Copyright 1998-2004 The Diogenes Company, Inc
- 10.2. The Diogenes Company Lantern Pro Computer Software