

CFE UPDATE
November-December 2005

Chapter Board of Officers

President: Joseph R. Dervaes, CFE, CIA (360) 710-1545
Vice-Chair of ACFE Board of Directors, 2003 Cressey Fraud Lifetime Achievement Award Winner, ACFE Fellow, Regent Emeritus, and Distinguished Achievement Award Winner for 1995, Association of Certified Fraud Examiners; Audit Manager for Special Investigations, Washington State Auditor=s Office; and, Founding President, Pacific Northwest Chapter/ACFE. dervaesj@sao.wa.gov, Port Orchard, Washington

Vice-President and Training Director: Norman J. Gierlasinski, PhD, CFE, CPA, CIA
2002 ACFE Outstanding Achievement in Fraud Education Award Winner, and Distinguished Achievement Award Winner for 1996, Association of Certified Fraud Examiners; Professor of Accounting, Central Washington University (SeaTac Center) (206) 439-3800, Extension 3825. normanq@cwu.edu, SeaTac, Washington

Secretary-Treasurer: Roger B. Gulliver, CFE, CPA, CISA, CBA
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Director-At-Large: Robert A. Goehring, CFE, CPA
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Association and Chapter Fraud Training and Meeting Dates

Be sure to mark the following calendar year 2005 fraud training meetings on your personal schedule and plan to attend:

December 2, 2005 (Friday). Joint Chapter/WSCPA=s 9th Annual Fraud Conference at the SeaTac Marriott Hotel; 3201 South 176th Street, SeaTac (across the street and up the hill a short distance from SeaTac International

Airport). The registration fee for members of the WSCPA and the Pacific Northwest Chapter is \$195 for this conference. There is also a \$10 (estimated) daily parking fee if you drive your car and park in the hotel parking lot. Car pooling is recommended to reduce the nominal cost of parking. Registration and continental breakfast is at 7:30 a.m. The conference begins at 8:00 a.m. and ends at 5:00 p.m. Register directly with the WSCPA by calling 1-800-272-8273 (Bellevue, WA). The conference includes eight hours of continuing professional education credit. The WSCPA's web site is at www.wscpa.org. You must call the WSCPA to actually register for the conference at (425) 644-4800. Ask for Lisa Chin Iwata in the Education Department.

President Joe Dervaes and Vice-President Norm Gierlasinski will co-chair the 9th Annual Fraud Conference. The Chapter Board of Officers has completed its work and scheduled the following speakers and topics for the annual fraud conference:

The speaker for the 8:00 a.m.-10:00 a.m. session will be Ms. Sydney M. Diamond, CFE, CISSP. Sydney is the President of Diamond and Diamond, LLC. The title of her presentation is: **ASmall Business Security B Computer Access Control@**. Sydney specializes in preventing, detecting, and investigating computer fraud, and will be sharing facts with us from her soon to be published book on small business security.

The speaker for the 10:00 a.m.BNoon session will be Mr. Jim Cronin, CFE, MPA. Jim is a Specialized Investigator with Cronin and Associates in Mukilteo, WA. The title of his presentation is: **ASOnline Data and High Tech Tools for Fraud Investigation@**. Jim has lots of new investigative **Atoys@** to share with those who attend the Conference. Internet searches are his investigative specialty.

The speaker for the 1:00-3:00 p.m. session will be Ms. Linda L. Saunders, CFE, CPA, CGFM. Linda is the Owner of Forensic Accounting Consulting in Quilcene, WA. She is a former President and current Member of our CFE Chapter. The topic will be: **A Medical Case Study B Embezzlement and How to Correct It**. The presentation is a discussion of a case study that the speaker investigated about a current medical clinic embezzlement highlighting how the lack of proper internal controls allowed an employee to divert both checks and cash during her employment.

The speakers for the 3:00-5:00 p.m. session will be Ms. Suzanne Sarason and Ms. Leslie Pearsall, Investigators/Financial Examiners from the Washington State Department of Financial Institutions. The topic will be: **Ponzi Schemes**. The presentation is a discussion of a current case study about a recent Ponzi Scheme that speaker investigated in this state.

(1) Links to ACFE and Chapters

The Board of Officers has identified the following CFE Chapter web-sites that may be useful to our Members. Here they are:

Association of Certified Fraud Examiners B www.ACFE.com
Pacific Northwest Chapter/ACFE B www.fraud-examiners.org
Oregon Chapter/ACFE B www.oregon-acfe.org
Spokane Chapter/ACFE B www.spokane-fraud.org

(2) Additional Fraud Links

The Board of Officers provides the following additional links to its Chapter Members as a public service. Here are just a few of them:

Complaints about Internet Fraud may be filed with the Internet Fraud Complaint Center (www.ifccfbi.gov).

Complaints about e-mail and mail fraud may be filed with the U.S. Postal Inspection Service (www.usps.gov/postalinspectors). The primary use is for Nigerian (and other African countries) fraud e-mails or letters that are received. PS Form 8165 (Mail Fraud Report) lists many other uses as well. This form may be downloaded and then mailed to the U.S. Postal Inspection Service to file a complaint and submit the fraudulent document received. The mailing address is U.S. Postal Inspection Service, Inspection Service Support Group, 222 South Riverside Plaza, Suite 1250, Chicago, IL 60606-6100.

The U.S. Postal Inspection Service web-site lists additional links to the Better Business Bureau (www.bbb.org), county or state Office of Consumer Affairs (that=s the Washington Attorney General=s Consumer Protection Division at www.wa.gov/ago or nationally at www.naaq.org), and the Chamber of Commerce.

Identity Theft links are at the Identity Theft Unit sponsored by the Washington State Patrol and the Washington State Department of Licensing at www.dol.wa.gov); www.idtheftcenter.org; www.consumersunion.org; and www.consumer.gov/idtheft.

(3) Association News

The ACFE has unveiled its new Fraud Resource Center. Visit the new display at www.ACFE.com. This is your new source for tools and information to help solve your daily challenges, and be a leader in the global fight against fraud.

If you are interested in the job referral service, be sure to register and identify the services and expertise you offer to the public. Please notify Chapter President Joe Dervaes (dervaesj@sao.wa.gov or (360) 710-1545) if you similarly wish to be listed on the CFE Chapter job referral service (if you have not already done so). You can check to see if you=re listed by visiting the Chapter=s web-site at www.fraud-examiners.org.

Please note that the ACFE has changed its web-site title from www.CFEnet.com to www.ACFE.com. Both titles will work for a short transition period. But, eventually this will change. Correct your computer bookmarks accordingly. Thanks.

(4) Other Training Opportunity

John E. Reid and Associates, Inc. is offering classes on The Reid Technique of Interviewing and Interrogation in Seattle during November 2005. The classes include a 3-day Interview and Interrogation Class (November 15-17, 2005 B registration fee \$550) and a 1-day Advanced Seminar (November 18, 2005 - registration).

Members of the Pacific Northwest Chapter/ACFE may register at a discount by indicating on the registration form that our Chapter is a member of the Reid Preferred Group of Associations (RPGA). Our RPGA number (A2049) must be shown on the registration form in order to receive the discount on seminar registration or to purchase products. For additional information, visit their website at www.reid.com.

(5) ACFE Continuing Professional Education Notice

All CFEs are required to maintain competence and keep abreast of current information through Continuing Professional Education (CPE) pursuant to ACFE By0Laws. The deadline for earning your 205 credits is December 31, 2005. Later this year, ACFE will ask all active CFEs certified before or in 2004 to confirm compliance to the requirements of 20 total credits, 10 of which are fraud related. ACFE accepts many types of CPE from a variety of approved fields of study. Visit the ACFE web-site at www.ACFE.com to review the comprehensive details on maintaining your CFE designation.

The ACFE will send a CPE compliance notice to all CFEs soon. So, watch your computer e-mail inbox for the notice. Otherwise, visit the ACFE=s web-site to report your compliance.

One of your CFE Chapter=s primary missions is to provide a forum for CFEs and other professionals to receive Continuing Professional Education at reasonable rates. The Chapter Board of Officers works very hard all year to deliver fine speakers and relevant fraud topics to Chapter Members all year long. This year, the Chapter sponsored 39 hours of fraud specific training for its members. The last event of the year is our Annual Fraud Conference jointly sponsored by the WSCPA and the Pacific NW Chapter/ACFE. The Conference will be at the Marriott Hotel in SeaTac (same location as always) on Friday, December 2, 2005. Eight hours of CPE is available to those who attend this Conference. The Board of Directors of your Chapter looks forward to seeing you there.

The WSCPA's web site is at www.wscpa.org. You must call the WSCPA to actually register for the conference at (425) 644-4800. Ask for Lisa Chin Iwata in the Education Department.

(6) Tell your Story to the ACFE

The ACFE would like to know how the CFE designation has helped your professional career. E-mail the ACFE (Andrea Barrett) and tell them what being a CFE means to you, and share your experiences and accomplishments as an anti-fraud professional. Your input will be used to assist Associate Members in realizing the potential of certification.

(7) Contribute to the IIA Fraud Findings Column

Would you like to be featured in the Fraud Findings column of Internal Auditor, the magazine of the Institute of Internal Auditors? ACFE President Toby Bishop is the editor of that column and is looking for case studies for upcoming issues. If you are an internal auditor or you worked with one on a fraud case, the ACFE would like to know how the case was perpetrated, how it was detected, and several examples of lessons learned from the case. Names can be changed to provide anonymity. The ACFE will edit the article into perfect prose so you can focus on just setting out the facts. The submitted test should be approximately 1,500 words in length. Please e-mail the ACFE (Andi McNeal) with your case study material. And, thanks in advance for your contribution.