

CFE UPDATE
September-October 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
President, Gulliver and Associates PS (253) 735-2392; Distinguished Achievement Award Winner for 2000; rbg1@mindspring.com, Auburn, Washington

Director-At-Large: Bernadette McBride, CFE, CPA
Senior Investigator/Financial Examiner, Washington State Department of Financial Institutions, Securities Division, (360) 791-8824; Distinguished Achievement Award Winner for 2004. bmcbride@dfi.wa.gov, Olympia, Washington

Director-At-Large: Robert A. Goehring, CFE, CPA
Audit Manager, City of Kent - Finance Department, (253) 856-5262; Distinguished Achievement Award Nominee for 2005; rgoehring@ci.kent.wa.us, Kent, Washington

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:

October 17-19, 2005. Joint Chapter and Association of CFEs Fraud Training Classes at the Doubletree Hotel, 18740 International Boulevard; SeaTac (across the street from SeaTac International Airport), (206) 246-8600.

The subject of a one-day class on October 17, 2005, will be Building Your Fraud Examination Practice (8 hours of CPE). The registration fee for this class is \$249 for ACFE Members and \$299 for Non-Members.

The subject of the two-day class on October 18-19, 2005, will be Communicating the Results of Your Fraud Examination (16 hours of CPE). The registration fee for this class is \$595 for ACFE Members and \$695 for Non-Members. There is also a \$95 savings if you register by September 19, 2005.

The registration fee for both classes is \$744 for ACFE Members and \$894 for Non-Members. There is also a \$100 savings if you register by September 19, 2005.

Please register for these classes by contacting the ACFE directly electronically at www.ACFE.com or by telephone at 1-800-245-3321.

Note: The Association will provide breakfast pastries, lunch, and mid-morning and mid-afternoon refreshments on each of these training days. Speakers are to be announced at a later date. The Chapter Board of Officers will perform registration duties at these training classes.

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 estimated early registration fee for members of the WSCPA and the Pacific Northwest Chapter is \$175 for this conference. There is also a \$6 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 8:00 a.m. The conference begins at 8:30 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 course registration form can also be obtained from the WSCPA=s web site at www:wscpa.org. You must call the WSCPA to actually register for the conference. 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 is currently scheduling 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: A Small 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. to Noon 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: "Online Data and High Tech Tools for Fraud Investigation". Jim has lots of new investigative "tools" 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 and Fraud Manager of Forensic Accounting Consultants in Quilcena, WA. She is a former President and current Member of our CFE Chapter. The title of her presentation has not yet been decided. But, she will be presenting a new cash disbursements fraud case study at the conference.

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 includes a discussion of a current case study about a recent Ponzi Scheme that was 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 @ www.ACFE.com
Pacific Northwest Chapter/ACFE @ www.fraud-examiners.org
Oregon Chapter/ACFE @ www.oregon-acfe.org
Spokane Chapter/ACFE @ www.spokane-fraud.org

(2) Awards

The Chapter is proud to announce that President Joe Dervaes nominated Dr. Robert E. Holtfreter, Distinguished Professor of Accounting and Research, Central Washington University, to receive the Washington Society of Certified Public Accountants= Outstanding Educator Award (2005). Dr. Holtfreter received previously this award in 2001-2002. We eagerly await the announcement of award winners by the WSCPA. Stay tuned.

Dr. Holtfreter=s most recent professional accomplishments include the following:

(a) He was awarded the Association of Certified Fraud Examiner=s "Outstanding Achievement in Accounting Award" at the 16th Annual Fraud Conference in Washington, D.C., on Monday, July 11, 2005.

(b) Along with John Langoine, Dr. Craig Ehlen, and Anna M. Green, he was a co-author of another two-part series of articles in *The Fraud Magazine*. These

Internet fraud articles are to be published in the July/August 2005 and September/October 2005 issues of the magazine and will be entitled: **“Fraudsters in Cyberspace: Growing Global Internet Menace” Part One and Part Two**.

(c) Along with daughter Kristy Holtfreter, Ph.D in the College of Criminal Justice at Florida State University, he was a co-author of an article on fraud that was recently accepted for publication by the Journal of Financial Crime. The article is entitled: **“Gauging the Effectiveness of Identity Theft Legislation”**.

Congratulations to Dr. Holtfreter for his most recent accomplishments. He is truly at the top of his game in his chosen profession of fraud educator and author.

(4) **ACFE Announcement on 17th Annual Fraud Conference in New Orleans, LA**

Below is information on where things stand with regards to the 17th Annual ACFE Fraud Conference and New Orleans. This information is posted on the ACFE website under the Annual Conference information. We will keep you updated as we learn more information. You are welcome to share this information with your chapter membership.

In light of the recent devastation left by Hurricane Katrina, we are currently monitoring the situation in New Orleans and working with representatives at the New Orleans Sheraton to determine whether it will be feasible to hold the 17th Annual ACFE Fraud Conference and Exhibition in New Orleans next July. At this time, the extent of damage to the hotel and the city are still unknown and we have not been given any definite timeline for repairs.

If we are unable to hold our event in New Orleans as planned, we will relocate it to an attractive, accessible city. No matter where the conference is held, it will undoubtedly be the premier gathering of anti-fraud professionals from around the world. We anticipate over 1,500 attendees and more than 50 exhibitors next year.

We hope to reach a decision regarding the location of our conference by October 15, circumstances permitting, and we will notify members of new developments as soon as possible. We encourage you to register to join the world's leading anti-fraud experts at what will be a great event. If the final location is not to your liking, you can always cancel for a full refund up to 14 days in advance of the event.

(4) **Other Training Opportunities.**

The Boise Police Department, in conjunction with the Boise Chapter of the Association of Certified Fraud Examiners, will be sponsoring the Northwest

Fraud Investigators Association Fall, 2005 Conference at the Grove Hotel, in downtown Boise, Idaho, on September 30th and October 1st, 2005.

To register for the conference, please go to the NWFIA website, which can be found at: <http://www.nwfia.org/>. Once at the NWFIA home page, click on the "Conferences" link in the upper right-hand corner. You will then be directed to the Fall Conference registration packet, which you can download in its entirety. Please register early.

(5) Association and Chapter Scholarship Programs

The ACFE awarded Emily Beschen a \$1,000 scholarship this year. She is an absolutely outstanding candidate who has expressed a strong interest in the field of law. She is majoring in Sociology and Psychology at Western Washington University, and will obtain a special emphasis on law and the criminal justice program. In August 2005, Emily sent the following note to the Chapter:

Al wanted to thank you for the time you put towards helping me win the ACFE scholarship. With the extra cash, my year will go a lot smoother and I=ll be able to take some time off work to set-up identity theft information booths at the County Fairs. Thanks for everything. It wouldn=t have been possible without you.@

For a variety of reasons, the Board of Officers chose not to award the Chapter=s scholarship this year. We hope that there will be more competitors for these scholarships next year.

(6) Report of Chapter Representatives Meeting at 16th Annual Fraud Conference in Washington, D.C.

A meeting of chapter representatives was held on Sunday July 10, 2005, from 1-5:00 p.m. Dr. Norman Gierlasinski, Vice-President, represented the Pacific Northwest Chapter. The meeting started with a presentation by Jeff Kubiszyn, ACFE Chapter Liaison Manager. He announced that Jim Ratley is being phased out and that Kathleen Mobley would be taking his chapter duties. She will be surveying chapter leaders to determine how to better serve chapter members.

Mark Levin conducted the rest of the meeting, from 1:30-5:00 p.m. His specialty is chapter relations with national organizations. He spoke of the importance to develop a clear message as to why someone should join our organization. He gave ten ways in which members can become involved with a chapter. Retention of members was another topic Levin addressed. He ended with incentives to attract top level leaders.

During his presentation, Mr. Levin recommended using the term APartnering@ rather than ACo-sponsored@ or AJoint@ meeting. Our chapter currently

provides members with an annual fraud conference with the WSCPA. We have also provided CPE with the IIA. Our chapter members may wish to give an opinion to board members as to which term we should be using.

(7) Association Cancellation Policy

The ACFE has asked the Chapter to share the following policy change with our membership. Effective September 1, 2005, the cancellation policy for all ACFE events is as follows:

The ACFE cancellation policy is intended to keep costs low for attendees. Due to financial obligations incurred by ACFE, Inc. you must cancel your registration prior to the start of the event. Cancellations received less than 14 calendar days prior to an event start date are subject to a \$100 administrative fee. No refunds or credits will be given for cancellations received on or after the start date of the event. Those who do not cancel and do not attend are responsible for the full registration fee.

Terms and conditions are subject to change without notice.

The new policy can be viewed online at <http://www.ACFE.com/faq.asp#Events>.

All questions/comments can be directed to the Member Services Department at 800-245-3321, +1 512-478-9000, or info@ACFE.com.

(8) Association Web-Site Title Change

Effective Monday, September 26, 2005, the ACFE has announced the launch of the ACFE.com web-site. All members will receive an e-mail detailing the changes in the new web-site.

Don't forget to change your bookmarks to the new address B www.ACFE.com. You will be redirected from CFEnet.com to the new website for the time being. Please take a moment to visit the new site and look around, including the chapter web-page which has some changes.