

# The Fraud Examiner



Pacific Northwest Chapter

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## November/December 2011 Issue

### Message from the President

#### **Training Class on Auditing for Internal Fraud.**

The Chapter Board of Officers is pleased to report that this joint CFE Chapter and ACFE two-day fraud training class was a resounding success. Fifty-nine individuals attended this class on Monday-Tuesday, October 17-18, 2011, at the DoubleTree Hotel in SeaTac. Thirteen people from this total (approximately 20 percent) represented our Chapter, a great response. Thanks to all who attended for your support of our Chapter's fraud training mission. There were two attendees from Canada at the class, and the remainder came from all over the United States. Allen Brown, CFE, CPA, Assistant Legislative Auditor for the Louisiana Legislative Auditor's Office, was the speaker at this class. Attendees received 16 hours of Continuing Professional Education credit for this class. Special thanks to Chapter Board of Officer Members Joe Dervaes, Roger Gulliver, Robert Goehring, and Julie Armbrust for assisting with class registration duties and for being available to interact with other attendees to assist them with any other matters necessary to make their visit to Seattle a rewarding one.

#### **Chapter Board of Officers Elections (Second Notice).**

It's not too early to be thinking about your participation on the Board of Officers for our CFE Chapter. The terms of the current Board of Officers will be expiring at our 2012 Annual Business Meeting in Tukwila in June 2012. And, we do know that at least one Board Member will be stepping down at that time (me). I've been serving continuously on the Chapter Board of Officers since our Chapter was established in March 1993. I retired from active service to federal, state, and local governments in July 2006 (five years ago now). My term on the ACFE Foundation Board of Directors expired in July 2011. So, now the time is approaching for my term as your Chapter President to expire in June 2012. It's been a long and wonderful professional leadership experience for me, one that I will never forget. But, it's now time for new leaders to come forward and manage the Chapter in the future. Could that be you? The best way to get someone to volunteer to participate in a Chapter leadership position is to talk with them directly. And, I will be doing that throughout the coming year. But, I also want to provide this notice to all Chapter members now so that you can think about it and be ready to positively respond when the time comes. So, close your eyes and make believe you're talking to me personally, right now. When I ask you if you will serve, what will you say? I hope you'll say yes, definitely count me in! You won't regret it.

So far, one Chapter Member has expressed interest in serving on the Chapter Board of Officers (Jennifer Rausch). It's still very early in the election process, and I'm hopeful that others will decide to become a member of the Board of Officers. It's very rewarding work.

Joe Dervaes/Chapter President/(253) 884-9303/joeandpeggydervaes@centurytel.net

**Upcoming Training****Type:**

Joint Chapter and WSCPA Annual Fraud Conference.

**Date:**

December 2, 2011.

**Time:**

8:00 a.m.—4:30 p.m.

**Topic:**

“Annual Fraud Conference”.

**Course Leader:**

See announcement.

There will be six speakers at this event.

**Where:**

Meydenbauer Center, 11100 N.E. 6th Street, Bellevue, WA.

**Price:**

The fee for the Annual Fraud Conference is \$225 for Members of the WSCPA or Chapter and \$300 for Non-Members. Student members will be required to pay the member fee of \$225.

**Registration:**

Register for this special class directly with the WSCPA at: [www.WSCPA.org](http://www.WSCPA.org) if you are a CPA/CFE, or call the WSCPA at 1-800-272-8273 if you are a CFE in order to receive the discounted registration price. Pre-registration for this event is required.

## December 2, 1011, Joint Chapter and WSCPA Annual Fraud Conference

Friday, December 2, 2011, is the date of our joint Chapter and WSCPA Annual Fraud Conference. This event will be held at the Meydenbauer Center, 11100 N.E. 6th Street, Bellevue, WA.

There are 8 hours of Continuing Professional Education available to all who attend this event. The Conference Co-Chairs are Chapter President Joe Dervaes and Chapter Training Director Dr. Norm Gierlasinski.

Registration for this event is directly with the WSCPA at [www.wscpa.org](http://www.wscpa.org). There is a Chapter/WSCPA member discount for this training class. To receive this discount, CPA members who are also CPAs may register on-line by using the WSCPA's web-site; but, CFE Members who are not also CPAs have to call the WSCPA at 1-800-272-8273 in order to register for the class and receive the member discount. The cost of this class is \$225 for Chapter and WSCPA Members and \$300 for non-members. Pre-registration for this fraud event is required.

Speaker #1—Joseph R. Dervaes, Chapter President. Topic: Understanding Embezzlement in the Workplace: Stories from a Fraud Examiner's Career.

A fraud examiner with more than 40 years of experience in audit and fraud examination services should have many interesting stories to tell. Joe Dervaes will share stories and lessons he learned through employee fraud case studies during his career working in

federal, state, and local government.

Speaker #2—Detective Shelby Shearer, Bellevue Police Department. Topic: Credit and Debit Card Skimming.

Learn about the increasing dangers resulting from debit and credit card skimming activities, including identity theft. Hear about a substantial, complicated international fraud investigation on this topic. Find out ways to ensure you don't become a victim of these crimes, and what to do if your personal financial world is invade by fraudsters.

Speaker #3—The Honorable Brian Sonntag, Washington State Auditor. Topic: The State Auditor's Office Mission and Fraud Program.

The State Auditor's Office independently serves the citizens of Washington by promoting accountability, fiscal integrity and openness in state and local government. Gain insight into the mission of this office and take a look at its highly successful fraud program for all Washington State agencies and local governments.

Speaker #4—Jim Brittain, WA State Auditor's Office. Topic: Cases from the State Auditor's Office Fraud Program.

Some unscrupulous employees will go to great lengths to illegally obtain government funds to spend for their own personal benefit. Hear the largest fraud cases from state agency and local government files. Get details on the detection and investigation of these fraud schemes, as well as the prose-

cution of the perpetrators who have committed these crimes. Discuss how organizations can improve internal controls to prevent these activities.

Speaker #5—Robert Kondrat, WA State Department of Financial Institutions. Topic: Getting to the Truth—A Securities Fraud Case Study, Part I, The Scheme; and, Part II, The Path from Investigation to Sentencing.

Explore the intricacies of a ‘pump and dump’ securities fraud recently investigated by DFI. You will gain an understanding of this type of fraud scheme and learn about the actual chain of events of this extremely interesting fraud case. Discuss the chronology of this securities fraud case, including steps in the investigation, prosecution, and sentencing the offenders. Gain insight into the various aspects of this complex investigation and learn the final outcomes for the perpetrators.

Speaker #6—Mitch Barker, WA State Office of the Insurance Commissioner. Topic: The Insurance Commissioner's Office Insurance Fraud Program: An Introduction; and, Investigating, Prosecuting, and Sentencing Offenders.

Are you familiar with the Office of the Insurance Commissioner's Insurance Fraud Program? Explore the ins and outs of this program, types of fraud schemes investigated, and the work of the Special Investigations Unit. Hear about specific fraud cases and discover current trends in insurance fraud.

(Continued on page 9)

## Overview of February 8, 2012, Chapter Fraud Seminar in Seattle

February 8, 2012, is the date of our next Chapter fraud training seminar at our downtown Seattle training facility. There are 2 hours of Continuing Professional Education available to all who attend this event.

The cost of this fraud seminar is \$20 for Members and \$25 for non-members. Student members may attend this event at no cost.

Pre-registration for this event is not required. Register and pay at the door.

The topic of this fraud seminar

is: "Ethics for Fraud Examiners". Attending this event will take care of your annual CPE ethics requirement to maintain your professional credential in a current status.

The speaker for this event is Dr. Brian K. Steverson, the John L. Aram Chair of Business Ethics at Gonzaga University's School of Business Administration, Spokane, WA. He was a member of the Philosophy Department from 1992 until 2008, when he assumed the Aram Chair position. He has been teaching business ethics at the undergraduate and graduate

levels for 22 years. His current research interests are the professionalization of business management and the impact of current work in the psychology of human happiness on business ethics and the structuring of work.

This class is just one more example of the fine training opportunities the Chapter sponsors for its members.

### New Chapter Members

Please welcome the new members who joined the Chapter during the period mid-September to mid-November 2011:

#### CFEs:

- <None>

#### Associates:

- Mark Evans
- Ed Dolan

#### Affiliates:

- <None>

#### Students:

- Eric Ebrahimi

### New CFEs:

- <None>

We have several Chapter members who are currently studying for the CFE Examination. So, we expect to see their names listed in this section of the newsletter in the near future. Let's all wish them success in this most important professional matter.

## Highlights of October 17-18, 2011 Joint Chapter and ACFE Two-Day Fraud Class

October 17-18, 2011, were the dates of our joint Chapter and ACFE two-day Annual Fraud Class. This event was held at the DoubleTree Hotel, 18740 International Boulevard (across the street from the airport), SeaTac, WA. Registration began at 7:30 a.m. each day.

The title of this two-day class was: "Auditing for Internal Fraud". The course leader was Allen F. Brown, CFE, CPA. There were 16 hours of Continuing Professional Education available to all who attended this fraud class.

Registration for this fraud class was directly with the ACFE. To register, contact the ACFE at 1-800-245-3321, or at [www.ACFE.com](http://www.ACFE.com). The cost of this class was \$695 for ACFE

Members and \$845 for non-members. There was also an early registration option which saves attendees \$95 each. Contact the ACFE for additional details and registration procedures. Pre-registration for this fraud class was required.

This fraud class included the following segments:

Introduction to Auditing for Fraud; Auditors Fraud Responsibilities; Where Were the Auditors?; Fraud Risk Assessment; Fraud Brainstorming: Setting the Stage for Audit; Financial Statement Fraud and Corruption; Asset Misappropriations; Video Tape on Finding the Truth: Effective Techniques for Interview and Communication; Finding Fraud During the Audit; and Prevention of Occupational

Fraud.

There was an \$8 daily parking fee at the hotel. So, car pooling was recommended. Bring your parking stub with you to the class (instead of leaving it on the dash board of your car). Then, pay the parking fee at the first floor designated kiosk in the hotel lobby. After that, your validated and paid parking stub gets you out of the parking facility at the end of the day.

The Chapter Board of Officers assisted with registration.

## ACFE Announcements

*"I'll take luck  
over  
intelligence  
any day."*

*-Allen F.  
Brown, CFE,  
CPA*

*(other  
versions of  
this quote by  
Anonymous )*

**-Renew  
Membership and  
report CPE at  
the same time**

**-20 CPE  
required, 10 of  
which must be  
fraud  
related, and 2 of  
which must be  
ethics**

**-10 hours can be  
carried over  
every 12 months**

(1) After its 20th Anniversary, the ACFE has provided a free webinar exclusively for ACFE members entitled "Using the Report to the Nation to Enhance Your Anti-Fraud Efforts".

(2) Use the new Fraud Risk Assessment Tool to assist your organization in identifying fraud risks and developing a fraud risk response.

(3) Visit the ACFE's Online Communities (Anti-Fraud Technology and Financial Institutions) to connect with other ACFE members, access shared documents, and blog or participate in discussion forums.

(4) Enroll in Auto Dues Service and receive a 5% discount in addition to saving time by setting up your membership dues

to be paid automatically each year.

Visit ACFE's web-site ([www.ACFE.com](http://www.ACFE.com)) to find out additional information about these topics. All you have to do is click on "fraud resources" on the home page and follow the prompts.

## Ways to Complete The New ACFE Ethics Training Requirement

The ACFE offers some ethics-related on-line self study courses to help members satisfy the new CPE requirement of 2 hours of ethics. They are: Ethical Theory for Fraud Examiners; and, Practical Ethics for Fraud Examiners.

Additionally, CFEs may use ethics CPE obtained to satisfy their CPA license, if the training falls within one of the following categories: (1) Regulatory Ethics; (2) Behavioral Ethics; or, (3) Professional Ethics.

Some ACFE courses may be

counted toward both fraud-related and ethics-related CPE requirements, such as: Ethics for Fraud Examiners; and, ACFE Code of Professional Ethics.

Read more about ACFE CPE requirements at: <http://www.ACFE.com/career/maintaining-cfe.asp>. 2011 CPE reporting requires all ACFE Members to complete 20 hours of training, two hours of which must be in the area of "ethics" and 10 hours of which must be in fraud-related areas.

Certify CPE when renewing ACFE membership.

Be sure to check out the Pacific Northwest Chapter February 2012 training. The topic of this fraud seminar is: "Ethics for Fraud Examiners". Attending this event will take care of your annual CPE ethics requirement to maintain your professional credential in a current status.

## CPE Compliance for Certified Fraud Examiners

When you renew your annual dues you must certify your CPE compliance.

You are required to earn 20 hours of CPE from January 1, 2011 through December 31, 2011, **10 of which must be fraud related, and 2 of which must be on ethics.**

Report your CPE Compliance for 2010 and/or 2011 in your anni-

versary month in 2011 (online or call).

If a CFE has earned more than 20 CPE hours of CPE in 2010, they may carry forward up to 10 of these extra hours to meet their 2011 CPE requirements.

Now you can find all your CPE information in one convenient place. Browse the [My CPE](#) for information and updates on:

-How CPE Works

-CPE Changes from Year to Year

-Maintaining CPE Records / CPE Audit  
You may access the [My CPE](#) from your [My Account](#) section or at [ACFE.com/CPE](http://ACFE.com/CPE).

It is understandable that you may have questions, so feel free to contact the ACFE's CPE Compliance Team or Member Services by calling (800) 245-3321 or +1 (512)

## The Tidbit: Scam Alerts — No. 1: A Thief in the Photocopier; No. 2: How can I tell if a “skimmer” has been put on my ATM?; and, No. 3 How can I spot a scam “winnings” check?

**Scam No. 1.** This information was paraphrased from the November 2010 AARP Bulletin, by Sid Kirchheimer.

### A Thief in the Photocopier

In Summer 2010, more than 400,000 New Yorkers received a data breach notification from a health care provider. But, the warning wasn't due to the usual culprits, hackers who break into corporate computer systems. Rather, it was prompted by a single office copying machine.

You might not think a photocopier could cause such harm. But, consider this: Starting in 2002, most copiers manufactured for use by businesses, libraries, and copy centers have been equipped with computer hard drives.

“Every time you make a copy, print, scan, e-mail, or send a fax from that machine, it makes and stores images of the document to the hard drive” says one copier security expert. Unless the hard drive is erased or replaced, images of copied documents – including those with Social Security numbers, bank account information, or medical files – remain stored inside the machine.

The problem is, about 90 percent of office copy machines in the U.S. are leased, and when those leases are over, most of those returned machines are exported or resold without anyone touching them.

For now, there is no evidence that identity thieves have used information left over in copies from a copier security company that deletes data from copier

hard drives.

But, the potential is clearly there. Earlier this year, CBS News accompanies the copier security firm to a New Jersey warehouse and bought four copiers that had been leased and returned. One of the machines formerly used by a health plan office yielded medical records of nine individuals. Based on that machine, and the company's use of many more hard drive-equipped copiers, the company sent out its mass notice of a potential data breach. The machines also contained police records and pay stubs with Social Security numbers.

In May 2010, one U.S. representative called for an investigation. And, the Federal Trade Commission announced that it was reaching out to copier manufacturers, resellers, and retail copy and office supply stores to ensure that they are aware of the privacy risks.

Most manufacturers had already acted. Copier made since 2007 have been equipped with built-in technology that allows the erasing or encrypting of hard drives. The real problem is with machines made from 2003 – 2007. Huge numbers of them remain in use across the country – possibly at your library or doctor's office.

So, how can you protect yourself?

- When you copy sensitive documents, try to use a home printer that has a copy function. That machine is unlikely to help identity thieves. Most home printers that generate 20 or few-

er pages per minute have no hard drives.

- If you must use a public copier, ask the people who oversee it how they protect users' information. Such inquiries will raise awareness of the issue and in the long term encourage the erasing of the machines' drives. No one wants to be responsible for the resulting problems.

- Ask whether the machine is owned or leased. Owned copiers are less likely to be resold and reach scammers.

**Scam No. 2.** This information was paraphrased from the November 2010 AARP Bulletin, by Sid Kirchheimer,

### How can I tell if a “skimmer” has been put on my ATM?

It can be hard. These devices that thieves attach to the card slot in order to capture account information from your card's magnetic strip have become more sophisticated.

One tipoff: most ATMs have a flashing light at the card slot. If the light is obscured, that's a sign of tampering.

Other giveaways: a card slot that is not securely attached or has a different color than the rest of the ATM.

Use ATMs in bank lobbies and other places with 24-hour video surveillance.

And, always cover the keypad as you enter your PIN, because a thief's spy camera may be watching.

(Continued on page 9)

### Scam #1:

**“A public copier is handy, but it may put your secrets at risk.”**

### Scam #2:

**“Learn the telltale signs of ATM tampering.”**

### Scam #3:

**“Scam ‘winnings’ checks are typically under \$5,000”**



## Fraud Law—November 2011—By John J. Tollefsen, CFE, JD, CCS

*This column is a continuation of an explanation of Washington's Uniform Fraudulent Transfer Act (the Act) regarding preferences.*

### Preferences

A transfer to an insider for an antecedent debt is deemed fraudulent if the debtor was insolvent at the time and the insider had reasonable cause to believe that the debtor was insolvent. The definition of insolvency is the same throughout UFTA. (See previous section). Preferences are only fraudulent to creditors whose claims existed at the time of the transfer [RCW 19.40.051 (b)].

Under the UFTA statute of limitations, this cause of action must be brought within one year after the transfer was made or the obligation was incurred [RCW 19.40.091 (c)].

### Who is an "insider"?

The "insider" term is defined in detail in the UFTA and is based on the bankruptcy code definition [11 U.S.C. § 101 (31)]:

(7) "Insider" includes:

(i) If the debtor is an individual:

(A) A relative of the debtor or of a general partner of the debtor;

(B) A partnership in which the debtor is a general partner;

(C) A general partner in a partnership described in subsection (7)(i)(B) of this section; or

(D) A corporation of which the debtor is a director, officer, or person in control;

(ii) If the debtor is a corporation:

(A) A director of the debtor;

(B) An officer of the debtor;

(C) A person in control of the debtor;

(D) A partnership in which the debtor is a general partner;

(E) A general partner in a partnership described in subsection (7)(ii)(D) of this section; or

(F) A relative of a general partner, director, officer, or person in control of the debtor;

(iii) If the debtor is a partnership:

(A) A general partner in the debtor;

(B) A relative of a general partner in, or a general partner of, or a person in control of the debtor;

(C) Another partnership in which the debtor is a general partner;

(D) A general partner in a partnership described in subsection (7)(iii)(C) of this section; or

(E) A person in control of the debtor;

(iv) An affiliate, or an insider of an affiliate as if the affiliate were the debtor; and

(v) A managing agent of the debtor [RCW 19.40.011].

This list is not exclusive. There may be other situations that the court will find an "insider" relationship exists. A "relative" includes an individual related by consanguinity within the third degree as determined by the common law, a spouse, or an individual related to a spouse within the third degree as so determined, and includes an individual in an adoptive relationship within the third degree [RCW 19.40.011 (11)].

### **Continued next issue .... Defenses to Preferences claims under UFTA; Bankruptcy Preferences.**

John J. Tollefsen is the founder of Tollefsen Law PLLC, an attorney, Certified Fraud Examiner, and Certified Controls Specialist. [john@tollefsenlaw.com](mailto:john@tollefsenlaw.com). See [TollefsenLaw.com](http://TollefsenLaw.com) for more information regarding fraud law. The complete article is at <http://tollefsenlaw.com/answers/The-Law/Fraud-Law/Fraudulent-transfers-WA.asp>.

## New ACFE Class on Ethical Issues for Fraud Examiners

The ACFE has developed a new class on "Ethical Issues for Fraud Examiners". It is a basic course level offering two hours of Continuing Professional Education credit to all who attend.

This class will help you understand what constitutes an ethical dilemma and help you develop an awareness of ethical

issues faced by fraud examiners. This online course also presents six fictional scenarios that illustrate potential ethical situations that pertain to fraud examinations. The purpose of these scenarios is not to provide you with solutions, but rather to familiarize you with some types of ethical dilemmas that might arise in a fraud examination.

Contact the ACFE Bookstore for additional information on this class.

## In Memoriam — Frank Walker, CFE

Quoting an announcement in the November/December 2011 issue of *Fraud Magazine* (Page 69):

Frank Walker, CFE, passed away on September 16, 2011, after a long battle with cancer. Frank was owner and chief executive officer of Walker Fraud Examiners, Incorporated in Chicago Illinois, and co-chief executive officer of Fraud Aid Incorporate which provided free support and guidance to fraud victims and their families.

Frank's specialty was interviewing — a skill he had honed while working in advertising research in Chicago and New York. His intense interest in fraud began with the Enron scandal, according to his wife, Caro-

line (also a CFE).

Called an “analyst’s analyst”, he publicly commented on several financial accounting issues on the web-sites of the International Financial Reporting Standards, the Financial Accounting Standards Board, and the Federal Energy Regulatory Commission.

Frank and Caroline met at the International Platform Association convention at the Mayflower hotel in Washington, D.C., in August 1990. They married in Flossmore, Illinois, in December 1990 and lived in Seattle, Washington, until they moved in September 2009 into Chicago’s Hancock building. They enjoyed their friends at the University Club at which Frank was active in business networking, writing, and civic

groups, and paying drums with the house band.

Above Frank’s desk: “Made my mark. Paid my dues. Now hand me down my party shoes.”

Frank and Caroline Walker were active members of the Pacific Northwest Chapter while they were living in Seattle.

Frank was a prior speaker in the Chapter’s bi-monthly fraud seminar program, and he will be missed by all.

The Chapter Board of Officers and membership join the ACFE in mourning the loss of Frank Walker, CFE, and send its sympathy to his wife, Caroline.

## Chapter Members in the News

The following Chapter Members have been active in our community outreach program as follows:

(1) Kenneth (Ken) J. Wilson, CFE, owner of Wilson Investigative Services in Olympia, WA had another article published in the October 31, 2011, issue of *The Business Examiner*. The article was a question and answer session with the investigative reporter about this private investigator’s career.

(2) John F. Tollefsen, CFE, JD, CCS, owner of Tollefsen Law Office, PC in Lynnwood, WA has had a series of newspaper articles published in a variety of print media about recent cases from his practice, and even participated in a radio news show. They were:

(a) Mastro rings belong to creditors, judge rules — *The Seattle Times*.

(b) Boeing ruling on whistleblower firing may discourage leaks to news media — *Bloomberg*.

(c) Whistleblowers and Sarbanes-Oxley Fallout — *Public Radio, KUOW News*.

(d) Sacked for telling takes — *The Economist*. Appeal (petition for writ of certiorari) is filed to United States Supreme Court

(e) State Supreme Court tosses county horn-honking limits as overly broad — *The Everett Herald*.

(f) State Supreme Court says honking is protected speech — *Public Radio, KUOW News*.

(g) Court overturns woman’s horn-honking conviction — *The Seattle Times*.

(h) Neighborhood horn-honker wins one before State Supreme Court — *Seattle PI.com*.

(i) High court won’t hear Boeing workers’ media leak case—*Law360*.

(j) Boeing ex-employees lose whistleblower case—*San Francisco Chronicle*.

(3) Dr. James S. Peet, CFE, Ph.D., principal manager of Peet and Associates, LLC in Enumclaw, WA had two articles published in the October and November 2011 issues of *Pacific Maritime Magazine*. These articles discussed “Inventory Theft: Prevention and Detection”, and “The Importance of Due Diligence”.

All of these reported activities are an integral part of our Chapter’s Community Outreach Program each year. And, kudos to all for participating in these activities and events throughout the year. The Chapter Board of Officers appreciates your fine efforts.

Other Chapter members are encouraged to notify President Joe Dervaes about their recent or future presentations so that these events can be publicized in the Chapter newsletter.

## Chapter Registers as Supporter of the ACFE's International Fraud Awareness Week, November 6-12, 2011

The Pacific Northwest Chapter/ACFE has again registered as a supporter of the ACFE's International Fraud Awareness Week activities during the period November 6-12, 2011.

Organizations around the world lose an estimated five percent of their annual revenues to fraud, according to a survey of fraud experts conducted by the ACFE. This program will help to cast a spotlight on this urgent prob-

lem. This week long campaign encourages business leaders and employees to proactively take steps to minimize the impact of fraud by promoting anti-fraud awareness and education activities.

Individuals and organizations may join the discussion through the ACFE Insights blog. Contact the ACFE's media relations specialist for additional information ([www.acfe.com](http://www.acfe.com)).

Our Chapter will be speaking to university students in our geographical area about being trained in the detection and prevention of fraud. For example, we'll be at the UW (Tacoma Campus) on October 5, 2011 (Joe Dervaes and Gayle Seyl).

The Chapter Board of Officers hopes there will be additional future activities as well.

## The ACFE Law Enforcement Partnership

In order to enhance the anti-fraud experience and expertise of the public sector, the ACFE has initiated the ACFE Law Enforcement Partnership to assist domestic and international government and law enforcement agencies at the federal, state, and local levels by providing various discounts and benefits upon the official recognition of the Certified Fraud Examiner credential. Such benefits include, but are not limited to, discounts on ACFE conferences, semi-

nars and other learning methods, and discounts on certification.

Current participants dedicated to providing anti-fraud expertise to their employees include: the Department of Defense, the Federal Bureau of Investigation, the Internal Revenue Service—Criminal Investigation Division, the Securities and Exchange Commission, the Government Accountability Office, the U.S. Postal Inspection Service, and

numerous others.

The ACFE focal point for this program is Alani Mundie, CFE at [amundie@ACFE.com](mailto:amundie@ACFE.com), or visit [www.ACFE.com/LEP](http://www.ACFE.com/LEP).

## Redesigned 2011 CFE Examination Preparatory Course Now Available

Here's an important message for everyone out there who is contemplating taking the ACFE's "CFE Examination" course in the future.

The most comprehensive tool available to help you pass the "CFE Examination" has been redesigned with an all-new user interface and enhanced features to improve examination preparation and keep you on track to earning your Certified Fraud Examiner professional credential. The "2011 CFE Examination Preparatory Course" introduces new components that provide you with the most effective examination preparation available, more efficient use of your

study time, and an intuitive, easy-to-use interface.

### More Efficient Use of Your Study Time:

- (a) **NEW.** Pick the sections and topics most relevant to your examination preparation by creating custom review sessions.
- (b) **NEW.** Learn more from your practice examination session by reviewing the questions you missed, analyzing your results by sub-section and tracking your progress over time.

### An All-New User Interface:

- (a) **NEW.** Review your progress with a streamlined design.
- (b) **NEW.** Stay on track to earn your Certified Fraud Examiner professional credential by measuring your progress toward your target certification date and using helpful checklists within the preparatory course software.

Contact the ACFE for additional information about this newly redesigned course at: [www.ACFE.com](http://www.ACFE.com) or 1-800-245-3321.



## December 2, 1011, Joint Chapter and WSCPA Annual Fraud Conference —Continued

(Continued from page 2)

You would be amazed at the diversity of insurance fraud schemes currently

being perpetrated in this state. Review several of the largest and more complex insurance fraud cases investigated in recent years. Get an overview of the inves-

tigations and the prosecution of the perpetrators who have committed these crimes.

### The Tidbit—Continued

(Continued from page 5)

**Scam No. 3.** This information was paraphrased from the January-February 2011 AARP Bulletin, by Sid Kirchheimer,

#### How can I spot a scam “winnings” check?

The amount is typically under \$5,000, with instructions to deposit it and immediately wire a fee to claim the rest of your contest “winnings”. Why that amount? Scammers know federal law requires that deposits under \$5,000 be “made available” within five days. Your

account may show that deposit, but the bank is fronting the money until it collects those funds from the check issuer, which can take about ten days. When the check proves to be a dud and “bounces”, you’re on the hook for any money drawn from it.

In contrast, for checks of \$5,000 or more, your bank can wait longer to credit your account.

Therefore, never play this dangerous game with the scammers. Any funds you disburse from your bank account will be at risk of loss.

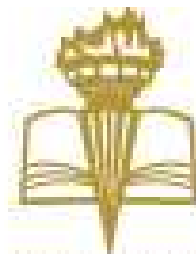
Another clue that these transactions

are scams is to ask yourself if you have ever entered the “contest” or “lottery” in the first place. If you haven’t entered, you could not possibly be a “winner”. And, if you have entered one know that, legitimate “contests” or “lotteries” never ask you to pay a fee in advance in order to obtain the funds. Be wary.

### A New Look and Feel

Recently, you may have noticed a change to the ‘look and feel’ of the ACFE Headquarters’ web site ([www.acfe.com](http://www.acfe.com)). If not, please take a quick look at their changes.

As part of updating their web site, they have also forwarded a new template for Chapters’ web sites. The new template will refresh our former web site ([www.fraud-examiners.org](http://www.fraud-examiners.org)). The new template is not yet implemented but should be coming soon. If anyone would like to get involved in updating our Chapter web site, please contact Julie Armbrust at [j\\_bollerud@hotmail.com](mailto:j_bollerud@hotmail.com).



# ACFE

Association of Certified Fraud Examiners

## Pacific Northwest Chapter

As part of this update, the Chapter has received a new Chapter specific logo, designed for us by ACFE Headquarters. For those of you with an attention to detail, you may have noticed the subtle

change on the front page of our newsletter. The Chapter will use this new logo on a variety of future printed or published media.

## Links to

### ACFE Chapters

Pacific NW Chapter  
[www.fraud-examiners.org](http://www.fraud-examiners.org)

Oregon Chapter  
[www.oregon-acfe.org](http://www.oregon-acfe.org)

Spokane Chapter  
[www.spokane-fraud.org](http://www.spokane-fraud.org)

Boise Chapter  
[www.boiseacfe.org](http://www.boiseacfe.org)

Big Sky Chapter (Montana)  
[kathy.arata-ward@josepheve.com](mailto:kathy.arata-ward@josepheve.com)

Vancouver, B.C.  
[www.cfevancouver.com](http://www.cfevancouver.com)

Edmonton Chapter  
[www.acfe-edmonton.com](http://www.acfe-edmonton.com)

Calgary Chapter  
[www.acfecalgary.com](http://www.acfecalgary.com)

### International ACFE Headquarters

[www.ACFE.com](http://www.ACFE.com)

*Do you have ideas for our  
next newsletter?*

*Want to write the review for  
the last fraud training you  
attended?*

*We would love your  
feedback!*

Contact Joe Dervaes at  
[joeandpeggydervaes@centurytel.net](mailto:joeandpeggydervaes@centurytel.net)



## Other ACFE Fraud Training Opportunities

- CFE Examination Review Course, November 14-17, 2011, Austin, TX.
- 17th Annual ACFE Canadian Fraud Conference and Exhibition, November 27-30, 2011, Toronto, Canada.
- Investigating Conflicts of Interest, November 5, 2011, Las Vegas, NV.
- Financial Institution Fraud, November 6-7, 2011, Las Vegas, NV.
- Interviewing Techniques for Auditors, November 5-6, 2011, Houston, TX.
- Principles of Fraud Examination, November 12-15, 2011, Austin, TX.
- Contract and Procurement Fraud, January 23-24, 2012, Phoenix, AZ.
- CFE Examination Review Course, January 31—February 2, 2012, Dallas, TX.
- Investigating Conflicts of interest, February 1, 2012, Los Angeles, CA.
- Fraud Risk Management, February 2-3, 2012, Los Angeles, CA.
- Introduction to Digital Forensics, February 13-14, 2012, New Orleans, LA.

The ACFE contact point for all course offerings is Dianne Lloyd, Marketing Specialist, by phone at 1-800-245-3321, or at the web-site [www.ACFE.com](http://www.ACFE.com). Contact her for more information and actual registration procedures.

## Other ACFE Chapter Annual Fraud Conferences

- Joint Annual Fraud Conference, Pacific NW Chapter and WSCPA, December 2, 2011.

To Receive the discounted registration fee for our Chapter's Annual Fraud Conference, contact the WSCPA's Education Operations Manager, Rachel Ingalls, by telephone at 1-800-272-8273 if you are not a CPA, or register on-line at the WSCPA's web-site at [www.wscpa.org](http://www.wscpa.org) if

## The Chapter Board of Officers

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