

**ASSOCIATION OF
CERTIFIED FRAUD EXAMINERS
CENTRAL OHIO CHAPTER
SEPTEMBER, 2010
NEWSLETTER**





Central Ohio Chapter of the C.F.E.

SEPTEMBER, 2010

“To improve fraud detection and deterrence through the education and interaction of our members and to aid community efforts to detect and prevent fraud”

FROM THE EDITOR

Well, as promised in the last newsletter and as General Douglas MacArthur once stated: We Shall Return! Well, to quote another popular line: We're Baaaccckkkk!!!

That's right, and we're back with a vengeance! However, as stated in the very last newsletter (See, I'm making you walk to the bathroom and re-read what was in there because I KNOW everyone keeps these newsletters for their 'personal reading' time!) when you get this newsletter, summer will be fighting to hold on – but trust me, I've seen this movie before – it's going to take a Fall! (get it? – work with me people!)

I hope you went out and enjoyed the beautiful weather this summer – or had a really good air conditioner! But, I'm not going to complain about the hot weather – bring it on, I always say! It's better than the alternative – which will be coming our way quicker than you think!

The Fall season is a great time of year! Crisp mornings and evenings and, need I mention - FOOTBALL! I mean, c'mon! I've been sitting in my favorite chair, putting that remote in arms length (I can find the 'Last' button on my remote, in the dark, with my feet!) and getting my favorite snacks and adult beverages ready to roll – I mean if football can have a pre-season, why can't I run through some minor drills and have my own two-a-days! (Those make the next day tough, but I'm a professional!) So, I'll make the concession of putting my golf clubs away (along with my game – which no one will miss – especially if you were in the fairway on my right) stowing my softball glove (I can get beer and pizza anytime I want) and getting my lawnmower ready for a long winter's nap (YAY!) If I MUST trade these things in for the Buckeyes, the BlueJackets, my Redlegs (got my fingers crossed) and the Heat (just kidding!) – then I shall provide the ultimate sacrifice – Summer for Fall (but, like I've got a choice anyway!)

MT

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PRESIDENT'S MESSAGE

Hello Everyone –

It is time to start our new fiscal year! I have always wondered what it would feel like to make an inaugural address ... now I know!

As the chapter's newly elected President, I welcome you to the chapter and encourage you to continue your active participation in chapter activities. If you are new to the chapter or just want to become more involved, please contact me or any of the other board members and we will gladly put you to work.

Last fall, many of you participated in our member survey and provided a number of really good suggestions for the chapter to explore. While we may not be able to implement all of those, the board you elected in June has been working hard to prioritize them. In addition, we will be conducting a follow up survey to allow new members or those who missed the last survey to be heard. But ... you do not have to wait to share your ideas or suggestions. Feel free to contact me via email or phone using the contact information below.

You can review a summary of the results of last year's survey by turning to pages 6-7 of this newsletter. At our next meeting on September 22nd, I will be glad to answer any questions you may have about the initiatives on which we are currently working. Although our meetings are normally held on the 3rd Wednesday of the month, a scheduling conflict necessitated a change for this meeting.

I look forward to seeing you on the 22nd at 11:30 in room 220, Phillips Hall on the campus of Franklin University. Phillips Hall is located on the corner of South Grant Avenue and Main Street across from McDonald's and Donatos Restaurants. The entrance for the free parking lot is on South Grant Avenue.

Dave Welch



**DIRECTORY OF OFFICERS
2010-2011 CHAPTER YEAR**

President Dave Welch, CFE, CPA (614) 947-6108 welchd@franklin.edu	Vice-President Michael Day, CFE, CGAP (614) 728 - 6475 meday@auditor.state.oh.us
Treasurer Peter Kimani, CFE, CPA, (614) 638-1873 pkimani@gmail.com	Secretary Danny Case, CFE, CPA (614) 716-1153 dlcase@aep.com
Board Member Stephanie (Sam) Smith, PhD, CFE (614) 260-7267 samsmith@hughes.net Dr. Tom Hrubec, CFE, CPA, CMA hrupect@franklin.edu (614) 947-6100	Past President Chrissie Powers, CFE, CPA, CVA, CFF (614) 722-7914 chrissie.powers@att.net
Training Officer Dr. Henry C. Smith, III, CFE, CMA, CCS hcsmith@otterbein.edu (614) 823-1298	Speaker's Bureau VACANT Student/Board Liason Errin Linder errinlinder@yahoo.com
Newsletter Editor/Website Administrator Michael Toth, CFE (614) 728-7112 mhthoth@auditor.state.oh.us Central Ohio CFE Website http://www.cocfe.homestead.com/	

**SEPTEMBER 22th
LUNCHEON SPEAKER
DONALD R. OWENS, CPA, CFF, CIA, CFSA,
CBA
DIRECTOR, INTERNAL AUDIT and RISK
ADVISORY SERVICES
SCHNEIDER DOWNS & CO., Inc.**



Don is the Director of Schneider Downs' Internal Audit and Risk Advisory Services practice for Ohio. His service deliveries include process and control assessment, organizational re-engineering, and various risk mitigation services (enterprise-wide risk assessment, internal audit support, fraud risk assessment, forensic investigation, SOX, etc.).

Over the course of his career, spanning 25 years, Don has led numerous investigations of fraud and suspected fraud. He has also led several engagements in which clients' suspected possible fraud within their organizations and, though fraud was not found, he and his team identified poor processes and deficient or non-existent controls requiring remediation to safeguard the clients from potential future theft. Clients served include non-profit, public and private entities.

Prior to joining Schneider Downs, Don was a director at a big four accounting firm where his primary responsibility was the delivery of SOX and internal audit services. He is a member of the following:

 **AUGUST 18, 2010
MINUTES OF EXECUTIVE
COMMITTEE MEETING**

**The minutes were not ready at this time.
They will be published in the next
newsletter!**

American and Pennsylvania Institutes of
Certified Public Accountants
The Ohio Society of Certified Public
Accountants
Association of Certified Fraud Examiners
Central Ohio Chapter of The Institute of
Internal Auditors (current chapter
president)
Risk Management Association
Bank Administration Institute

The topic will be "Principles of Good
Governance" and we will walk-through
the components of such. It will be how
to help clients that have experienced
fraud, develop the practices that promote
good governance and therefore reduce
future risk of frauds

UPCOMING MEETINGS

Get out your Franklin Planner, update your
Outlook calendar or write these following dates
on the back of your hand because, on the third
Wednesday of the selected months, we've got a
date at Franklin University – Phillips Hall for the
Central Ohio CFE luncheons ... don't be late
and I promise to have you home by midnight!!

- September 22, 2010
 - November 17, 2010
 - December 15, 2010
 - February, 2011
 - April 20, 2011
 - May, 2011
 - June 15, 2011
-



Walk-Ins Welcome ... But ...

**If you don't plan on eating at the
luncheon, please be aware that you will
be charged the normal \$12.00
(Member)/\$14.00 (Non-Member) fee
upon entry to the luncheon! In order for
anyone to receive the 1 hour of CPE from
the National CFE, this fee must be
collected! (whether you ordered a lunch
or not!) Please, no brown-bags!**

**Don't blame the messenger – blame
National! Yea – That's it!!**

LUNCHEON RESERVATIONS!!



Please email Peter
no later than

September 20, 2010

at:

PKIMANI@GMAIL.COM



Note about last June's Election results:

Regarding the outcome of last June's election, the board decided the best way to resolve the issues that arose would be to follow the chapter by-laws for filling the vacant position created when Dave Welch assumed the role of President on July 1st. It turned out that Gary Burkholder (he was elected to a vacant Board Member-at-Large) was not officially a chapter member at the time of the election in June, thus, was not eligible to be elected. In addition, there was not a second vacancy until July 1st. As outlined in the by-laws, the board discussed potential candidates at the July meeting and voted unanimously to appoint Dr. Tom Hrubec to complete Dave Welch's term as a Board Member-at-Large.

And The Winners Are:

On June 16, 2010, we held our annual Board elections – and to tell you the truth, it was one of the closest elections we've had to date!

However, due to a membership snafu, the results have been updated. Here are your NEW 2010-2011 Board Members:

President (Newly Elected)
Dave Welch, CFE, CPA

Vice-President
Michael Day, CFE, CGAP

Treasurer (Newly Elected)
Peter Kimani, CFE, CPA

Secretary
Danny Case, CFE, CPA

Board Members At Large
Stephanie Smith, CFE (2 yr) (Newly Elected)

Dr. Tom Hrubec, CFE, CPA, CMA (1 yr) (Newly Elected)

The Chapter would like to personally thank every candidate who threw their hat into the ring!

JOHN E. REID AND ASSOCIATES, INC.

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SEMINAR DISCOUNT REMINDER

ACFE Association of Certified Fraud Examiners Central Ohio Chapter #39

Your Current Members Qualify For A Discount

When Attending Our Upcoming Seminar

The Reid Technique of Interviewing and Interrogation

[Cleveland OH – Hilton Garden Inn-
Cleveland Airport](#)

September 21 – 24, 2010

[3-Day Interview and Interrogation Seminar
and/or 1-Day Advanced Course](#)

(hyperlinks provide detailed information and on-
line registration)

Dear RPGA Member:

Thank you for participating in the Reid Preferred Group of Associations (RPGA) discount program for professional associations and for agreeing to notify your members of our upcoming seminar dates and locations.

John E. Reid and Associates, [The Originators and Developers of The Reid Technique](#), will be presenting our exclusive seminar **The Reid Technique of Interviewing and Interrogation** in your geographic area. The 3-Day Interview and Interrogation Seminar will be followed by our 1-Day Advanced Course.

The reduced fee for the 2010 Reid Sponsored Open Enrollment Three-Day Seminar is \$450 - a savings of \$155 from the standard \$605 per person fee; the reduced fee for the Four-Day Seminar (Three-Day plus One-Day Advanced) is \$580 – a savings of \$225 from the standard \$805 per person fee; and the One-Day Advanced course is discounted \$65 - from \$305 to \$240. In addition, RPGA members receive a discount when purchasing Reid training products.

SEMINAR REGISTRATION AND DISCOUNT CODE AUTHORIZATION

Registration and/or Additional Information

- Select the applicable city/state/location hyperlink provided above or call 800-255-5747, extension 14 or 24.

Discount Code

- Your chapter members must provide your RPGA Association Code Number at the time of registration to ensure discount is reflected on invoice.

Discount Code Authorization

- The RPGA Discount is valid for your current chapter/association members only, and is not authorized for use outside your membership.

RPGA members can attend Reid Sponsored Open Enrollment Seminars in any state and receive the applicable RPGA discount. Our 2010 seminar schedule is available to view [by date](#), [by state/region](#) or [by seminar title](#). To view or download a copy of our 2010 seminar brochure and schedule, [click here](#). To read articles prepared by John E. Reid and Associates on a variety of interview and interrogation topics, [click here](#) to visit our Investigator Tips web page.

We appreciate your support and look forward to providing you the finest training available in the industry.

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...To All Members ...

**ANNUAL FRAUD
CONFERENCE 2010**
NEW ORLEANS, LOUISIANA
DECEMBER 2-3, 2010

The New Orleans Chapter of the ACFE is proud to announce that we will be holding our annual Fraud Conference on December 2nd and 3rd at the New Orleans Marriott at the Convention Center.

Day 1 - Charles Cohen, Consultant and Lt. in Indiana State Police Cyber Crimes and how social networking and virtual communities are used by criminal organizations to commit fraud, money laundering and other crimes.

Day 2 - Joseph Buckley, Reid Interviewing The Reid Technique of Behavioral Interviewing and Interrogation for fraud investigations.

You can get more information or register online by visiting www.neworleansacfe.org.

Register and pay before October 1st, 2010 and take advantage of our "Early Registration Special" to get 10% off your registration fees. The conference has been approved for 16 hours of CPE (NASBA Approved) and 13.3 hours of CLE for Louisiana Attorneys.

The conference cost is \$375 for local chapter members and \$475 for professional guests. The price includes valet parking, a continental breakfast, refreshments, lunch and afternoon snacks. The conference will be held at the New Orleans Marriott at the Convention Center. A conference rate of \$159/night has been approved by the Marriott for our out of town guests.



Summary of 10/15/09 Survey Responses

1. Frequency of Chapter meetings – a narrow majority felt the number was just right

As we develop plans for training sessions, we may hold those on a Friday or Saturday if the registrations support those.

2. Chapter meetings here at Franklin University – 72% said accommodations were satisfactory. One person said they're worse than you could know.

Alternate meeting sites included:

River Club (Confluence Park) – *we explored that option – the minimum number of attendees and the cost per meal was*

prohibitive without raising the charge from \$12 - \$14 to \$20 or more

A location that promotes better opportunities for networking – prefer rounds versus classroom style setup – *when alternative sites were explored, the accommodations were limited and cost tended to be prohibitive*

Several liked the central location and the free parking

Hilton Easton Hotel – *cost prohibitive*

Quality of the food – *75% said accommodations were satisfactory. One person said it is worse than you could know.*

3. Current meeting format (lunch followed by a speaker) – *95% indicated the current format is satisfactory.*

56% indicated we should consider varying the meeting format occasionally

Leading suggestions for different format included:

Luncheon followed by a more intensive training session (say three or four hours) on a relevant fraud related topic to allow an in-depth analysis and discussion of the topic

Our Training Officer has been working on a list of topics which will be shared in the next newsletter

White collar investigations

Insurance fraud

Healthcare/pharmacy fraud

Mortgage fraud

Psychologist – talk about how people are thinking

FBI, ATF, Police Detectives, Prosecutors

Tax fraud

Ponzi schemes

Educational side of fraud examination

4. Joint meetings with other investigative and similar organizations

Each February for the past 6 years, we have met jointly with the Ohio Investigators' Association at the Ohio Department of Transportation auditorium on West Broad

We are exploring other such meetings such as with the Internal Auditors' Association

Roundtable discussion of a members' problems or investigations

Roundtable discussion of a particular type of fraud, how it is perpetrated, how to detect it, investigative techniques to use (e.g. investment frauds targeted against the elderly, insurance scams, bankruptcy fraud, fraud within government)

Presentation by a member – job responsibilities and experiences so we can learn more about each other

Sessions that are more interactive with the members attending

5. Importance of CPE credit – *78% indicated CPE was important to their attendance*

6. Chapter projects to be considered:

Christmas donations to needy organization(s) instead of giving gifts to ourselves

Purchase fraud-investigation related equipment for local law enforcement agencies

Sponsor candidates who wish to obtain their CFE certifications

7. What changes should be made to make the Chapter more valuable or better able to serve you?

Greater networking opportunities with members, other organizations, presenters.

Right now I think the chapter is just fine.

More trainings throughout the year (day long trainings)

Online training/presentations using some type of online software such as DimDim that is free and easy to use.



Map & Parking Directions

Franklin University, Phillips Hall, Room 220– across the street from McDonald's & Donato's on the corner of Main Street & South Grant Avenue

(614) 797-4700

- FROM SOUTH OF DOWNTOWN:
 - Take I-71 north to Livingston Avenue exit
 - Follow Livingston Avenue east to Grant Avenue
 - Turn left (or north) on Grant Avenue – parking lot will be on your left
 - Phillips Hall is on the left on the corner of Main Street & Grant Avenue

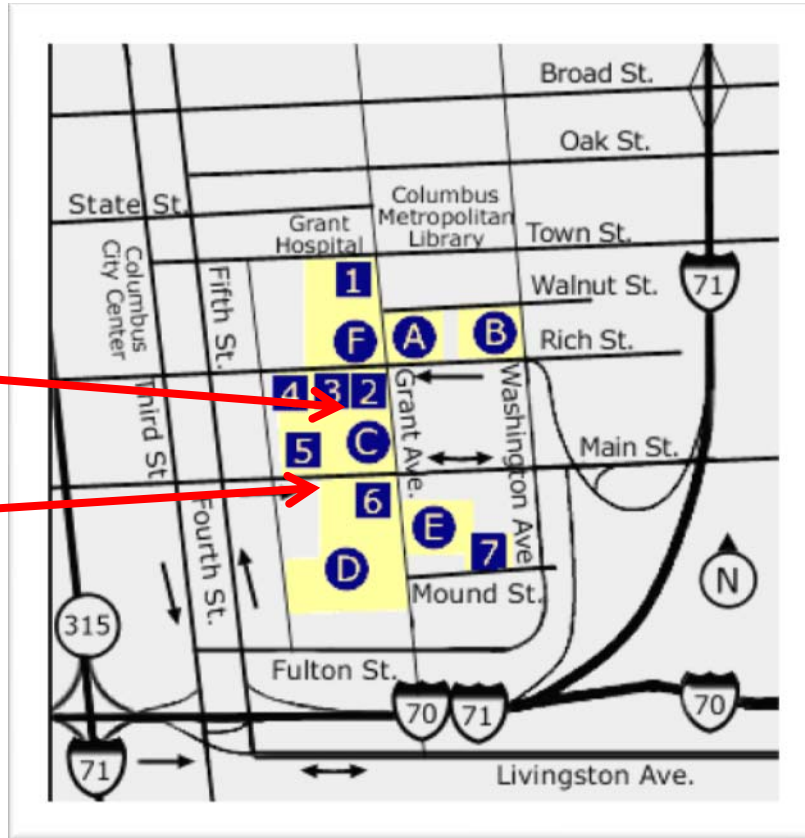
- FROM EAST OF DOWNTOWN:
 - Take I-70 west to Fourth Street exit
 - Follow Fourth Street (one way northbound) to Main Street
 - Turn right (or east) on Main Street
 - Turn left (or north) on Grant Avenue – parking lot will be on your left
 - Phillips Hall is on the left on the corner of Main Street & Grant Avenue

- FROM NORTH OF DOWNTOWN:
 - Take I-71 south to the Main Street exit
 - Stay left on the exit ramp to the light
 - Turn right on Main Street
 - Follow Main Street to Grant Avenue

- Turn left (or south) on Grant Avenue – parking lot will be on your right
- Phillips Hall is on the left on the corner of Main Street & Grant Avenue
- FROM WEST OF DOWNTOWN:
 - Take I-70 east to the Livingston Avenue exit
 - Follow Livingston Avenue east to Grant Avenue
 - Turn left (or north) on Grant Avenue – parking lot will be on your left
 - Phillips Hall is on the left on the corner of Main Street & Grant Avenue

6 = Phillips Hall
Across the street from
McDonald's & Donato's

Lot D is right by Phillips
Hall.



RESERVATIONS REQUIRED! In case you've forgotten, the Columbus Chapter CFE will be holding their next Luncheon on September 22, 2010 at the **FRANLIN UNIVERSITY, PHILLIPS HALL, ROOM 220**. As is always the case, the food will be great and the speaker will be superb! However, reservations are required.

PRICES: \$12.00 Member/ \$14.00 Non-Member

RSVP: Peter Kimani
(614)638-1873

E-Mail: pkimani@gmail.com

AGENDA: 11:15am Registration
11:30am Lunch
12:00n Speaker

POLICY: The deadline for reservations/cancellations is Monday, September 20, 12:00 noon.

NOTE: ALL RESERVATIONS MADE AND NOT CANCELED BY THE DEADLINE MUST BE PAID FOR.

BONUS: ONE LUNCHEON = ONE HOUR CPE

Check out the National CFE Website:
WWW.ACFE.COM

Franklin University – Phillips Hall



CENTRAL OHIO CHAPTER, ACFE