

**ASSOCIATION OF  
CERTIFIED FRAUD EXAMINERS  
CENTRAL OHIO CHAPTER  
SEPTEMBER, 2012  
NEWSLETTER**





# Central Ohio Chapter of the C.F.E.

## SEPTEMBER, 2012

“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

Greetings fellow CFE'ers!! I hope everyone had a great summer – I hope you like hot weather because it was a scorcher of a summer! It almost made drinking a beer a chore ... almost! But, as the old Byrds song goes – To everything turn, turn, turn and we're fast approaching Fall. You know the summer's over when football is in full swing (Hooray!), baseball is in its final innings and hockey ... well hockey may not even start at all. (Will it be missed?) You've got to love fall ... the weather is cooler at night, the leaves begin to turn color and you can't fit into your jeans that you wore during last winter! How'd they shrink when they've been sitting on the shelf this whole time? Too much humidity in the air? Gravity? It's one of those 'mysteries' ... like the chicken and the egg! And I'm not one to gild the lily, but you may want to start to look for your winter gear – which includes your snow shovel. Don't shoot the messenger, I'm just the newsletter guy!

Well, while everyone's been out frolicking in the midday sun, your CFE Board has been hard at work. Congratulations to our newest Board Members that were elected way back in June. (man, that seems so long ago!) They've also held their first Board Meeting, so they're not fooling around.

Also, our very first luncheon of the new year is on Tuesday, September 18 at the Boat House (formerly Confluence Park). Get your reservations in to Aaron Eckstein – your new Treasurer!

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### PRESIDENT'S MESSAGE

Welcome back to a new year!!! I would like to welcome Aaron Eckstein and Kevin Brun as new Board members to the Chapter. I would also like to thank Peter Kimani and Sam Smith for their service and contributions for the past two years. Their counsel and assistance will be missed, but I hope they remain active in our Chapter.

A new fraud training event will be held this year. In conjunction with the Ohio Society of Certified Public Accountants we will be offering a new fraud conference on December 12, 2012 here in Columbus. Look for an announcement on this event soon. We have already had our first meeting laying out topics and working on speaker identification. I look to expanding this conference to two days in the future and involving the Cleveland and Cincinnati Chapters in making this a great training event. I would like to thank everyone that volunteered to help with this project. Volunteers far outnumbered the number of slots available. I am keeping those names in mind as we will have additional future projects.

Speaking of Cincinnati, they will be having a one day event of their own on October 12<sup>th</sup>. I will make details available as they become available. I know they are looking to have a course on ethics for those of you who still need to fulfill that requirement for the year.

Additionally, the National is sponsoring a two day event on October 29 and 30<sup>th</sup> here in Columbus scheduled to take place at the Hyatt Regency. The course is entitled "Auditing for Internal Fraud". We need three chapter members to assist with onsite registration and other duties. Please contact Henry Smith or me if you are interested in assisting. Volunteers attend the training with their fee waived.

I look forward to seeing everyone this coming Tuesday at the Boathouse (formerly known as the River Club, Confluence Restaurant and other names) at 11:30 AM. Henry Smith and members of his class we be providing us with a case study.

Heinz Ickert

**DIRECTORY OF OFFICERS  
2011-2012 CHAPTER YEAR**

<p><b>President</b> Heinz Ickert, CFE, CPA (614) 464-3343 <a href="mailto:Heinz.Ickert@att.net">Heinz.Ickert@att.net</a></p>	<p><b>Vice-President</b> Melissa Smart, CFE, CFI (614) 248-8909 <a href="mailto:melissa.b.smart@jpmchase.com">melissa.b.smart@jpmchase.com</a></p>
<p><b>Treasurer/Website Adm</b> Aaron Eckstein, CFE, CIA, CRMA (614) 677-0230 <a href="mailto:ecksteal@nationwide.com">ecksteal@nationwide.com</a></p>	<p><b>Secretary</b> Danny Case, CFE, CPA (614) 716-1153 <a href="mailto:dlcase@aep.com">dlcase@aep.com</a></p>
<p><b>Board Member</b> Kevin Brun, CFE, CIFI, SCLA (614) 398-9879 <a href="mailto:mrcfe@aol.com">mrcfe@aol.com</a></p> <p>Steve Ritzer, CFE, CPA (614) 595-3901 <a href="mailto:sritzer@blueandco.com">sritzer@blueandco.com</a></p>	<p><b>Past President</b> Chrissie Powers, CFE, CPA, CVA, CFF (614) 722-7914 <a href="mailto:chrissie.powers@att.net">chrissie.powers@att.net</a></p>
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**SEPTEMBER 18th  
LUNCHEON SPEAKER  
Dr. HENRY C. SMITH, III  
OTTERBEIN UNIVERSITY**

**Henry C. Smith, III, Ph.D., CFE, CMA, CCS**, is an associate professor of accountancy at Otterbein University in Westerville, Ohio, in teaching managerial and advanced managerial accounting, and a four-course fraud concentration at both the graduate

and undergraduate levels. Smith has more than 16 years teaching fraud-related courses, is a member of the ACFE Anti-Fraud Education Partnership, a past member of the Board of Directors of the Central Ohio Chapter of the ACFE and serves as the chapter training director.

The topic is the investigation of the Rita Crundwell case: **As the comptroller for the small town of Dixon, Ill., since 1983, Rita Crundwell managed all financial aspects of the city funds, including transferring money between accounts, writing checks and authorizing payments. Her salary was \$80,000 per year, but she enjoyed a lavish lifestyle and was a nationally known horse breeder. After a city clerk found a problem in the city's accounts, the mayor contacted the FBI. Six months later, agents arrested Crundwell. She has pleaded not guilty to misappropriating "more than \$53 million" in city funds.**

The first part of this case was published in the September/October issue of the *Fraud Magazine*.

The actual presentation of the case will be done by two graduate students, Melissa Lee and Nichole Lawhorn. Just prior to their presentation, I will give an update of the Otterbein University Fraud Concentration implemented in the Fall of 2011



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**AUGUST 22, 2012  
MINUTES OF EXECUTIVE  
COMMITTEE MEETING**

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The meeting was called to order by Heinz Ickert. Others in attendance were Danny Case, Chrissie Powers, Melissa Smart, Steve Ritzer, Aaron Eckstein, and Kevin Brun.

The following agenda items were discussed at the meeting:

- The Board had a general conversation concerning the recent Emerging Trends Conference. The evaluations were briefly discussed as well as the timing related to the organization of the conference. The Board noted that the Chapter has not received any financial benefit from participating in this conference for several years. In fact no financial information concerning the conference is known as that information had not been shared by the Auditor of State Office. The Board authorized Heinz Ickert to draft a letter to the Auditor of State outlining the concerns of the Board related to this conference.
- The Board had a brief discussion concerning the annual joint training held with the Ohio Investigators Association (OIA). The Board decided not to participate in this training in the future as other training opportunities for chapter members are being developed.
- Heinz noted that on September 4, 2012 at 9:00 am there would be a two hour conference call with the Ohio CPA Society concerning the joint training to be held on December 12, 2012. Heinz requested that Melissa, Danny, Chrissie, and Steve join him on the call to discuss potential topic areas. All parties were requested to email Heinz their telephone number for the conference call.

- Steve Ritzer asked the Board about the format of an audit of the Chapter's books since there was a change in the Treasurer position. Steve was informed that National no longer requires an audit of the Chapter's books. A review would consist of a sample testing of transactions and a short report outlining what was done and the findings, if any.
- Henry Smith, Training Director, requested the Board consider voting via email rather than waiting until the next Board meeting to approve payment to a student in the scholarship program. The Board agreed to the request upon verification of the student's successful completion of the CFE exam
- Danny questioned the members of the Board if a new contract had been executed with the Boat Club for the chapter's luncheons. Heinz stated that he had given them the dates for the chapter's meeting but did not have a contract yet. He indicated that he would follow-up with the Boat Club.
- Aaron stated that the chapter needed someone to maintain the chapter's website since Peter was no longer able to perform that task. Heinz stated that he would contact Sam Smith to see if she would be able to help in this area.
- Aaron indicated that he was unable to change the names on the chapter's bank account. Currently the accounts carry the names of Peter Kimani, Norman Hofmann, and Dave Welch. The Board agreed that Aaron, Melissa, and Heinz should be the names on the accounts. Melissa stated that she would make inquiries to determine how the names can be updated.
- The following Board members were assigned to obtain speakers for the luncheons as follows:

September 2012 – Henry Smith

November 2012 – Steve Ritzer  
January 2013 – Danny Case  
March 2013 – Melissa Smart  
May 2013 – Aaron Eckstein  
June 2013 – Chrissie Powers / Heinz Ickert

- A motion was made and approved to adjourn the meeting.



**And The Winners Are:**

**On June 19, 2012, we held our annual Board elections. Here are your NEW 2012-2013 Board Members:**

President: Heinz Ickert

Treasurer: Aaron Eckstein

Board Member at Large: Kevin Brun

**The Chapter would like to congratulate all of the winners and personally thank every candidate who threw their hat into the ring!**

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PLEASE NOTE: All board positions require that you are present at a **minimum of 50%** of the board meetings and the term is for two years.

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**The Name has changed but the location stays the same.  
We're still having our luncheons at 670 W. Long St – however don't be fooled; it's now called **The Boat House at Confluence Park.****



**We Want You**

**Got a good work/fraud 'war story'?  
We'd love to hear it at one of our upcoming luncheons!  
Got a good idea or want to help out?  
We'd love to have you aboard!  
Contact a Board Member**

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## LUNCHEON RESERVATIONS!!



Please make your luncheon reservations on our new website no later than September 17, 2012 at: [www.centralohiocfe.com](http://www.centralohiocfe.com)

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## Luncheon/Membership Fees:

### Luncheons:

**Member : \$16.00**

**Non-Member: \$20.00**

### Local Membership:

**Certified Member: \$25.00**

**Associate Member: \$30.00**

**Affiliate Member: \$35.00**

**Students: \$15.00**

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## 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 Tuesday of the selected months, we've got a date at the Confluence Park (BoatHouse) for the Central Ohio CFE luncheons ... don't be late and I promise to have you home by midnight!!

- September 18, 2012
  - November 19, 2012
  - January 15, 2013
  - March 19, 2013
  - May, 2013 (Emerging Trends)
  - June 18, 2013
-



MEMBERSHIP APPLICATION (2013 Calendar Year)
ASSOCIATION OF CERTIFIED FRAUD EXAMINERS
CENTRAL OHIO CHAPTER
PLEASE PRINT LEGIBLY

Name \_\_\_\_\_ Nickname: \_\_\_\_\_
Professional Certifications: \_\_\_\_\_
Job Title: \_\_\_\_\_
Employer: \_\_\_\_\_
Preferred Mailing Address: Office: \_\_\_\_\_ Residence: \_\_\_\_\_
Street: \_\_\_\_\_ Email Address: \_\_\_\_\_
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code +4: \_\_\_\_\_
Telephone: Office ( ) \_\_\_\_\_ Home ( ) \_\_\_\_\_ Cell ( ) \_\_\_\_\_
Please include me in any directory that is made available only to other members \_\_\_ Yes \_\_\_ No

Central Ohio Chapter Membership Dues and Stipulations

Please Indicate Membership Level

- Certified Member \$20.00
Associate Member \$25.00
Affiliate Member \$30.00
Detailed descriptions and stipulations for each membership level.

ANNUAL DUES ARE PAYABLE ON OR BEFORE JANUARY 1, 2013

Mail this application, your check (payable to Central Ohio Chapter ACFE) and your business card to:
Central Ohio Chapter-ACFE,
P.O. Box 15312
Columbus, OH 43215

This is a Membership Renewal \_\_\_\_\_ New Membership Application \_\_\_\_\_
If new member, I was referred by: \_\_\_\_\_

Annual Dues for the Central Ohio Chapter do not include annual dues for National ACFE. Affiliate members are encouraged to seek membership with ACFE. Call (800) 245-3321 in Austin, Texas for membership information.

Signature \_\_\_\_\_ Date \_\_\_\_\_

**RESERVATIONS REQUIRED!** In case you've forgotten, the Columbus Chapter CFE will be holding their next Luncheon on September 18, 2012 at the **CONFLUENCE PARK (now called The BOATHOUSE)**. As is always the case, the food will be great and the speaker will be superb! However, reservations are required.

**PRICES:** \$16.00 Member/ \$20.00 Non-Member  
**RSVP:** Aaron Eckstein  
(614) 677-0230

E-Mail: [eckstea1@nationwide.com](mailto:eckstea1@nationwide.com)

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

**POLICY:** The deadline for reservations/cancellations is Monday, September 17, 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](http://WWW.ACFE.COM)

## 679 West Long St.

