

**Minutes of Semi-Annual CFE Chapter Board of Officers Meeting**  
**Pacific Northwest Chapter/ACFE – February 8, 2012**

**Call to Order.** President Joe Dervaes called the semi-annual meeting for February 8, 2012, to order at 12:30 p.m. in the downtown Seattle training facility of the Washington State Housing Commission's offices (Training Room). Present were Board of Officer Members: Joe Dervaes; Bernadette McBride; Robert Goehring; and Julie Armbrust. Roger Gulliver and Norm Gierlasinski were absent because of personal work reasons. Those in attendance represented a quorum of officers, and those members absent previously indicated their approval of the action items proposed for the meeting by prior e-mail message.

**Approval of Prior Meeting Minutes.** The Board of Officers unanimously voted to approve the minutes for the following meetings: (a) semi-annual Board of Officers meeting; and, (b) Chapter annual business meeting, both held in Tukwila on June 8, 2011.

**Old Business.** There were no outstanding business items requiring follow-up action by the Board from prior meetings.

**New Business.**

(a) **Chapter Representative.** After discussion, the Board of Officers unanimously **voted to approve** Director-at-Large Julie Armbrust as the Chapter Representative for the annual meeting held in conjunction with the 23rd ACFE Annual Fraud Conference and Exhibition in Orlando, FL on June 18, 2012 (3:00 – 6:00 p.m.), **and to authorize** Treasurer Roger Gulliver to pay not more than \$500 towards her expenses while traveling to and attending the Conference. Julie will prepare a report of the meeting after the Conference that will be published in the Chapter newsletter.

(b) **ACFE Foundation and Chapter Scholarship Programs.** Training Director and Chair of the Scholarship and Community Outreach Committee Norm Gierlasinski sent scholarship notification letters to Colleges and Universities in our geographic area in Fall 2011. And, our University Outreach leaders have been contacting their assigned higher educational institutions ever since to advertise the ACFE Foundation and Chapter scholarship programs. Applications were due to the ACFE and the Chapter by February 3, 2012. In a change of procedures, students must send their scholarship application directly to ACFE electronically. They then send their ACFE application and a resume to our Chapter for its scholarship program. As of the Board meeting date, there had been two student inquiries about scholarships. But, neither student actually sent their application to us. Chapter President Joe Dervaes will follow-up with the students to determine if their applications were sent to ACFE. If so, we'll include them in our Chapter's scholarship program as well. If no applications were received from these students, Chapter President Joe Dervaes and Chapter Director-At-Large Julie Armbrust will contact the ACFE to determine if there are any other eligible students in the program from Western Washington universities so that we can include them in our scholarship program. A maximum of one student scholarship for \$500 may be awarded in the

Chapter's scholarship program. There are sufficient funds in the chapter treasury for the Chapter scholarship program this year. The winning student will be introduced to the membership in a subsequent Chapter newsletter. The Chapter scholarship winner will be announced in a future Chapter newsletter as well, once the ACFE Foundation's scholarship winners have been determined, and a letter will be sent to the students notifying him/her of the results.

The Board of Officers unanimously **voted to authorize** Treasurer Roger Gulliver to pay for the award of one student scholarships of \$500 in the Chapter's 2012 student scholarship program, if a suitable candidate can be identified.

(c) **Chapter Incentive Award Program for Passing the CFE Examination.** At its June 8, 2011, Board of Officers meeting and annual Chapter Business Luncheon meeting, the Board and Chapter membership agreed to eliminate one of the Chapter student scholarships (leaving one still in place) and replace it with a new Chapter Incentive Award Program for Passing the CFE Examination (one award for \$500). The Board previously approved the policies and procedures for this new award program by e-mail. It will grant an award to the CFE who meets all of the requirements of the program associated with passing the CFE Examination in each calendar year (with 2012 being the first year). These policies and procedures will be posted on our web-site and have been announced in the Chapter newsletter.

The Board of Officers unanimously **voted to approve** its prior e-mail action to establish this new incentive award program **and to authorize** Treasurer Roger Gulliver to pay for one annual award of \$500 in this new Chapter Incentive Award Program for Passing the CFE Examination.

(d) **ACFE's National Fraud Awareness Week.** The Board of Officers unanimously **voted to authorize** the Chapter President to register the Chapter as a supporter of the ACFE's annual National Fraud Awareness Week program ([www.FraudWeek.com](http://www.FraudWeek.com)). The kick-off for this event is anticipated to be sometime in mid-November 2012, similar to previous years.

(e) **Donations to ACFE Foundation's Student Scholarship Program.** After discussion of our prior participation in this program, the Board of Officers unanimously **voted to authorize** Treasurer Roger Gulliver to send a \$300 donation to the "Chapter Challenge" for the ACFE Foundation's student scholarship program for 2012 scholarships.

(f) **Joint Chapter/ACFE Training Class.** The annual joint Chapter/ACFE two-day fraud training class will be held on October 1-2, 2012 at the SeaTac DoubleTree Hotel. The Board previously sent our preferred topic requests to ACFE. The final selection of the topic ("Contract and Procurement Fraud") and class dates have been announced by the ACFE; however, the speaker has not yet been announced. The ACFE will handle all registrations for this class, reserve the dates with the hotel, and subsequently notify us of the speaker. The estimated registration fee for this class is \$695 for Members and \$845

for Non-Members. The Board of Officers will assist with registration duties. The Chapter will receive three free registrations to the class, two for assistance with registration duties, and one complimentary from the ACFE as in prior years. President Joe Dervaes will be able to attend this class at no cost because of his prior duties on the ACFE Board of Regents.

The Board of Officers unanimously **agreed to continue its prior policy** of discontinuing funding for the registration of all Board members over and above the free registrations provided by ACFE because of the costs involved. The free class registrations will be equitably distributed among those Board members who plan to attend the class. The Board of Officers unanimously **voted to authorize free class registrations** this year for Vice-President Bernadette McBride, Treasurer Roger Gulliver, and Director-at-Large (at this time) Robert Goehring. If any of these Board Members is unable to attend the class, the Board will substitute another Board Member to replace that person. If other Board members (over and above the three individuals mentioned above) desire to attend this class, they will be responsible for paying their own way.

The Association will provide breakfast pastries and mid-morning and mid-afternoon refreshments on both days of this training class. The Association will provide lunch only on the first day of the class. Attendees will be on their own for lunch for the second day of the two-day training class.

The Board of Officers also unanimously **voted to authorize** Treasurer Roger Gulliver to pay for luncheon expenses for Chapter Members who attend this training class on the day when ACFE does not provide this service, as we have done in past years (i.e.; the luncheon on day two of the class).

(g) **Annual Chapter Luncheon Business Meeting**. The annual Chapter luncheon business meeting will be held on June 13, 2012, at the Bahama Breeze Restaurant near the SouthCenter Mall in Tukwila. Training Director Norm Gierlasinski has already made the restaurant reservations for this meeting.

Because of the increasing costs associated with the luncheon at the annual business meeting, the Board unanimously **voted to approve** an attendance fee of \$10 for Chapter Members and \$15 for Chapter Non-Members as we have done in prior years. The Chapter will pay the remaining costs associated with the luncheon meal held in conjunction with this meeting. This information will be appropriately announced in the newsletter prior to this event.

The Board of Officers unanimously **voted to authorize** President Joe Dervaes to purchase five gift certificates for \$25 each at a local book store to be used as door prizes for the annual luncheon business meeting on June 13, 2012, and unanimously **voted to authorize** Treasurer Roger Gulliver to reimburse him for these door prize expenses. The Board of Officers also unanimously **voted to authorize** Treasurer Roger Gulliver to pay for the remaining restaurant luncheon costs for the annual luncheon business meeting.

(h) **Joint Chapter/WSCPA One Day Interviewing Fraud Class.** The Chapter and the WSCPA have agreed to jointly sponsor a one-day fraud class on August 13, 2012, similar to the same class held in 2011 on the topic of “The Reid Technique of Interviewing and Interrogation”. This class is in addition to our normal August 2012 Chapter fraud seminar in downtown Seattle. The speaker for this special class will be Joseph Buckley, President of Reid and Associates from Chicago Illinois. This special fraud class will be held at the WSCPA’s headquarters and training facility in Bellevue. There will be no Co-Chairs for this class this year. We will share proceeds for this special class with the WSCPA the same as we did in 2011. All speaker arrangements and administrative announcements plus details on the actual training class date will be handled either by the speaker or the WSCPA staff. The Board of Officers previous approved this training class by e-mail message.

The Board of Officers unanimously **voted to approve** this prior training agreement with the WSCPA.

(i) **Chapter 2012 Distinguished Achievement Award.** The Board of Officers unanimously **voted to award** the 2012 ACFE Distinguished Achievement Award to Chapter Member Gayle Seyl, CFE, AHFI, owner of Probitry Financial Services (initial Board decision amended by subsequent e-mail message due to an administrative oversight). Gayle has been a long-term supporter of our Chapter’s fraud training mission through his regular attendance at Chapter fraud seminars, classes, and conferences, as well as a speaker on the topic of Health Care Fraud at one of the Chapter’s Annual Fraud Conferences. She is also a member of the Community/University Outreach Committee and is a representative to the University of Washington (Tacoma Campus).

President Joe Dervaes will notify the recipient of this award and will prepare the award nomination package in Fall 2012 based upon input from the recipient. The award will be presented at our fraud seminar meeting in Seattle in February 2013.

(j) **Chapter 2011 Distinguished Achievement Aware Presentation.** The ACFE previously approved the Chapter’s 2011 Distinguished Achievement Award nomination for John Tollefsen. The award will be presented at our fraud seminar meeting in Seattle today (February 8, 2012). Director-At-Large Robert Goehring will take pictures of the presentation ceremony. A picture will then be published in the next Chapter newsletter. **Information only.**

(k) **Joint Chapter/WSCPA Annual Fraud Conference.** The joint Chapter/WSCPA Annual Fraud Conference is scheduled for Friday, December 7, 2012, at the Meydenbauer Center in downtown Bellevue. The WSCPA will handle registrations and all administrative duties in support of this Conference and has reserved this date and entered into an agreement with the Center. The Chapter will provide the speakers and topics for the Conference. The estimated registration fee for this Conference is \$225 for Members and \$295 for Non-Members. The Chapter receives \$10 from each registration for our overhead costs associated with the Conference, and then participates in a net revenue profit-sharing agreement with the WSCPA. The Board unanimously **voted to**

**approve** the Chapter President and Training Director Norm Gierlasinski as the Conference Co-Chairs this year. They will attend the event at no cost.

As in the past, the Board of Officers unanimously **voted to authorize** Treasurer Roger Gulliver to pay for the registration fees of any other members of the Board of Officers who wish to attend the Conference (maximum of four). This is a personal benefit to these individuals for their service on the Chapter Board of Officers during the year.

(l) **Joint Chapter/WSCPA Annual Fraud Conference Speakers**. The Board of Officers has already identified speakers and topics for all fraud training events in 2012 except for the joint Chapter/WSCPA Annual Fraud Conference. Speakers and topics have also been identified for our February and April 2013 meetings. The Board must now identify and select speakers and topics for the 2012 Conference in order to complete our annual training schedule. The WSCPA will once again use a format of eight speakers and eight topics for the 2012 Conference. As we did last year, the Board discussed how best to accomplish this goal (i.e.; four speakers and eight topics, or other). Board members volunteered to identify speakers and topics as selected agencies and organizations and will begin working of completing the annual training schedule. **Information only.**

(m) **Chapter Financial Report**. Treasurer Roger Gulliver was not able to attend this semi-annual Board of Officers meeting, but previously reported that the Chapter is financially healthy and able to support all of its planned activities for calendar year 2012. **Information only.**

(n) **ACFE Volunteer Program**. Chapter Director-at-Large Julie Armbrust was selected to be a Member of the ACFE Foundation's Scholarship Committee at the Board of Director's meeting in San Diego, CA on June 12, 2011. She will be serving a three-year term of office (July 2011-July 2014). The Chapter Board of Officers is proud of Julie's leadership and service to the Chapter and the ACFE. **Information only.**

(o) **President's Plaque**. President Joe Dervaes already has a plaque for his previous service to the Chapter. Since he is departing the position of Chapter President on June 30, 2012, the Board of Officers should authorize a metal plate to be added to his existing plaque indicating his current continuous period of service in this position (i.e.; July 1, 2003 – June 30, 2012). The Board unanimously **voted to authorize** President Joe Dervaes to obtain the metal plate for his plaque **and to authorize** Treasurer Roger Gulliver to reimburse President Joe Dervaes for this Chapter expense.

To recognize President Joe Dervaes' long service as Founding and Current President of the Chapter, the Board of Officers discussed establishing a meritorious service position of "President Emeritus" and making the initial award to Chapter President Joe Dervaes upon the expiration of his current term of office (June 30, 2011). President Joe Dervaes was the Founding President of our Chapter on March 31, 1993, and served as Chapter President as follows: March 31, 1993 – December 31, 1996 (three years and nine months); and, July 1, 2003 – June 2012 (nine years); for a total of 12 years and 9 months

(or 66% of the period of our Chapter's existence). There is a precedent for the President Emeritus position in the Middle Tennessee Chapter/ACFE in Nashville, Tennessee, and perhaps in other ACFE Chapters as well. The Board unanimously **voted to establish** the position of "President Emeritus" **and to make** the initial award to President Joe Dervaes effective July 1, 2012. It also unanimously **voted to authorize** President Joe Dervaes to obtain the metal plate for this designation for his plaque **and to authorize** Treasurer Roger Gulliver to reimburse President Joe Dervaes for this Chapter expense.

(p) **New Chapter Board of Officers Member**. Since Chapter President Joe Dervaes will be departing the Board of Officers on June 30, 2012, we need to identify one new Board member. All other current Board members agreed to continue their leadership roles for another term in office (two years). After discussing this with Chapter members, announcing the opening at Chapter meetings and in the Chapter newsletter, only one person requested an opportunity to serve on the Board. This member is Jennifer Rauch, and she will become a Director-At-Large. In addition, Robert Goehring agreed to serve as Chapter President. All other Board members will remain in their current positions on the next Board. Chapter President Joe Dervaes agreed to appoint the Nominating Committee (i.e.; Morgan Jacobson, Cliff Whipple, and Kent Hansen) and request they prepare a slate of individuals for the new Board of Officers as follows: President – Robert Goehring; Vice-President Bernadette McBride; Secretary-Treasurer Roger Gulliver; Director-At-Large Julie Armbrust; and Director-At-Large Jennifer Rauch.

(q) **Miscellaneous Chapter Business**. Julie Bollerud brought up several issues by e-mail after our last Board of Officers meeting. The two unresolved issues are as follows: (1) Should we put the names of our Board of Officer members on our Internet Web-Site? We already have these names on file at the ACFE and we also publish them in our bi-monthly newsletter. And, (2) Should we change the form of our current Continuing Professional Education training certificates or the current procedures we use to issue them? We currently copy a form with the title of the training topic, date, and amount of CPE hours granted for our Chapter-only fraud training events. We distribute these forms to the members at the conclusion of our fraud training events. Members then fill in their own name on this form and retain it on file. The Chapter retains a copy of the sign-in sheet for each fraud training event on file in the event any professional certification organization audits a member's CPE information. The Board unanimously **voted to approve** placing the names of our Board of Officer members on the Chapter web-site **and to revise** our Chapter Continuing Professional Education certificate for a more professional presentation. Chapter President also Joe Dervaes agreed to revise the CPE form before the next Chapter fraud seminar meeting.

(r) **ACFE 2012 Chapter Awards Program**. Chapter President Joe Dervaes has volunteered to submit our Chapter in the ACFE Chapter Awards Program in the following categories: (1) Chapter of the Year Award; and, (2) Chapter Newsletter of the Year Award. These nominations will be submitted soon (due date to ACFE is April 8, 2012). The Board unanimously **voted to authorize** President Joe Dervaes to submit our Chapter in the above ACFE Chapter Awards Program categories for 2012.

**Adjournment.** The semi-annual Board of Officers meeting was adjourned at 2:15 p.m. on February 8, 2012, by President Joe Dervaes, and the Board then attended the bi-monthly fraud training seminar at 2:30 p.m. at the downtown Seattle training facility.