

Minutes of Semi-Annual CFE Chapter Board of Officers Meeting – Pacific Northwest Chapter/ACFE – February 9, 2011

Call to Order. President Joe Dervaes called the semi-annual meeting for February 9, 2011, 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 9, 2010.

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** Chapter Member Linda Saunders as the Chapter Representative for the annual meeting held in conjunction with the 22nd ACFE Annual Fraud Conference and Exhibition in San Diego, CA on June 12, 2011 (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. Linda will prepare a report of the meeting after the Conference that will be published in the Chapter newsletter. Linda is a speaker at the Conference. As a result, we expect her expenses to be less than the maximum amount authorized for this purpose.

(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 2010. 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 Chapter by December 31, 2010, and to the ACFE by January 21, 2011. The Chapter had five inquiries about scholarships this year. Only one of these candidates actually sent us an application form. One additional candidate also sent us an application form without making an inquiry. Confirming their unanimous **vote to approve** this action by e-mail, the Board of Officers selected the following students for Chapter CFE reference letters: Kim Ngan Tran, Central Washington University (Lynnwood Campus) was selected as our Chapter's Primary Representative for the ACFE Foundation Scholarship program and number one candidate for the Chapter's scholarship program, and Akilah S. Rahman, California State University (Fullerton, CA) was selected as our Chapter's Alternate Representative for the ACFE Foundation scholarship program and number two candidate for the Chapter's scholarship program. Both applications were mailed to the ACFE on January 14, 2011. There are sufficient funds in the chapter treasury for the Chapter scholarship program of two scholarships of \$500

each. These students will be introduced to the membership in the next Chapter newsletter. The Chapter scholarship winners will be announced in a future Chapter newsletter as well, once the ACFE Foundation's scholarship winners have been determined, and letters will be sent to the students notifying them of the results.

The Board of Officers unanimously **voted to authorize** Treasurer Roger Gulliver to pay for the award of up to two student scholarships of \$500 each in the Chapter's 2011 student scholarship program.

(c) **Chapter Incentive Programs**. The Board of Officers discussed the possibility of two new Chapter incentive programs. The Chapter could pay for the cost of the ACFE's CFE Examination Preparatory Course only for one or more Chapter members who sign-up for, take, and pass the CFE Examination after they have joined the Chapter. Another option would be that the Chapter could pay for the cost of the registration fee for one or more student Chapter Members who desire to attend the joint Chapter/WSCPA Annual Fraud Conference in December each year. Before we proceed further with either of these programs, the Board will need to establish policies and procedures to be used for these activities. This matter will be further discussed by the Board of Officers and considered at a future Board meeting. **Action tabled.**

(d) **ACFE's National Fraud Awareness Week**. The Board of Officers unanimously **voted to authorize** President Joe Dervaes to register the Chapter as a supporter of the ACFE's annual National Fraud Awareness Week program (www.FraudWeek.com). The kick-off for this event is anticipated to be sometime in mid-November 2011, similar to previous years.

(e) **Donations to ACFE Foundation's Student Scholarship Program**. The Board of Officers unanimously **voted to authorize** Treasurer Roger Gulliver to send \$200 to the ACFE Foundation's student scholarship program for 2011 scholarships. The Chapter sent this same amount to the Foundation in prior years as well. In addition, the Board of Officers unanimously **voted to authorize** Treasurer Roger Gulliver to send the required amount of funds to the ACFE Foundation for our contribution to the "Chapter Challenge Program" whereby the Chapter previously agreed to donate \$5 to the ACFE Foundation for each new Member who joined the Chapter during the period October 1, 2010, through January 15, 2011 (approximately six new Members joined the Chapter during this time for a donation of \$30 to the ACFE Foundation).

(f) **Joint Chapter/ACFE Training Class**. The annual joint Chapter/ACFE fraud training class will be held in mid-October 2011 at the SeaTac DoubleTree Hotel. The Board previously sent our preferred topic requests to ACFE; however, the final selection of the topic, class dates, and the speaker has not yet been announced. The ACFE will handle all registrations for this class, notify us of the speaker and topic, and reserve the training dates with the hotel at a later date. The estimated registration fee for this class is \$595 for Members and \$695 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 not be able to attend this class at no cost any longer because his term on the ACFE Foundation Board of Directors ends in June 2011 prior to the class date.

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 President Joe Dervaes, Treasurer Roger Gulliver, and Director-at-Large Robert Goehring (as of this date). 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 Luncheon Business Meeting**. The annual Chapter luncheon business meeting will be held on June 8, 2011, at the Bahama Breeze Restaurant at 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 8, 2011, and unanimously **voted to authorize** Treasurer Roger Gulliver to reimburse him for these 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) **Chapter 2011 Distinguished Achievement Award**. The Board of Officers unanimously **voted to award** the 2011 ACFE Distinguished Achievement Award to Chapter Member John J. Tollefsen, founder of Tollefsen law PLLC in Lynnwood. He is an attorney, CFE, and Certified Internal Controls Specialist. John 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 the ACFE's Annual Fraud Conferences. He also created a column for the Chapter's newsletter called "News from the Trenches" and also serves as a Member of the Web-Site and Newsletter Committee.

President Joe Dervaes will notify the recipient of this award and will prepare the award nomination package in Fall 2011 based upon input from the recipient. The award will be presented at our fraud seminar meeting in Seattle in February 2012.

As a post-script, the ACFE previously approved the Chapter's 2010 Distinguished Achievement Award nomination for Peter Tobin, and the award will be presented at our fraud seminar meeting in Seattle today (February 9, 2011), if Peter is in attendance. If not, the award will be presented to him at our fraud seminar meeting in Seattle on April 3, 2011. Either Training Director Norm Gierlasinski or Director-at-Large Robert Goehring will take pictures of the presentation ceremony, depending upon the date used. A picture will then be published in the next Chapter newsletter. **Information only.**

(i) **Joint Chapter/WSCPA Annual Fraud Conference.** The joint Chapter/WSCPA Annual Fraud Conference is scheduled for Friday, December 2, 2011, at the Meydenbauer Center in downtown Bellevue. The WSCPA will handle registrations and all administrative duties in support of this Conference. The Chapter will provide the speakers and topics for the Conference. The estimated registration fee for this Conference is \$220 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. President Joe Dervaes and Training Director Norm Gierlasinski will be the Conference Co-Chairs and 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.

(j) **Joint Chapter/WSCPA Interviewing Fraud Seminar.** This year there will be a joint Chapter/WSCPA fraud seminar on the topic of "Interviewing". The speaker will be Joe Buckley of Reid and Associates in Chicago. The Chapter previously made arrangements with the speaker to present this seminar on Friday, August 12, 2011, at the WSCPA's headquarters training facility in Bellevue. This seminar replaces our normal August 2011 Chapter fraud seminar that was scheduled for the downtown Seattle training facility. The WSCPA will handle registrations and all administrative duties in support of this Conference. The registration fee for this fraud seminar has not yet been determined. The same profit sharing procedures we use for the Annual Fraud Conference will be used, whereby 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. It is anticipated that President Joe Dervaes and Training Director Norm Gierlasinski will be the Co-Chairs for this event and will attend the Conference at no cost. Board members who desire to attend this fraud seminar will do so at their own expense. **Information only.**

(k) **Annual Chapter Training Calendar.** The Board of Officers must identify and select speakers and topics for the Annual Fraud Conference in December 2011. Speakers and topics have already been assigned for the remainder of the Chapter's calendar year 2011 training

schedule. After much discussion, all members of the Board agreed to begin making suggested contacts with prospective speakers for the remainder of the calendar year 2011 training calendar. The Board already has a great start on this project to support our Chapter's fraud training mission, will be working in the background all year to complete their assignments, and will be filling the Annual Fraud Conference with highly qualified speakers and important fraud topics. **Information only.**

(l) **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 our planned activities for calendar year 2011. **Information only.**

(m) **ACFE Volunteer Program.** Chapter Director-at-Large Julie Armbrust has volunteered to be a Member of the ACFE's Chapter Awards Program Committee for calendar year 2011, a one-year term. Chapter Development Manager Jeff Kubiszyn will be confirming her appointment to this position soon. She has also volunteered to be a Member of the ACFE Foundation's Scholarship Committee, a three-year term. Selection for this position will be made by the ACFE Foundation Board of Directors at one of its future meetings. **Information only.**

(n) **Other Chapter Activities.** There were three items included in our June 9, 2010, Board of Officers meeting that were discussed with no formal action taken. These three items were again discussed by the Board. They were: (1) **Member Spotlight.** The Board wants to publicize a brief biography and picture of one Chapter Member in each newsletter. President Joe Dervaes sent a notice to several individuals after this prior meeting but did not receive any responses to this initiative. He will try again. (2) **Member Survey.** The Board was interested in sending out a brief survey to the membership to make sure that we are meeting the needs of our members for our training calendar of events, locations, and times. A survey of this nature has not been made in a number of years. President Joe Dervaes will develop a proposed survey for the Board to consider in the future. (3) **Community Outreach.** The Spokane Chapter/ACFE has developed a fine community outreach program by partnering with several local agencies. There was a discussion about whether or not our Chapter could do something similar to this outreach program in our geographic area of responsibility. Director-at-Large Julie Armbrust will contact the Spokane Chapter/ACFE to find out more information about their program and develop a proposal for the Board to consider in the future. Julie will also address these issues during our networking break at the Chapter's fraud seminar today to determine the level of interest in these topics.

Adjournment. The semi-annual Board of Officers meeting was adjourned at 2:00 p.m. by President Joe Dervaes, and the Members then attended the bi-monthly fraud training seminar at 2:30 p.m. at the downtown Seattle training facility.