

PACIFIC NORTHWEST CHAPTER/ACFE – February 13, 2013

Semi-Annual Board of Officers Meeting Minutes

1. Call to Order. President Robert Goehring called the semi-annual meeting of the Board of Officers for February 13, 2013, at 12:30 p.m. in the downtown Seattle training facility to order. Present were Board of Officer Members: Robert Goehring, Bernadette McBride and Julie Armbrust; Training Director Norm Gierlasinski; and, President Emeritus Joe Dervaes. Board Officers Roger Gulliver and Jennifer Rauch were unable to attend (working). **Information Only**.

2. Approval of Prior Meeting Minutes. The Board unanimously voted to **approve** the meeting minutes for the semi-annual Board of Officers meeting held on June 13, 2012, and the annual Chapter Business Meeting held on June 13, 2012 (both meetings held in Tukwila, WA).

3. Old Business.

(a) There was no outstanding business from prior Board meetings.

4. New Business.

(a) Chapter Representative at Annual Fraud Conference. **Confirming their unanimous vote to approve this action** by e-mail, the Board unanimously voted to **appoint** President Emeritus Joe Dervaes to serve as the Chapter Representative for the annual meeting held in conjunction with the 24th Annual Fraud Conference and Exhibition in Las Vegas, NV (June 23-28, 2013), and to **authorize** Treasurer Roger Gulliver to pay not more than \$500 towards expenses of the Chapter Representative while attending the Conference.

(b) Chapter Student Scholarship Program. At its June 8, 2011, Board of Officers meeting and annual Chapter Business Meeting, the Board and 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. There are sufficient funds in the Chapter treasury for the Chapter scholarship program of one scholarship in the amount of \$500. The Chapter scholarship winner, if any, will be announced in our bi-monthly newsletter. Chapter President Robert Goehring made a report that he had not received any applications for the 2013 scholarship program. After some discussion, the Board **directed** Chapter President Robert Goehring to contact the ACFE regarding whether any Washington students had applied for ACFE Foundation scholarships and, if yes, to obtain the applications and other documentation necessary to evaluate for the Chapter Scholarship Program. The Board will approve potential subsequent award, if any, through e-mail vote which will be confirmed at the June 2013 Board meeting.

(c) Chapter Incentive Award Program Award. Each calendar year the Board recognizes one associate member who becomes a Certified Fraud Examiner during that year and fulfills the other Program requirements by December 31 of that year by granting an award in an amount not to exceed \$500 to help defray the costs of obtaining the CFE credential. If there is more than one Associate Member meeting all of the requirements, then the winner will be selected by drawing during the subsequent year February Chapter Fraud Seminar in Seattle. Calendar Year 2012 was the first year of this program. There was one applicant that met all of the requirements for the 2012 Calendar Year Award – Victoria Brazil. Chapter President Robert Goehring provided subsequent notification to Victoria and asked that she attend today’s training to receive this award. Pictures will be taken for the newsletter. An announcement of this award program for 2013 and the award recipient for 2012 were published in the January-February 2013 Chapter Newsletter. **Confirming their unanimous vote to approve these actions** by e-mail, the Board unanimously voted to **award** the 2012 Chapter Incentive Award Program to Victoria Brazil, and to **authorize** Treasurer Roger Gulliver issue a check in the amount of \$500 payable to Victoria Brazil for presentation during the February 13, 2013 Chapter Fraud Seminar.

(d) Donation to ACFE Foundation’s Ritchie-Jennings Memorial Scholarship Program. The Chapter has supported the ACFE Foundation’s Ritchie-Jennings Memorial Scholarship Program in prior years. The Board should continue it’s participation in this most worthwhile program in 2013 by making a contribution of \$200 again this year, plus another \$100 for the ACFE Foundation Board of Directors Chapter Challenge again this year (\$300 total contribution). Due to a technicality, our 2012 contribution to the ACFE Foundation was not included in the Silent Auction statistics. To remedy that situation, our contribution this year should be indicated as totally for the “Chapter Challenge”. The Board unanimously voted to **authorize** Treasurer Roger Gulliver to send \$300 to the ACFE Foundation for the “Chapter Challenge” as part of the Silent Auction program to raise funds for student scholarships in 2013.

(e) ACFE National Fraud Awareness Week. The ACFE National Fraud Awareness Week is an annual event. The kick-off for this event will be in mid-November 2013. There are typically over 600 Official Supporters for this event. Supporters must register with the ACFE. There are six methods offered for becoming a Supporter, including advertising the Chapter’s support in the Chapter newsletter. Historically, this is the option selected by the Chapter noting that there is no cost associated with this option. The Board unanimously voted to **authorize** President Robert Goehring to register the Chapter as a supporter of National Fraud Awareness Week (www.FraudWeek.com) and to select “Newsletter or Publication” as the method selected when ACFE announces the program later this year.

(f) Chapter 2012 Distinguished Achievement Award Presentation. The ACFE has approved the Chapter’s 2012 Distinguished Achievement Award for Gayle Seyl. The Chapter Board of Officers was previously notified of ACFE’s approval of this award. Chapter President Robert Goehring purchased a frame for the award. It will be presented at our fraud seminar meeting in Seattle today (February 13, 2013). Chapter President

Robert Goehring will bring a camera to the meeting and take pictures for the newsletter.
Information Only.

(g) Chapter 2013 Distinguished Achievement Award. Effective with the 2011 Award, the Board of Officers decided to begin making this award to the Member who has supported the Chapter the most by attending our fraud seminars and conferences, by participating on Chapter committees, and by supporting other ACFE programs and activities. After some discussion, the Board voted unanimously to **approve** the selection of Dr. James Peet as the recipient of the 2013 Distinguished Achievement Award subject to final approval by the Membership at the June 12, 2013, Annual Business Luncheon. President Robert Goehring will write the recommendation for the award letter based upon specific input from the selectee.

(h) Annual Chapter Luncheon Business Meeting. The annual Chapter luncheon business meeting will be held June 12, 2013, at the Bahama Breeze Restaurant at SouthCenter Mall in Tukwila. Vice-President Norm Gierlasinski has made the restaurant reservations for this meeting. Historically, the registration fee for this event (for the training) was as follows: As we did last year, the Board of Officers agreed to charge Members \$10 and Non-Members \$15 for this event. The Chapter will pay all costs associated with the luncheon meal held in conjunction with this meeting. After some discussion, the Board unanimously voted to **authorize** President Robert Goehring to purchase five Starbucks gift certificates for \$25 each as door prizes for the annual business meeting on June 12, 2013, to **authorize** Treasurer Roger Gulliver to reimburse President Robert Goehring for this door prize expense and to pay the luncheon meal costs for this Chapter meeting. Further, the Board unanimously voted to **establish a policy** whereby Chapter Board members, the Training Director and the President Emeritus are not eligible to receive these door prizes.

(i) Chapter 2013 Fraud Training Seminars. Speakers have been determined for all four of the Chapter's 2013 Fraud Training Seminars and are as follows:

- February 13, 2013. Speaker: Joseph R. Dervaes, CFE, ACFE Fellow, CIA. Topic: "Discovering the Secrets of Detecting Fraud in Accounts Receivable."
- April 10, 2013. Speaker: Dr. Brian K. Steverson, the John L. Aram Chair of Business Ethics, Gonzaga University School of Business Administration. Topic: The Three C's – Competence, Confidentiality, & Compliance (ACFE Ethics Training).
- June 13, 2013 (Annual Business Meeting). Speaker: James S. Peet, Peet & Associates. Topic: Being an Investigator (exact topic and title to be determined)
- August 14, 2013. Speaker: Dean Black, Senior Investigator, Corporate Investigations, T-Mobile USA, Inc. Topic: To Be Determined.

Information Only.

(j) 2012 Joint Chapter/ACFE Fraud Training Class - Report. See also the Nov-Dec 2012 Bi-Monthly Chapter Newsletter. The “Contract and Procurement Fraud” two-day class was held on Oct 1-2, 2012, at the DoubleTree Inn Hotel in SeaTac, WA. There were 39 people that attended this event, including 11 Chapter Members. The ACFE granted three complimentary registrations to the Board of Officers for assisting during this event (Robert Goehring, Roger Gulliver, and Julie Armbrust). President-Emeritus Joe Dervaes also attended this event at no cost. On November 8, 2012, the ACFE remitted a check in the amount of \$700 representing the Chapter’s reimbursement (calculated based on 35 attendees times \$20/each). There were a number of administrative issues associated with this event most notably with parking at the hotel. Specifically, the parking fee was not a flat rate (as advertised) and attendees staying at the hotel actually paid a higher rate than those commuting to the event. This marks the 3rd year in a row that we have had parking issues associated with this hotel. The ACFE was notified orally and in writing about these concerns. The Board of Officers previously decided to move this event to the Marriott Hotel, Hilton Hotel, or Cedar Brook Lodge in SeaTac for the 2013 class.

Information Only.

(k) 2013 Joint CFE Chapter/ACFE Fraud Training Class. The annual joint Chapter/ACFE two-day fraud training class will be held in mid-October 2013, at a hotel in the SeaTac area. The ACFE has not yet selected the course suggested by the Board of Officers, the dates of the class, the hotel location, or the course instructor. The instructor for this class will be announced by ACFE after the topic has been decided. The ACFE will provide a listing of potential topics to Chapter President Robert Goehring, who subsequently provide it to the Board of Officers for “ranking”. The ranking will then be provided to the ACFE for consideration. The ACFE is responsible for reserving the dates for this training class. The estimated registration fee for this class is \$695 for Members and \$845 for Non-Members, and there is usually an early registration discount of \$95 offered by ACFE. Board Members will assist with class registration and certain other administrative duties on-site at the hotel. The Chapter will receive three complimentary registrations to the class, two for assistance with registration duties, and one complimentary from the ACFE as in prior years. President Emeritus Joe Dervaes will also be able to attend this class because of his prior duties on the ACFE Board of Regents. As discussed in Item (j), the 2012 Event was the 3rd year in a row that there were significant issues with parking at the hotel. The Chapter Board of Officers can provide input to the ACFE regarding the hotel that is used; however, the hotel would have to be in proximity to SeaTac International Airport to accommodate the speaker and out-of-town attendees.

After some discussion, the Board unanimously voted to **authorize** the three free class registrations this year for Robert Goehring, Bernadette McBride, and Jennifer Rauch. If any of these Board Members is unable to attend the class, the Board will substitute another Board Member or other key Chapter member to replace that person. If other Board members (over and beyond the three individuals mentioned above) desire to attend this class, they will be responsible for paying their own way. The Board also

unanimously voted to **authorize** Treasurer Roger Gulliver to pay the 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). Finally, after some discussion, the Board unanimously voted to **authorize** President Robert Goehring to inquire of the ACFE about changing hotels for the October 2013 Joint Chapter/ACFE Training Class, noting that the hotel should continue to be in close proximity to SeaTac International Airport.

(l) 2012 Joint CFE Chapter/WSCPA Annual Fraud Conference - Report. See also the Jan-Feb 2013 Bi-Monthly Chapter Newsletter. The Joint CFE Chapter/WSCPA Annual Fraud Conference was held on December 7, 2012, at the Courtyard Marriott Hotel in Bellevue, WA. There were 92 individuals that attended this event, including 16 Chapter Members. The WSCPA granted two complementary registrations for the Conference Co-Chairs, President Robert Goehring and Training Director Norm Gierlasinski. Further, as in the past, the Chapter reimbursed any of the other four Board Members for registration fees for this conference. President Robert Goehring reported that the WSCPA still had providing payment or the accounting representing the Chapter's reimbursement (calculated based on the number of attendees times the rate). The WSCPA actually had a contact with the Meydenbauer Center in Bellevue for this conference; however, the Meydenbauer Center advised that it would not be able to accommodate the conference this year. The WSCPA advised that it would receive "financial consideration" for the 2013 Conference and the Board will ensure that the Chapter ensures an appropriate financial benefit from this action. President Robert Goehring will follow-up again with the WSCPA and will provide this information when it becomes available. **Information Only.**

(m) 2013 Joint CFE Chapter/WSCPA Annual Fraud Conference. The joint CFE Chapter/WSCPA Annual Fraud Conference will be held on December 6, 2013, at the Meydenbauer Center in downtown Bellevue, WA. The WSCPA has reserved this date on their training calendar for the Conference and already entered into an agreement with the Center to reserve this training date. The estimated registration fee for this conference is \$225 for Members and \$300 for Non-Members. As in the past, President Robert Goehring and Training Director Norm Gierlasinski will be the Co-Chairs and will attend the Conference at no cost. As in the past, the Chapter agrees to pay for the registration fee for this Conference for any of the all other four Board of Officers Members who desire to attend the event. The Board also unanimously voted to **authorize** Treasurer Roger Gulliver to pay for the registration fees for all other members on the Board of Officers who want to attend the Conference (a maximum of four).

(n) 2013 Joint Chapter/WSCPA Annual Fraud Conference Speakers. The Board of Officers has already identified speakers and topics for all fraud training events in 2013 except for the joint CFE Chapter/WSCPA Annual Fraud Conference. The Board of Officers must now identify and select speakers and topics for the Annual Fraud Conference in order to complete our annual training calendar. The Board of Officers discussed its initial plans to fill these vacancies and will be working throughout the year to complete the training schedule. The WSCPA will once again use a format of eight

speakers and eight topics for the 2013 Annual Fraud Conference. As we did last year, the Board of Officers discussed how best to accomplish this goal (i.e.; four speakers and eight topics, or other). **Information Only.**

(o) **Chapter Financial Statements.** Chapter Treasurer Roger Gulliver was unable to attend today's Board meeting. President Robert Goehring will ask that he provide a financial report to the Board via e-mail. We are financially healthy and able to support all of our planned activities for fiscal year 2013. **Information Only.**

(p) **ACFE 2013 Chapter Awards Program.** The Board unanimously voted to **not submit** an application for the ACFE 2013 Chapter Awards Program.

(q) **Chapter Website Hosting Company Offer.** On December 9, 2012 Board Member Julie Armbrust advised the Board of Officers via e-mail that 1&1 Internet, Inc. (Chapter website hosting company) offered the Chapter an upgrade to the Chapter "Business Package". The enhancement included unlimited webspace (currently 250,000 MB limit) and various other "unlimited" features, e.g. e-mail accounts, etc. This proposal would increase our current rate of \$11.99/month (payable quarterly) to \$14.99/month. Julie advised in this e-mail that the Chapter barely uses the space allotted, let alone the number of databases, e-mails, FTP accounts, etc. and recommended that the Board not accept this upgrade. Board Members Robert Goehring and Joe Dervaes responded concurring with this recommendation. The Board of Officers needs to discuss whether to continue this policy in the future. If so, no further action is required at this time. **Confirming their unanimous vote to approve this action** by e-mail, the Board unanimously voted to not authorize payment for unlimited features on our website.

(r) **Payment of Booth/Table Fees for Chapter Outreach Efforts.** In May 2013 the Washington Association of Sheriffs and Police Chiefs is having an event at the Tacoma Convention Center. This would be an excellent venue for outreach for the Chapter. Unfortunately, the WASPC requires payment of a \$500 "booth" fee and there are no exemptions, even for not-for-profit organizations (such as the Chapter). Historically, the Chapter has never paid such a fee. The key question is, "What's in it for the Chapter?" Yes, exposure (for the Chapter) is one answer, but why should the Chapter have to pay for it? The Chapter Board of Officers previously voted to not pay this booth fee, and Chapter President Robert Goehring communicated these results to the Chapter member making the inquiry. The Board discussed the pros and cons regarding payment of booth/table fees for the purpose of establishing a Chapter policy in this area. **Confirming their unanimous vote to approve this action** by e-mail, the Board unanimously voted to not authorize payment of a "booth/table" fee for the WASPC May 2013 event. The Board also voted unanimously to **establish a policy** whereby as a general rule the Chapter will not pay any "booth/table" fees under any circumstances.

(s) **Advertising Non-Chapter Training Events in the Chapter Newsletter.** There are two types of Chapter Participation:

- Co-Sponsorship involves execution of a formal contract which of course establishes financial benefits and obligations to the Chapter

- Advertising in the Chapter Newsletter which conveys Chapter “endorsement” of the training event

In terms of advertising, the Chapter automatically includes upcoming ACFE fraud training events on the last page of the Bi-Monthly Chapter Newsletter and also puts in special announcements about the ACFE’s Annual Fraud Conference in full articles in the newsletter. We also automatically include upcoming fraud conference announcements in the newsletter. In addition, we provide Chapter Members with links to all of the CFE Chapters in our region. Also, we advertise all events for which the Chapter serves as a “co-sponsor”, e.g. certain WSCPA events such as the Annual Fraud Conference. Finally, we advertise the Reid Fraud Interviewing training calendar when they send it to us via e-mail because the Chapter has a formal agreement with them that they provide us with periodic “interviewing tips” information for our members and that they give our Chapter members class registration fee discounts. We normally do not advertise all of the fraud training activities of the other professional organizations/chapters in our region for various reasons including, but not limited to the following:

- Lack of timely notification of event (for publication in the newsletter).
- Lack of relevance to the primary training mission of the Chapter: Fraud prevention, detection, investigation and prosecution.

The question before the Board of Officers is whether a policy should be developed concerning co-sponsorship and advertising of training events. Specific questions:

- What criteria should be used to evaluate whether co-sponsoring is appropriate?
- What criteria should be used to evaluate whether advertising in the Newsletter is appropriate (noting that by definition anything co-sponsored would be advertised)?
- What criteria should be used to determine whether an inquiry is brought before the Board for formal vote (via e-mail), then ratified at one of the Semi-Annual Board Meetings?

President Robert Goehring posed these questions to the Board of Officers via e-mail in September 2012 for consideration in advance of today’s Board meeting.

The Board unanimously voted to **establish a policy** whereby:

1. Co-sponsorship must be supported by a formal agreement approved in advance by the Board of Officers. Extra care should be taken in execution of such agreements because of the potential financial exposure placed on the Chapter. All co-sponsored events will be advertised in the Chapter Newsletter.
2. Advertising of non-ACFE training events will be based on whether the event meets the training mission of the Chapter and is of a benefit to the Membership. Specific considerations include whether the event activity content is focused on fraud prevention, detection, investigation and/or prosecution. Further, the sponsoring organization must provide timely notification to the Board of Officers and such notification should include sufficient information about the event.

3. Each Member of the Board of Officers may individually reject a solicitation for advertising an event; however, when in doubt the Member should submit the proposal to the Chapter President for submission to the Board of Officers for a vote (e-mail).

(t) Miscellaneous Chapter Business. There were no miscellaneous Chapter business items. **Information Only**.

(u) Other. This year marks the 20th anniversary of the Pacific Northwest Chapter/ACFE. The Board discussed potential commemorative activities such as potentially a cake at the Annual Business Luncheon in June 2013. Any actions will be voted on through e-mail then affirmed at the June 2013 Board meeting. **Information Only**.

5. Adjournment. The semi-annual Board of Officers meeting was adjourned at 2:15 p.m. by President Robert Goehring, and the Members then attended the bi-monthly fraud training seminar at 2:30 p.m. at the downtown Seattle training facility.

Attachments

Minutes: Board of Officers and Annual Business Meetings held on June 13, 2012.

Current Board Meeting & Annual Business Meeting Minutes

**Pacific Northwest Chapter/ACFE – June 13, 2012
Semi-Annual Board of Officers Meeting Minutes**

Call to Order. President Joe Dervaes called the semi-annual meeting of the Chapter Board of Officers for June 13, 2012, to order at 10:00 a.m. at the McDonald’s Restaurant in Tukwila (near SouthCenter Mall). Present were Board Members: Joe Dervaes, Roger Gulliver; Bernadette McBride; Robert Goehring; and Julie Armbrust; and Training Director Norm Gierlasinski. In addition, new Chapter Board member Jennifer Rauch was also in attendance. Those in attendance represented a quorum of the Board.

Prior Minutes. The Board unanimously approved its Board of Officer meeting minutes from the semi-annual meeting held in Seattle on February 8, 2012.

Old Business. There was no outstanding business from prior Board of Officers meetings.

New Business.

(a) Chapter Representative at ACFE’s Chapter Representative Meeting. At its February 8, 2012, meeting, the Board unanimously voted to appoint Chapter Director-At-Large Julie Armbrust as our representative at the ACFE’s Chapter Representative Meeting to be held on Sunday,

June 17, 2012, in conjunction with the ACFE's 23rd Annual Fraud Conference and Exhibition in Orlando, FL and to authorize Treasurer Roger Gulliver to pay not more than \$500 towards her expenses to attend this important meeting. Julie will take notes and make a report to the Chapter on the content of this meeting which will be published in a future 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 Chapter and ACFE by February 3, 2012. The Chapter received only one application by the due date. Confirming their unanimous vote to approve this action by e-mail, the Board selected the following student to receive the one Chapter scholarship for 2012 (Alexis Morehouse, Accounting Major graduating in June 2012 from Seattle University) and for Treasurer Roger Gulliver to pay for the award of \$500 with funds being paid directly to the University on behalf of this student. There were sufficient funds in the Chapter treasury for this scholarship award. The scholarship award was made on April 23, 2012, with funds being sent to Student Financial Services at Seattle University. This student was also introduced to the membership in the May/June 2012 issue of the Chapter newsletter. Scholarship award letters were also sent to the student and the University to notify them of the results.

(c) Chapter Incentive Award Program for Passing the CFE Examination. At its February 8, 2012, meeting, the Board approved the new Chapter Incentive Award Program for Passing the CE Examination. The Chapter will grant one \$500 award to a Chapter Associate Member who attends at least two Chapter fraud training events and passes the CFE Examination in 2012. The Board previously unanimously voted to approve the policies and procedures for this new program by e-mail. Two Chapter Associate Members expressed interest in participating in this new program in 2012 (i.e.; Ben Wolfgram and Victoria Brazil), and Vicki Brazil has already passed the CFE Examination and met all requirements for this award.

(d) ACFE National Fraud Awareness Week. At its February 8, 2012, meeting, the Board approved the Chapter as a sponsor of the ACFE's 2012 National Fraud Awareness Week program. The kick-off for this sent will be in mid-November 2012.

(e) Chapter Donation to ACFE Foundation's Ritchie-Jennings Memorial Scholarship Program. The Chapter has supported the ACFE Foundation's Ritchie-Jennings Memorial Scholarship Program in prior years. At its February 8, 2012, meeting, the Board approved the Chapter's continued support of this program and authorized Treasurer Roger Gulliver to

make a contribution of \$300 for the "2012 Chapter Challenge Program".

(f) ACFE's 23rd Annual Fraud Conference and Exhibition. The ACFE's Annual Fraud Conference will be held at The Gaylord Palms Resort and Convention Center in Kissimmee, FL (near Orlando and other entertainment venues) from June 17-20, 2012. Chapter President Joe Dervaes will be a break-out session speaker on June 20, 2012, on the topic of: "Discovering the Secrets of Detecting Fraud in Accounts Receivable" Three Chapter Members (Peter Tobin, Ron Sells, and Julie Armbrust) participated in the "team registration program" sponsored by the ACFE and received at least a \$100 discount on Conference registration fees as a result. Chapter Director-At-Large Julie Armbrust will be our representative at the ACFE's Chapter Representative Meeting to be held on Sunday, June 17, 2012.

(g) Chapter Annual Luncheon Business Meeting and Fraud Seminar. The annual Chapter luncheon business meeting and fraud seminar will be held at Noon on June 13, 2012, at the Bahama Breeze Restaurant at the SouthCenter Mall in Tukwila. Training Director Norm Gierlasinski has already made the restaurant reservations for this meeting. At its February 8, 2012, meeting, the Board unanimously voted to approve an attendance fee of \$10 for Chapter Members and \$15 for Chapter Non-Members for the fraud seminar as we have done in prior years. The Chapter also agreed to pay the remaining costs associated with the luncheon meal held in conjunction with this meeting.

At its February 8, 2012, meeting, the Board of Officers also 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 and fraud seminar on June 13, 2012. The Board also unanimously voted to authorize the following: (1) President Joe Dervaes to have his Chapter plaque engraved with the dates of his service as President and for the new position of President Emeritus effective July 1, 2012; (2) the purchase of a cake to celebrate President Joe Dervaes' long-time service as Chapter President; (3) to pay for the restaurant luncheon costs for the annual luncheon business meeting and fraud seminar; and, (4) Treasurer Roger Gulliver to reimburse Chapter Board members for these expenses.

(h) Chapter Bi-Monthly Fraud Seminar. The final two-hour Chapter bi-monthly fraud seminar of the year will be held on Wednesday, August 8, 2012, at our downtown Seattle training facility. The speakers for this event will be new Chapter President Robert Goehring, Audit Manager (Internal Auditor), Finance Department, City of Kent, WA; and, Chapter Member Gary Nystul, City Auditor, City of Bremerton, WA. The topic of this fraud seminar will be: "Life as an Internal Auditor".

(i) Joint Chapter/WSCPA Interviewing Fraud Seminar. This year there will be a joint Chapter/WSCPA fraud seminar on the topic of "The Reid Technique of Interviewing and Interrogation". The speaker will be Joe

Buckley, President of Reid and Associates in Chicago, IL. The WSCPA previously made arrangements with the speaker to present this seminar on Monday, August 13, 2012, at the WSCPA's headquarters training facility in Bellevue. This seminar is in addition to our normal August 2012 Chapter fraud seminar at the downtown Seattle training facility. The WSCPA will handle registrations and all administrative duties in support of this Class. The registration fee for this fraud seminar will be about the same as for our Annual Fraud Conference. The same profit sharing procedures we use for the Annual Fraud Conference will also be used, whereby the Chapter receives \$10 from each registration for our overhead costs associated with the class, and then participates in a net revenue profit-sharing agreement with the WSCPA. The WSCPA and speaker will handle all of the administrative duties associated with this Class and there will be no Co-Chairs provided by the Chapter at this class this year. Board members who desire to attend this fraud seminar will have to do so at their own expense.

(j) Joint Chapter/ACFE Training Class. The annual joint Chapter/ACFE Fraud Training Class will be held on October 1-2, 2012, at the SeaTac DoubleTree Hotel. The topic suggested by the Board and then selected by the ACFE will be: "Contract and Procurement Fraud"; however, the ACFE speaker has not yet been announced. The ACFE will handle all registrations for this Class and reserve the training dates with the hotel. The estimated registration fee for this class is \$595 for Members and \$695 for Non-Members. Board Members will assist with Class registration duties on-site at the hotel. 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. The Board 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. As in prior years, the free Class registrations will be equitably distributed among those Board members who plan to attend the event. At its February 8, 2012, meeting, the Board of Officers unanimously voted to authorize free class registrations this year for new President, Robert Goehring; Vice-President Bernadette McBride; and, Treasurer Roger Gulliver. This is a personal benefit to these individuals for their service on the Chapter Board of Officers during the year. If any of these Board Members are 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. New President Emeritus Joe Dervaes will also attend this Class at no cost because of his prior service on the ACFE's Board of Regents.

The ACFE will provide breakfast pastries and mid-morning and mid-afternoon refreshments on both days of this Class. The ACFE 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 Class. At its February 8, 2012, meeting, 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).

(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. The Chapter has confirmed the speakers and topics for the Conference. Topics will be: (1) computer forensics; (2) identity theft – personal and business; (3) corporate fraud; (4) mortgage fraud; and (5) a DFI fraud case study. The estimated registration fee for this Conference is \$220 for Members and \$295 for Non-Members, the same as in prior years. 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. New President Robert Goehring and Training Director Norm Gierlasinski will be the Conference Co-Chairs and will attend the event at no cost. At its February 8, 2012, meeting, the Board of Officers unanimously voted to authorize Treasurer Roger Gulliver to pay for the registration fees of any other Board Members who wish to attend the Conference (maximum of four) as we have done in the past. This is a personal benefit to these individuals for their service on the Chapter Board of Officers during the year.

(l) Annual Chapter Training Calendar. The Board has identified speakers and topics for all of the rest of our fraud training events in calendar year 2012 as well as for the first two Chapter bi-monthly fraud seminars (February and April) in 2013. The February 2013 meeting will be a presentation on the "Foreign Corrupt Practices Act" by Chapter Member John Tollefsen. And, the April 2013 meeting will be a presentation on "Interpreting the ACFE Code of Ethics (Part Two)" by Dr. Brian Stevenson. This presentation will meet our member's requirements for ACFE ethics training in 2013. There was a discussion held regarding completion of the agenda for the speakers and topics for the rest of calendar year 2013, with all members of the Board agreeing to continue research on future topics and speakers for our training calendar.

(m) Chapter Financial Report. Treasurer Roger Gulliver reported that the Chapter is financially healthy and able to support all of our planned activities for calendar year 2012. The Board unanimously voted to thank Roger for his work in maintaining the Chapter's financial records and preparing the annual financial statements.

(n) Chapter 2012 Distinguished Achievement Award. At its February 8, 2012, meeting, the Board approved the selection of Chapter Member Gayle Seyl as the recipient of the Chapter's 2012 Distinguished Achievement Award. She has already prepared the draft nomination document for this award and the Chapter will submit it to the ACFE for

approval about mid-November 2012. The award will be scheduled for presentation at the Chapter's bi-monthly fraud seminar meeting in February 2013. Pictures will be taken and published in a future Chapter newsletter. The Chapter Membership will be asked to vote on the approval of this award to Gayle Seyl at the Annual Luncheon Business Meeting and Fraud Seminar to be held on June 13, 2012.

(o) Chapter Position of President Emeritus. At its February 8, 2012, meeting, the Board created a new Board position of President Emeritus and approved the selection of current President Joe Dervaes for this new position effective July 1, 2012. This position recognizes his long-time service as Chapter President over the years. The Chapter Membership will be asked to vote on the approval of this new position and the selection of Joe Dervaes as President Emeritus effective July 1, 2012, at the Annual Luncheon Business Meeting and Fraud Seminar to be held on June 13, 2012.

(p) ACFE's Chapter Awards Program. The Chapter has nominated the Pacific Northwest Chapter/ACFE for the following awards for 2012: (1) Chapter of the Year Award; and, (2) Newsletter of the Year Award. The Chapter has also nominated Chapter Member Dr. Robert Holtfreter for the following awards for 2012: (1) Educator of the Year Award; and, (2) Achievement in Outreach/Community Service Award. Jeff Kubiszyn, Chapter Development Manager, has notified the Chapter that we won the Chapter Newsletter of the Year award for 2012. President Joe Dervaes will accept the award on behalf of the Chapter at the Annual Fraud Conference and Exhibition in a Conference General Session at 8:30 a.m. on Tuesday, June 19, 2012. These award nominations and the award to be received were reported in the most recent Chapter newsletter and will be announced to the Membership at the Chapter's Annual Luncheon Business Meeting on June 13, 2012.

(q) Chapter Elections. At its February 8, 2012, meeting, the Board established its draft slate of officers for the Board terms of July 1, 2012 – June 30, 2014. President Joe Dervaes appointed a Nominating Committee (i.e.; Jake Jacobson, Cliff Whipple, and Kent Hansen) to prepare the slate of officers for approval by the Board. The Board subsequently unanimously approved the slate of officers by e-mail. Ballots were distributed to the Membership prior to the Annual Luncheon Business Meeting and Fraud Seminar. The Membership will vote on the Board of Officers at the Chapter's Annual Luncheon Business Meeting and Fraud Seminar on June 13, 2012. At that time, President Joe Dervaes will appoint an Elections Committee to count the ballots from the election. And, there will be a brief ceremony to transfer the Chapter's business gavel from out-going President Joe Dervaes to incoming President Robert Goehring.

r. Other. Director-At-Large Julie Armbrust announced that the City of Bellevue Police Department is seeking a volunteer to be the Bellevue Police Foundation Treasurer, a private non-profit charitable corporation.

She will make a formal announcement about this opportunity at the Chapter's Annual Luncheon Business Meeting and Fraud Seminar on June 13, 2012. In addition, an article about this position will be published in a future Chapter newsletter.

Adjournment. . The semi-annual Board of Officers meeting was adjourned at 11:25 a.m. by President Joe Dervaes, and the Members then immediately attended the Chapter's Annual Luncheon Business Meeting and Fraud Seminar at the Bahama Breeze Restaurant in Tukwila.

**Pacific Northwest Chapter/ACFE – June 13, 2012
Annual Business Meeting Minutes**

Call to Order. President Joe Dervaes called the annual Chapter business meeting to order on June 13, 2012, at 12:30 p.m. at the Bahama Breeze Restaurant in the SouthCenter Mall parking lot in Tukwila. Those in attendance represented a quorum of the membership.

Approval of Prior Meeting Minutes. The Membership unanimously voted to approve a summary of the minutes for the Chapter's Annual Luncheon Business meeting held on June 8, 2011.

Old Business. There were no outstanding business items from prior Chapter Membership meetings.

New Business.

(a) Chapter 2012 Distinguished Achievement Award. At its February 8, 2012, meeting, the Board approved the selection of Chapter Member Gayle Seyl as the recipient of the Chapter's 2012 Distinguished Achievement Award. She has already prepared the draft nomination document for this award and the Chapter will submit it to the ACFE for approval about mid-November 2012. The award will be scheduled for presentation at our bi-monthly fraud seminar meeting in February 2013. Pictures will be taken and published in a future Chapter newsletter. The Chapter Membership unanimously voted to approve this award to be presented to Gayle Seyl for her service to the Chapter.

(b) Chapter Position of President Emeritus. At its February 8, 2012, meeting, the Board created a new Board position of President Emeritus and approved the selection of President Joe Dervaes for the new position effective July 1, 2012. This position recognizes his long-time service as Chapter President over the years. The Chapter Membership unanimously voted to approve this new position and the selection of Joe Dervaes as President Emeritus effective July 1, 2012.

(c) ACFE's Chapter Awards Program. The Chapter has nominated the Pacific Northwest Chapter/ACFE for the following awards for 2012: (1)

Chapter of the Year Award; and, (2) Newsletter of the Year Award. The Chapter has also nominated Chapter Member Dr. Robert Holtfreter for the following awards for 2012: (1) Educator of the Year Award; and, (2) Achievement in Outreach/Community Service Award. Jeff Kubiszyn, Chapter Development Manager, has notified the Chapter that it won the Chapter Newsletter of the Year award for 2012. President Joe Dervaes will accept the award on behalf of the Chapter at the Annual Fraud Conference and Exhibition in a Conference General Session at 8:30 a.m. on Tuesday, June 19, 2012.

(d) Award of Chapter Door Prizes. At its February 8, 2012, meeting, the Board authorized President Joe Dervaes to purchase five \$25 gift certificates from a local book store to use as door prizes for attending the 2012 Annual Luncheon Business Meeting. Based upon a drawing, the gift certificates were awarded to the following members present at the meeting: Cliff Whipple, Linda Saunders; Debbie Yacici; Irene Larkin; and Robert Goehring.

(e) Chapter Elections. At its February 8, 2012, meeting, the Board established its draft slate of officers for the Board terms of July 1, 2012 – June 30, 2014. President Joe Dervaes appointed a Nominating Committee (i.e.; Jake Jacobson, Cliff Whipple, and Kent Hansen) to prepare the slate of officers for approval by the Board. The Board subsequently unanimously approved the slate of officers by e-mail. Ballots were distributed to the Membership prior to the Annual Luncheon Business Meeting. President Joe Dervaes appointed an Elections Committee to count the ballots for the election at the June 13, 2012, meeting. Chapter Members selected for this duty were: Peter Tobin (Chair), Debbie Mitchell, and Victoria Brazil.

The Chair of the Elections Committee, Peter Tobin, reported that the membership unanimously approved the slate of officers and positions for the 2012-2014 Board of Officers.

(f) Chapter Leadership Ceremonies. There will be a brief ceremony to transfer the Chapter's business gavel from out-going President Joe Dervaes to in-coming President Robert Goehring. President Robert Goehring presented a special plaque to Joe Dervaes for founding the Chapter, for his long time service to the Board, and for his selection as President Emeritus effective July 1, 2012. Director-At-Large Julie Armbrust obtained a beautiful cake ("Hail to the Chief, President Joe Dervaes on Your Retirement") for this special occasion and announced that there would be cake served to the Membership following the event. Joe Dervaes cut the first few pieces of the cake which the restaurant staff then served to those present. In a short speech, Vice-President Bernadette McBride thanked out-going President Joe Dervaes for founding the Chapter and for his long time service on the Chapter Board of Officers. Then, the Board of Officers presented Joe Dervaes with an engraved pen set ("Hail to the Chief") and a cash gift from the individual Board Members on behalf of the Chapter Membership.

(g) Volunteer Opportunity. Director-At-Large Julie Armbrust announced that the City of Bellevue Police Department is seeking a volunteer to be the Bellevue Police Foundation Treasurer, a private non-profit charitable corporation. An article about this position will be published in a future Chapter newsletter.

Adjournment. The annual luncheon business meeting of the Chapter Membership was adjourned at 1:00 p.m. by President Joe Dervaes, and the Members then attended the Chapter's fraud seminar at the Bahama Breeze Restaurant in the SouthCenter Mall parking lot in Tukwila. Chapter President Joe Dervaes was the speaker on the topic of "The ACFE Ethics Program for CFE Professionals".