

Pacific Northwest Chapter/ACFE – June 8, 2011
Semi-Annual Board of Officers Meeting Minutes

1. **Call to Order.** President Joe Dervaes called the semi-annual meeting of the Chapter Board of Officers for June 8, 2011, to order at 10:00 a.m. at the Denny's Restaurant in Tukwila near our training site for the day. Present were Board of Officer Members: Joe Dervaes; Roger Gulliver; Bernadette McBride, Robert Goehring, and Julie Bollerud. Training Director Norm Gierlasinski was also present at the meeting.

2. **Prior Minutes.** The **Board unanimously approved its Board of Officer meeting minutes** from the semi-annual meeting held in Seattle on February 9, 2011.

3. **Old Business.** There were four items included in our last two Board of Officer meetings on June 9, 2010, and February 9, 2011, where no formal action has been taken. These three items were again discussed by the Board. They were:

(a) **Member Spotlight.** After previously **unanimously approving this new Chapter newsletter item**, the Board has begun to publicize a brief biography and picture of one Chapter Member in each bi-monthly newsletter beginning with the May/June 2011 newsletter. Thanks to Julie Armbrust for making this new section of the newsletter become a reality. **Action Complete.**

(b) **Member Survey.** The **Board unanimously decided not to send out a survey** to the membership at this time. Our Chapter fraud training schedule and locations appear to be meeting the needs of the membership. **Action Complete.**

(c) **Community Outreach Program.** The Board desires to begin a community outreach program. There was a discussion about whether or not our Chapter could do something similar to the Spokane Chapter/ACFE (i.e.; document shredding in conjunction with private and public entities) in our geographic area of responsibility (Seattle area). During our initial discussions, the Attorney General's Office Medicaid Fraud Control Unit (Tim Scott) and the King County Prosecutor's Office elder Abuse Project (Page Ulrey) asked our Chapter to participate on a team of professionals to provide advice and possibly some investigative assistance on the elder abuse cases in King County. This is a new outreach program they are developing. The Board agreed to participate on this new elder abuse project and expects to attend the initial meeting with the prosecutor soon. At that time, we will be able to find out more about their vision for our participation on this project. It would be a wonderful way for us to develop our Community Outreach Program. About ten Chapter Members have agreed to participate on this project in one way or another when asked. President Joe Dervaes will attend the first prosecutor meeting to gather additional information. The **Board unanimously approved the Chapter's participation in this new community outreach program** with the King County Prosecutor's Office. **Action Complete.**

(d) **Chapter Incentive Program and Student Scholarship Program.** 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 not to exceed \$500 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. The **Board unanimously approved option number one above.** The **Board unanimously approved an additional change in direction to replace one of the Chapter's annual student scholarship awards and divert \$500 towards Chapter members who pass the CFE Examination each year.** The Board decided to do this as a result of the lack of quality student scholarship applications received in recent years. Before we proceed further with either of these program changes, the Board will need to establish policies and procedures to be used for these activities. If there is more than one individual who meets the criteria for this award, the Chapter Board of Officers will conduct a random drawing to determine the winner. **Actions Complete.**

4. **New Business.**

(a) **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 two inquiries about scholarships this year, and their applications were mailed to the ACFE on January 14, 2011. 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), our Chapter's Primary Representative for the ACFE Foundation Scholarship program; and, Akilah S. Rahmaan, California State University (Fullerton, CA), our Chapter's Alternate Representative for the ACFE Foundation scholarship program. There were sufficient funds in the Chapter treasury for the Chapter scholarship program of two scholarships of \$500 each. These students were introduced to the membership in the March/April and May/June 2011 Chapter newsletters. Chapter President Joe Dervaes sent scholarship award letters to the students and their Universities to notify them of the results. **The Board Confirmed its Prior Authorization** for Treasurer Roger Gulliver to pay for the awards for two student scholarships of \$500 each in the Chapter's 2011 student scholarship program with the funds being paid directly to the Universities on behalf of the students (Kim Ngan Tran and Akilah S. Rahmaan). **Action Complete**

(b) **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 at its February 9, 2011, meeting to approve an attendance fee of \$10 for Chapter Members and \$15 for

Chapter Non-Members as we have done in prior years. The **Board voted unanimously** for the Chapter to pay the remaining costs associated with the luncheon meal held in conjunction with this meeting. This information was appropriately announced in Chapter newsletters prior to this event.

At its February 9, 2011, meeting, the **Board 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 also **unanimously voted to authorize Treasurer Roger Gulliver to reimburse him for these expenses.** The **Board also unanimously voted to authorize Treasurer Roger Gulliver to pay for the remaining restaurant luncheon costs for the annual luncheon business meeting.** **Actions Complete.**

(c) **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 Chapter previously made arrangements with the speaker to present this seminar on Friday, August 12, 2011, at the WSCPA’s headquarters training center 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 by the WSCPA. 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. 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. **Action Complete.**

(d) **Joint Chapter/ACFE Training Class.** The annual joint Chapter/ACFE fraud training class will be held on October 17-18, 2011, at the SeaTac DoubleTree Hotel. The topic selected by the ACFE will be: “Auditing for Internal Fraud”; however, the 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 \$695 for Members and \$845 for Non-Members, and there is a \$95 discount for early registration. 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. 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. At its February 9, 2011, meeting, the **Board unanimously voted to authorize free class registrations this year for President Joe Dervaes, Treasurer Roger Gulliver, and Director-at-Large Robert Goehring.** 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. It was later determined that President Joe Dervaes will be able to attend this class for free as a result of his prior ACFE service on the Board of Regents. **The Board unanimously voted to add Director-at-Large Julie Armbrust to those assisting with registration for the class and to delete President Joe Dervaes.**

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. At its February 9, 2011, meeting, the **Board 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). **Actions Complete.**

(e) **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 \$225 for Members and \$300 for Non-Members, approximately 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. President Joe Dervaes and Training Director Norm Gierlasinski will be the Conference Co-Chairs and will attend the event at no cost. At its February 9, 2011, 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. **Action Complete.**

(f) **Annual Chapter Training Calendar.** The Board of Officers has identified speakers and topics for all of the rest of our fraud training events in calendar year 2011. President Joe Dervaes will also contact a Gonzaga University (Spokane) professor to present a fraud seminar for us on the topic of "Ethics" for the February 8, 2012, fraud seminar in our downtown Seattle training location. All members of the Board agreed to continue research on future 2012 training topics and speakers for our training calendar. **Information Only.**

(g) **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 2011. As of the date of this meeting, the Chapter has \$30,487.72 in the bank to support our fraud training mission. **Information Only.**

(h) **ACFE Volunteer Program.** Chapter Director-at-Large Julie Armbrust was selected to be a volunteer Member of the ACFE's Chapter Awards Program Committee for calendar year 2011, a one-year term. This service will be reported in a future Chapter newsletter article. She also volunteered to be a Member of the ACFE Foundation's Scholarship Committee, a three-year term, but was not selected in the competition for these positions this year by the ACFE Foundation Board of Directors. **Information Only.**

(i) **ACFE Foundation's Chapter Challenge Program.** The ACFE Foundation will continue its Chapter Challenge Program each year. This program presents an opportunity for Chapters to voluntarily participate in the Ritchie-Jennings Memorial Scholarship Program. The Foundation Board of Officers asks each participating Chapter to donate \$5 for every new member enrolled during the period May 1, 2011, through January 13, 2012. Chapters will be competing against each other based on the size of your membership (i.e.; 10 – 40 members; 41 – 80 members; 81 – 120 members; or, 121 or more members. Jeff Kubiszyn, Chapter Development Manager, will keep track of participating Chapters and will post the final results in a future chapter newsletter.

Our Chapter already sends a \$200 financial contribution to the student scholarship program each year. The **Board voted unanimously to participate in this future Chapter Challenge Program by simply increasing our annual contribution to \$300.** This will eliminate the need to keep records on new members for this purpose. Chapter Treasurer Roger Gulliver will be responsible for sending these funds to the ACFE Foundation next year at the appropriate time. **Action Complete.**

j. **Speaker Gift Inventory.** The Chapter inventory of speaker gifts needs to be replenished. The **Board unanimously voted to authorize Training Director Norm Gierlasinski and Treasurer Roger Gulliver to purchase \$200 in additional gift items from the ACFE bookstore using the Chapter's debit card.** **Action Complete.**

5. **Adjournment.** The semi-annual Board of Officers meeting was adjourned at 11:15 a.m. by President Joe Dervaes, and the Members then immediately attended the bi-monthly fraud training seminar at the Bahama Breeze Restaurant in the SouthCenter Mall parking lot in Tukwila.

Pacific Northwest Chapter/ACFE – June 8, 2011
Annual Business Meeting Minutes

1. **Call to Order.** President Joe Dervaes called the annual Chapter business meeting to order on June 8, 2011, at 12:45 p.m. at the Bahama Breeze Restaurant in the SouthCenter Mall parking lot in Tukwila. Those in attendance represented a quorum of the membership.

2. **Minutes.** President Joe Dervaes read a summarized version of the June 9, 2010, Chapter business meeting minutes to the members present at the meeting. The **Members voted unanimously to approve the minutes of the meeting. Action Complete.**

3. **Old Business.**

(a) There was no outstanding business from the prior annual Chapter business meeting.

4. **New Business.**

(a) **Chapter 2011 Distinguished Achievement Award.** The **Board unanimously voted to award the 2011 ACFE Distinguished Achievement Award to Chapter Member John J. Tollefsen**, founder of Tollefsen law PLLC in Lynnwood at it's February 9, 2011, meeting. 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. John Tollefsen and Joe Dervaes have prepared the award nomination package and will submit it to the ACFE for approval about mid-November 2011. The award will be presented at our fraud seminar meeting at our downtown Seattle training locations on February 8, 2012. **The Members voted unanimously to approve the minutes of the meeting. Action Complete.**

(b) **University and Community Outreach Programs.** President Joe Dervaes made a report to the membership on the Chapter's two major community outreach projects this year.

(1) The University Outreach Committee has been contacting university staff members and student accounting and criminal justice clubs since Fall 2010. They have been visiting job fairs and attending student groups to discuss membership in the ACFE and our Chapter, as well as the student scholarship programs of each organization.
Information Only.

(2) The Community Outreach Committee has been in contact with the Attorney General's Office and the King County Prosecutor's Office about this future program. Our Chapter has been asked to participate with them in providing advise and possibly

some assistance with the investigation their elder abuse cases in King County. The following individuals have agreed to participate in this project in one way or another. They are: President Joe Dervaes, Director-At-Large Julie Armbrust, Chris Brown, Linda Saunders, John Tollefsen, Carol Bacon, Lori Gileno, Gayle Seyl, Steve Geertz, Pete miller, and Jennifer Rauch. All of these individuals will not always be available to assist on this project. But, we will be there to help on an as needed basis, depending upon the situations encountered by the King County Prosecutor's Office Elder Abuse Project. **The Members voted unanimously to participate in this Community Outreach Committee with the King County Prosecutor's Office. Action Complete.**

(c) **Chapter Status.** President Joe Dervaes made a report to the membership about the status of the Chapter. There are about 145 members in good standing at the present time. Approximately 35 members attend our bi-monthly fraud seminars, and about 20 percent of our members are serving in Chapter leadership roles on the Board of Officers and on our various Committees. **Information Only.**

(d) **Door Prizes.** A drawing was held to select the winners of the five door prizes previously authorized by the Board of Officers. Each prize was a \$25 gift certificate to a local book store. The winners were as follows: Susan Davis, Steve Miller, Bernadette McBride, Norm Gierlasinski, and Chris Brown. **Information Only.**

(e) **Chapter Incentive Program and Student Scholarship Program.** The Board discussed the possibility of two new Chapter incentive programs. The Chapter could pay for the cost of the ACFE's CFE Examination Preparatory Course not to exceed \$500 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. **The Board unanimously approved option number one above. The Board unanimously approved an additional change in direction to replace one of the Chapter's annual student scholarship awards and divert \$500 towards Chapter members who pass the CFE Examination each year.** The Board decided to do this as a result of the lack of quality student scholarship applications received in recent years. Before we proceed further with either of these program changes, the Board will need to establish polices and procedures to be used for these activities. If there is more than one individual who meets the criteria for this award, the Chapter Board of Officers will conduct a random drawing to determine the winner. **The Members voted unanimously to approve the new Chapter Incentive Program for a \$500 award to one new CFE who passed the CFE Examination in the past year (as described above), and to approve changing the Student Scholarship Program to award only one \$500 scholarship in future years. Action Complete.**

(f) **Other Items of Business.**

(1) **Newsletter Distribution Problem.** Director-at-Large Julie Armbrust made an announcement to the members present at the meeting that the Chapter is experiencing

a problem distributing the bi-monthly newsletter from the web-site. In the November/December 2010 newsletter, we announced how our members were to update their e-mail address on the web-site in order to receive future distribution of the newsletter. Many Chapter members were successful in doing this. But, approximately 100 members were not successful in doing this. As a result, they are in the “open” category, but not yet entered into the “added” category. Thus, these 100 individuals will need to visit the web-site and re-enter their e-mail address information in order to receive future copies of the newsletter. The Board believes the reduced attendance at the annual luncheon business meeting is because many of our members did not receive the latest newsletter announcing the meeting. The Board will send a notice to the membership alerting them to this problem. Each member must correct their own account. The Chapter is not able to do this for them. **Information Only.**

(2) **Member Spotlight.** Director-at-Large Julie Armbrust made an announcement to the members present at the meeting about the new Member Spotlight column in our bi-monthly Chapter newsletter. The May/June 2011 newsletter highlighted Member Jennifer Rauch in this new column. Jennifer was introduced at this meeting as well. Julie is seeking additional members to participate in this program and encouraged participation so that we can better know one another as we professionally network during our fraud training meetings. **Information Only.**

5. **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”.