

PACIFIC NORTHWEST CHAPTER/ACFE – June 10, 2015

Semi-Annual Board of Officers Meeting Minutes

Call to Order:

President Robert Goehring called the semi-annual meeting of the Board of Officers for June 10, 2015, to order at 10:00 a.m. at the McDonald's Restaurant in Tukwila (near SouthCenter Mall). Present were Board of Officer Members: Robert Goehring, Pete Miller, James Peet, Training Director John Tollefsen, Treasurer Roger Gulliver, and President Emeritus Joe Dervaes. Julie Armbrust was unable to attend, but participated through e-mail votes previous to this meeting. Those in attendance represented a quorum of officers. **Information Only.**

Old Business:

There was no outstanding business from the prior Board meeting (February 11, 2015).

Approval of Prior Meeting Minutes:

The Board of Officers unanimously voted to **approve** the meeting minutes for the semi-annual Board of Officers meeting held on February 11, 2015.

Consent Agenda:

The Consent Agenda is comprised of normal reoccurring Board actions. There were no items for the Consent Agenda.

Agenda:

1. 2015 Pacific Northwest Chapter/ACFE Annual Fraud Conference. The Conference was held at the La Quinta Inn & Suites in Tacoma, WA on May 8, 2015. Related Chapter Board actions and other information:
 - a. Waiver of Registration Fees. At its June 11, 2014 meeting, the Board of Officers voted unanimously to **waive** registration fees for the Chapter President and for the Conference Coordinator (Board Member-At-Large Pete Miller). The Board of Officers confirmed its unanimous previous vote by e-mail to **waive** the registration fees for Board Member at Large James Peet, Treasurer Roger Gulliver and Training Director John Tollefsen. President Emeritus Joe Dervaes and Vice President Julie Armbrust were unable to attend the conference.
 - b. Conference Report. President Robert Goehring reported that there were 61 attendees at the conference, including 37 Chapter

members. The overall conference rating was 8.8 (on a 10-point scale). Conference net revenues were \$3,056 as follows:

Registration Fees	\$6,793
Expenses:	
Hotel (Facility/Food)	\$3,075
Speaker Travel	481
Merchant Fees (PayPal/Square)	<u>181</u>
Total Expenses	\$3,737

The Board discussed various administrative matters for consideration for the 2016 Conference. **Discussion and Information Only**

2. 2016 Pacific Northwest Chapter/ACFE Annual Fraud Conference.
Related Chapter Board actions and other information:
 - a. Conference Coordinator. The Conference Coordinator facilitates the many contractual and logistical tasks associated with holding this conference. Other members of the Board of Officers would also perform certain tasks and/or provide support for certain tasks. Certain actions, such as the contract for the hotel, would need to be approved by the Board of Officers. The Board unanimously **acknowledged** Board Member-At-Large Pete Miller's outstanding service as the Conference Coordinator for the 2015 Conference, and unanimously voted to **appoint** him as Conference Coordinator for the 2016 Conference (Pete Miller abstained).
 - b. Conference Co-Chairs. The President and the Conference Coordinator each serve as Conference Co-Chairs. By previous action, the Board appointing Pete Miller as the Conference Coordinator. The Board unanimously voted to **appoint** President Robert Goehring as the other Conference Co-Chair (Robert Goehring abstained)
 - c. Conference Date/CPE Credits. After some discussion, the Board of Officers unanimously voted to **establish** May 2, 2016 as the date for this conference and to **offer** 8 hours of CPE.
 - d. Conference Format. After some discussion, the Board of Officers unanimously voted unanimously to **establish** a format of four speakers and four topics for the Conference noting that topics may be split into two related presentations involving more than one speaker.
 - e. Identification of Topics and Speakers. The Board of Officers discussed its plans to fill these vacancies. President Robert

Goehring reported that he had already identified one speaker for this event. The Board of Officers agreed to include a two-hour ACFE ethics presentation as part of the conference. **Information and Discussion Only.**

- f. Conference Location/Facility. After some discussion, the Board of Officers voted unanimously to **authorize** Director-At Large Pete Miller to negotiate and execute a contract with La Quinta Inn & Suites (1425 East 27th Street, Tacoma, WA) to host the conference on May 2, 2016.
- g. Conference Advertising. The Board of Officers discussed the best way to market the Conference and facilitate registrations. Ideas discussed:
- Advertising on the Chapter website, in the Chapter newsletters and at Chapter Fraud Seminars
 - Requesting that the Northwest area chapters (Spokane, Portland and Vancouver B.C.) advertise this Conference
 - Direct e-mail notification to Chapter membership
 - Sponsorship for conference materials and other conference expenses. Acknowledgement of sponsors in Conference materials and during the conference

Information and Discussion Only.

- h. Registration Fee. The Board of Officers discussed the expected registration fee needed based largely on expected attendance and expected expenses to conduct the conference. These expenses will largely be comprised of facility costs and will also include reimbursement of speaker expenses. After some discussion, the Board of Officers voted unanimously to **establish** the registration fees for the 2016 conference as follows:

- Registration and payment received on or before April 11, 2016 - \$150
- Registration and payment received between April 12 and April 25, 2016 - \$175
- Registration received after April 25, 2016 - \$200

Chapter members will receive a \$50 discount from these rates.

The Board of Officers voted unanimously to **maintain** the 2015 conference financial policies as follows:

- Full refund for canceling by e-mail on or before April 11, 2016
- For cancelling by e-mail after April 11, 2016, the option of applying registration fee to the 2017 Annual Fraud

Conference or transferring the registration to another person

- No refunds or credit will be given for “no shows”
- i. Waiver of Registration Fees. After some discussion, the Board of Officers unanimously voted to **waive** the registration fees for the Board of Officers, the Training Director and the President Emeritus. These individuals will assist in the Conference activities, including but not limited to, planning, administrative, and same day registration duties.
3. Chapter 2015 Fraud Training Seminars. Speakers and topics have been determined as follows:
- August 12, 2015. Speaker/Topic: Linda Saunders, CFE, CPA/CFF. Topic: “What Is A Sociopath? A Forensic Accountant’s Case Study of One”.
 - December 2, 2015. Speaker/Topic: Training Director John Tollefsen, JD, CFE, CCS. Topic: “CPA Discipline/Ethics”.

The Board discussed potential speakers for the calendar year 2016 training events (February 10, August 10, and December 7) and will work to fill these speaking slots. Chapter President Robert Goehring will coordinate these efforts. **Information and Discussion Only.**

4. Joint Chapter/ACFE 2016 Fraud Training Class. The ACFE will be hosting a two-day training event in SeaTac likely sometime in October 2016. Related Chapter Board actions and other information:
- a. Notification to ACFE Regarding Potential Topics. Each year the ACFE requests that Chapters hosting an event provide the Top 3 courses for their geographic area. The Board of Officers confirmed its unanimous previous vote by e-mail to authorize **selection** of the following courses:
- New – Protecting Against Data Breaches and Cyber Fraud
 - Using Data Analytics to Detect Fraud
 - Uncovering Fraud with Financial and Ratio Analysis

President Robert Goehring reported that he notified the ACFE of these selections on April 19, 2015.

- b. Complimentary Registrations. The ACFE offers three complimentary registrations in exchange for marketing the class and performing same-day event administrative duties. One of these registrations is typically assigned to the President, and the other two registrations are assigned to the other Board Members on

a rotating basis. If not enough Board Members are available to attend, then the Board awards the registration(s) to a Chapter Member. After some discussion, the Board unanimously voted to **authorize** the three complementary registrations to President Robert Goehring, Board Member-at-Large Pete Miller, and Training Director John Tollefsen (separate votes – each benefitting Board Member abstained from the related vote).

- c. Luncheon. The Board of Officers unanimously voted to **authorize** Treasurer Roger Gulliver to pay the luncheon expenses for Chapter Members who attend the training class on the day when the ACFE does not provide this service, typically on day two of the class.
5. Chapter 2015-2016 Student Scholarship Program. The Chapter offers one annual \$1,000 scholarship. Applicants must first apply for the ACFE Foundation Scholarship program, and then submit their ACFE application package and required Chapter supplemental materials to President Robert Goehring (or another member of the Board of Officers) by February 5, 2015. Effective Spring 2014, the Board of Officers significantly expanded outreach efforts. These efforts enhanced an already robust outreach program. The Board of Officers confirmed its unanimous previous vote by e-mail to **award** the Chapter 2015-2016 Student Scholarship to Michael Jr. Obilikwu, and to **authorize** Treasurer Roger Gulliver to issue a check payable to Northwest University (Kirkland, WA) in the name of the Chapter winner.
6. Chapter 2015 Incentive Award Program Award. Effective 2012, 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 is selected by drawing during the subsequent year February Chapter Fraud Seminar in Seattle. President Robert Goehring reported that he had received one notification of intent to apply for this award. **Information Only**
7. University of Washington Fraud Victims Pilot Project - Letters of Appreciation. The UW Fraud Victims Pilot Project provides an opportunity for students attending a UW Forensic Accounting Class to use their skills to help fraud victims obtain some measure of justice. The objective of the project is for the UW students and one or more CFEs to conduct a pro-bono fraud examination and issue a fraud examination report that would lead to the potential prosecution of the wrong-doer(s) in the case. The inaugural Forensic Accounting Class (Winter 2014) has now been completed. There were 14 students who attended this class, and there were three CFEs who were Co-Instructors in the class and who also served as CFE Mentors for the students.

The Board of Officers confirmed its unanimous previous vote by e-mail to authorize issuance of a **Letter of Appreciation** to be presented at the June 10, 2015 Chapter Annual Business Luncheon Meeting to each of the following Chapter Members who served as CFE volunteers for this project:

- Joseph (Joe) Dervaes, CFE, ACFE Fellow, CIA
- Elizabeth (Liz) Larson, CFE
- Dr. John J. Tollefsen, CFE, CCS, JD

Pictures will be taken for publication in the Chapter July-August 2015 Bi-Monthly Newsletter.

8. Chapter Pro-Bono Auditor - Letter of Appreciation and Engraved Pen. Richard (Rick) Osborn has served as the Pro Bono Auditor of the Chapter's financial operations since 1994. He also served the Chapter in many other ways, including regular attendance at Chapter fraud training events. He completed a long and distinguished career as an auditor, finance officer, and internal auditor in the Washington State Auditor's Office, Highline Water District, and Sound Transit, respectively. Rick recently retired and moved out of the area.

The Board of Officers confirmed its unanimous previous vote by e-mail to authorize issuance of a **Letter of Appreciation** and engraved pen to Rick Osborn. President Robert Goehring reported that Rick will not be able to attend the June 10, 2015 Chapter Annual Business Luncheon Meeting, so he mailed the letter and pen on June 1, 2015. He further reported that he will make an announcement concerning this recognition at the business meeting.

An article will be included in the Chapter July-August 2015 Bi-Monthly Newsletter, including a call for a volunteer to serve as Pro-Bono Auditor.

9. Chapter Financial Statements. Chapter Treasurer Roger Gulliver previously provided the financial statements for the Fiscal Year Ended June 30, 2014, to President Robert Goehring, which was then forwarded to the entire Board. We are financially healthy and able to support all of our planned activities for fiscal year 2015. **Information Only.**
10. Miscellaneous Chapter Business. There were no miscellaneous Chapter business items. **Information Only.**
11. Other. There were no other topics raised for discussion and potential action:

- a. Chapter Bank Account. After some discussion, the Board unanimously voted to **authorize** Treasurer Roger Gulliver to work with the Chapter's bank to establish read-only access to the Chapter's bank account(s) to the Board of Officers, the Training Director, and the President Emeritus.
- b. Chapter Audits. The Board discussed the Chapter's current policies regarding audit by the Pro-Bono Auditor, as well as the need to appoint a Pro Bono Auditor. President Robert Goehring will work with Board Member-at-Large Pete Miller and Treasurer Roger Gulliver to develop recommendations for future consideration and action by the Board. **Information Only.**

Adjournment:

The semi-annual Board of Officers meeting was adjourned at 11:35 a.m. by President Robert Goehring, and the Members then attended the Chapter Annual Business Luncheon Meeting and Fraud Seminar at noon at the Bahama Breeze Restaurant in Tukwila.

Attachments:

Annual Chapter Luncheon Business Meeting Minutes from June 10, 2015.

PACIFIC NORTHWEST CHAPTER/ACFE – June 10, 2015

Annual Chapter Luncheon Business Minutes

Call to Order:

President Robert Goehring called the Chapter Annual Luncheon Business Meeting for June 10, 2015, to order at 12:45 p.m. at the Bahama Breeze Restaurant at SouthCenter Mall in Tukwila, WA. Those in attendance represented a quorum for the meeting.

Old Business:

There was no outstanding business from the prior Annual Membership meeting (June 11, 2014).

Approval of Prior Meeting Minutes:

The Membership unanimously voted to **approve** a summary of the minutes of the Chapter's Annual Luncheon business meeting held on June 11, 2014.

Agenda:

1. Chapter 2014 Distinguished Achievement Award. This award is granted 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. At its February 11, 2015, meeting, after some discussion the Board voted unanimously to **approve** the selection of Ken Wilson, CFE, Owner-Investigator, Wilson Investigative Services, as the recipient of the 2014 Distinguished Achievement Award subject to final approval by the Membership at the June 10, 2015, Annual Business Luncheon.

The Chapter Membership unanimously voted to **approve** this award.

2. University of Washington Fraud Victim Pilot Project - Letters of Appreciation. The UW Fraud Victims Pilot Project provides an opportunity for students attending a UW Forensic Accounting Class to use their skills to help fraud victims obtain some measure of justice. The objective of the project is for the UW students and one or more CFEs to conduct a pro-bono fraud examination and issue a fraud examination report that would lead to the potential prosecution of the wrong-doer(s) in the case. The inaugural Forensic Account Class (Winter 2014) has now been completed. There were 14 students who attended this class, and there were three CFEs who were Co-Instructors in the class and who also served as CFE Mentors for the students.

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be presented at the June 10, 2015 Chapter Annual Business Luncheon Meeting to each of the following Chapter Members who served as CFE volunteers for this project:

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The Board of Officers authorized issuance of a Letter of Appreciation and engraved pen to Rick Osborn. President Robert Goehring reported that Rick was able to attend the June 10, 2015, Chapter Annual Business Luncheon Meeting, so he mailed the letter and pen on June 1, 2015. He further announced this recognition at the business meeting.

4. Volunteer Opportunity – Chapter Pro-Bono Auditor. Chapter President Robert Goehring provided a brief overview of the eligibility requirements and encouraged anyone that was interested in serving as Chapter Pro-Bono Auditor to contact him. Robert reported that these audits are performed on an annual basis, and that the auditor works directly with the Chapter Treasurer. The individual must be a CFE and CPA, be a supporter for the Chapter's fraud training mission by regularly attending our fraud training events, be an ACFE and Chapter Member in good standing, and be approved by the Chapter Board of Officers before assuming this important duty.
5. Award of Chapter Door Prizes. At its February 11, 2015 meeting, the Board unanimously voted to **authorize** President Robert Goehring to purchase five Amazon gift certificates for \$25 each as door prizes for the annual business meeting on June 10, 2015. Chapter Board members, the Treasurer, the Training Director and the President Emeritus are not eligible to receive these door prizes. Based upon a drawing, the gift certificates were awarded to the following members present at the meeting: Sharon Hunter, Kate Dixon, Matthew Simpson, Peter Tobin, and Ken Wilson.

6. Chapter 2015 Incentive Award Program. Chapter President Robert Goehring provided a brief overview of the eligibility requirements and noted that as reported in the March/April 2015 Chapter Newsletter Kathryn Dixon was the winner for the 2014 calendar year. Robert reported that only one application had been received to date for the 2015 award and encouraged anyone that was interested (or knew someone that may be interested) to contact him.
7. Chapter 2015-2016 Student Scholarship Award. Chapter President Robert Goehring provided a brief overview of the eligibility requirements and reported that at its February 11, 2015, meeting the Board of Officers awarded this \$1,000 award to Michael Jr. Obilikwu, a student attending Northwest University (Kirkland, WA). Robert introduced Michael to the Membership during this meeting.
8. Chapter Annual Fraud Conference and Chapter Fraud Seminar Event Speakers. Chapter President Robert Goehring provided a brief overview of the training events provided by the Chapter each year noting that they are comprised of the Fraud Seminars (February, June, August and December) and the Annual Fraud Conference (May). Robert advised that the Board was always looking for speakers for these events and anyone interested in serving in this role was encouraged to contact Robert for more information. Robert stated the goal was to have upcoming events staffed at least a year in advance as well as to have a listing of speakers available in the event someone needs to cancel.

Adjournment:

The Annual Business Luncheon Meeting was adjourned at 1:00 p.m. by President Robert Goehring, and the Membership then attended the fraud seminar presentation by James S. Peet, Ph.D., CFE, geography instructor at Highline Community College and the Principal Manager of Peet & Associates, LLC, on the topics of: "A Legislative Update on an Exemption for CPAs to Washington State's Private Investigator Law", and "Maintaining the Chain of Custody".