

Pacific Northwest Chapter/ACFE – June 13, 2012
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 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.

2. **Minutes.** The Board of Officers **unanimously approved** the meeting minutes for the semi-annual meeting held on February 8, 2012.

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

4. **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 Steverson. 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 in-coming 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.

5. **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 Chapter Luncheon Business Meeting Minutes

1. **Call to Order.** President Joe Dervaes called the Annual Luncheon Business Meeting for June 13, 2012, to order at 12:30 p.m. at the Bahama Breeze Restaurant at SouthCenter Mall in Tukwila, WA. Those in attendance represented a quorum for the meeting.
2. **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.
3. **Old Business.** There were no outstanding business items from prior Chapter Membership meetings.
4. **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.

5. **Adjournment**. The Annual Luncheon Business Meeting was adjourned at 2:00 p.m. by President Robert Goehring, and the Membership then attended the fraud seminar presentation by Dan Vizzare, Controller, Muckleshoot Casino, on the topic of "Insider Fraud in Washington Casinos".